

Ronin Resources Ltd

ABN 30 625 330 878

Half year Financial Report - 31 December 2023

Directors

Joseph van den Elsen – Executive Chairman
Matthew Keen – Non-executive Director
Wilson Escobar Castaneda - Non-executive Director (resigned 5 July 2023)
Marnus Bothma - Non-executive Director (appointed 5 July 2023)

Company secretary

Justin Mouchacca

Registered office

Level 21, 459 Collins Street
Melbourne VIC 3000
+61 3 8630 3321

Principal place of business

Level 21, 459 Collins Street
Melbourne VIC 3000

Auditor

William Buck
Level 20, 181 William Street
Melbourne, Victoria 3000

Stock exchange listing

Ronin Resources Ltd shares are listed on the Australian Securities Exchange (ASX code: RON)

Directors' report	3
Auditor's independence declaration	5
Statement of profit or loss and other comprehensive income	6
Statement of financial position	7
Statement of changes in equity	8
Statement of cash flows	9
Notes to the financial statements	10
Directors' declaration	14
Independent auditor's review report to the members of Ronin Resources Ltd	15

The directors present their report, together with the financial statements, on the company (referred to hereafter as the 'consolidated entity') consisting of Ronin Resources Ltd (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 2023.

Directors

The following persons were directors of Ronin Resources Ltd during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Joseph van den Elsen (Executive Chairman)
Matthew Keen (Non-executive Director)
Wilson Escobar Castaneda (Non-executive Director) - resigned 5 July 2023
Marnus Bothma (Non-executive Director) - appointed 5 July 2023

Dividends

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

Review of operations

Financial performance

The total comprehensive loss for the consolidated entity after providing for income tax amounted to \$1,025,445 (December 2022: \$311,187).

The increase in loss for the current half-year period was a result of the Company's accounting policy with respect to exploration and evaluation expenses which are currently expensed through the statement of profit or loss and other comprehensive income. During the financial year, the Company issued 3,200,000 fully paid ordinary shares for the acquisition of Ontario Battery Metals Pty Ltd which had a deemed value of \$480,000. This amount is included in the statement of profit or loss and other comprehensive income in the exploration and evaluation expenses.

Financial Position

The net assets of the consolidated entity as at 31 December 2023 was \$3,329,066 (June 2023: \$3,892,511). The main reason for the decrease in net assets related to the use of cash for exploration which is expensed through the profit and loss and not capitalised on the balance sheet.

Operational review

The consolidated entity's December 2021 Prospectus detailed a Use of Funds on the Vetás Project to be invested across community & social programs, reinterpretation of existing seismic data, surface mapping, diamond drilling, geochemistry, land taxes, concept mining studies and environmental license preparation.

During the 2023 Financial Year, the consolidated entity mobilised to site alongside its selected drilling contractor to finalise preparations for its maiden diamond drilling campaign designed to validate the presence, continuity and correlation of coal seams and allow the sampling of all seams at depth.

The 2022 Colombian Presidential election slowed this process, on account of the run-off election required (19 June 2022) and the election of Colombia's first leftist President. Consequently, Ronin postponed its maiden drilling campaign as well as further mapping and geochemistry programs.

Ronin retains a presence in the region and will initiate a maiden drill program, further mapping and a geochemistry program on the Vetás project when circumstances allow.

In the intervening period priority has been given to the preparation and submission of a mine plan (PTO) and the accompanying environmental license application (PMA), modelled on a near-term, low capex mining operation.

To this end, the Company expanded the engagement of Serviminas SAS, a Medellín based mining services provider with over 40 years' experience, beyond the maiden drilling program to also include the design, preparation and submission of a near-term, low capex mine plan (PTO).

Concurrently, the Company engaged Montería based Ecosuelos SAS, a specialist environmental consultant to the mining industry, to complete the accompanying environmental license application (PMA) to support the near-term, low capex mine plan.

Ronin also expanded the footprint of the Vetás project through lodgement of additional mining contract applications with the Colombian National Mining Agency (ANM).

Advancing long lead-time permits will ensure the Vetás Project is positioned for swift development, if and when circumstances warrant.

During the period, the Company acquired the Hornby Lake Lithium Project, a 123 km² package of contiguous lithium exploration claims located in Ontario, Canada. The Company further staked an additional 165 claims, expanding the total project area to 156km².

The Company commenced an extensive period of desktop review and target generation, and during the period CSA Global's specialised lithium team has mobilised to site and commenced field based reconnaissance and sampling.

Significant changes in the state of affairs

On 5 July 2023, the Company completed the acquisition of the Hornsby Lake Lithium Project, a 123 km² package of contiguous lithium exploration claims located in Ontario, Canada. To acquire the project the Company paid \$50,000 and issued 3,200,000 fully paid ordinary shares to the vendors.

On 5 July 2023 Wilson Escobar Castaneda resigned from the Board of Directors and experienced geologist Marnus Bothma was appointed as a Non-executive Director.

On 11 August 2023, the Company staked an additional 165 claims, expanding the total project area to 156km² following CSA's initial desktop review of the Hornby Lake Lithium Project.

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

No matter or circumstance has arisen since 31 December 2023 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.

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.

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



Joseph van den Elsen
Executive Chairman

14 March 2024
Melbourne

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

To the directors of Ronin Resources Ltd

As lead auditor for the review of Ronin Resources Ltd for the half-year 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 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 Ronin Resources Ltd and the entities it controlled during the period.



William Buck Audit (Vic) Pty Ltd

ABN 59 116 151 136



J. C. Luckins

Director

Melbourne, 14 March 2024

Ronin Resources Ltd
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2023



	Consolidated	
	31 December 2023	31 December 2022
	\$	\$
Revenue		
Interest Income	41,615	13,183
Expenses		
Exploration and evaluation expenses	(803,747)	(164,694)
Corporate expenses	<u>(274,767)</u>	<u>(170,031)</u>
Total comprehensive loss before income tax expense	(1,036,899)	(321,542)
Income tax expense	<u>-</u>	<u>-</u>
Total comprehensive loss after income tax expense for the half-year attributable to the owners of Ronin Resources Ltd	(1,036,899)	(321,542)
Other comprehensive income		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Foreign currency translation reserve	<u>11,454</u>	<u>10,355</u>
Other comprehensive income for the half-year, net of tax	<u>11,454</u>	<u>10,355</u>
Total comprehensive loss for the half-year attributable to the owners of Ronin Resources Ltd	<u><u>(1,025,445)</u></u>	<u><u>(311,187)</u></u>
	Cents	Cents
Basic earnings per share	(2.82)	(1.02)
Diluted earnings per share	(2.82)	(1.02)

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

Ronin Resources Ltd
Statement of financial position
As at 31 December 2023



	Consolidated	
	31 December	30 June 2023
Note	2023	
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	3,350,798	3,935,449
Trade and other receivables	11,682	10,014
Prepayments	7,156	28,622
Total current assets	<u>3,369,636</u>	<u>3,974,085</u>
Total assets	<u>3,369,636</u>	<u>3,974,085</u>
Liabilities		
Current liabilities		
Trade and other payables	40,570	81,574
Total current liabilities	<u>40,570</u>	<u>81,574</u>
Total liabilities	<u>40,570</u>	<u>81,574</u>
Net assets	<u>3,329,066</u>	<u>3,892,511</u>
Equity		
Issued capital	4 6,691,416	6,229,416
Reserves	117,021	105,567
Accumulated losses	<u>(3,479,371)</u>	<u>(2,442,472)</u>
Total equity	<u>3,329,066</u>	<u>3,892,511</u>

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

Ronin Resources Ltd
Statement of changes in equity
For the half-year ended 31 December 2023



Consolidated	Issued capital \$	Foreign currency translation reserve \$	Share based payment reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2022	5,929,416	(4,044)	82,924	(1,821,275)	4,187,021
Total comprehensive loss after income tax expense for the half-year	-	-	-	(321,542)	(321,542)
Other comprehensive income for the half-year, net of tax	-	10,355	-	-	10,355
Total comprehensive income for the half-year	-	10,355	-	(321,542)	(311,187)
Balance at 31 December 2022	<u>5,929,416</u>	<u>6,311</u>	<u>82,924</u>	<u>(2,142,817)</u>	<u>3,875,834</u>
Consolidated	Issued capital \$	Foreign currency translation reserve \$	Share based payment reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2023	6,229,416	22,643	82,924	(2,442,472)	3,892,511
Total comprehensive loss after income tax expense for the half-year	-	-	-	(1,036,899)	(1,036,899)
Other comprehensive income for the half-year, net of tax	-	11,454	-	-	11,454
Total comprehensive income for the half-year	-	11,454	-	(1,036,899)	(1,025,445)
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs (note 4)	462,000	-	-	-	462,000
Balance at 31 December 2023	<u>6,691,416</u>	<u>34,097</u>	<u>82,924</u>	<u>(3,479,371)</u>	<u>3,329,066</u>

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

Ronin Resources Ltd
Statement of cash flows
For the half-year ended 31 December 2023



	Consolidated	
	31 December 2023	31 December 2022
	\$	\$
Cash flows from operating activities		
Interest received	41,615	13,183
Payments to suppliers and employees (inclusive of GST)	(240,300)	(193,616)
Payments for exploration and evaluation expenses	(379,420)	(277,034)
Net cash used in operating activities	(578,105)	(457,467)
Cash flows from investing activities		
Net cash from investing activities	-	-
Cash flows from financing activities		
Capital raising costs	(18,000)	-
Net cash used in financing activities	(18,000)	-
Net decrease in cash and cash equivalents	(596,105)	(457,467)
Cash and cash equivalents at the beginning of the financial half-year	3,935,449	4,319,068
Effects of exchange rate changes on cash and cash equivalents	11,454	10,355
Cash and cash equivalents at the end of the financial half-year	<u>3,350,798</u>	<u>3,871,956</u>

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

Note 1. General information

The financial statements cover Ronin Resources Ltd, as a consolidated entity consisting of Ronin Resources Ltd and the entities it controlled at the end of, or during, the period. The financial statements are presented in Australian dollars, which is Ronin Resources Ltd's functional and presentation currency.

Ronin Resources Ltd is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 21, 459 Collins Street
Melbourne VIC 3000

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 14 March 2024. The directors have the power to amend and reissue the financial statements.

Note 2. Material accounting policy information

These general-purpose financial statements for the interim half-year reporting period ended 31 December 2023 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 2023 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The 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 3. Operating segments

Identification of reportable operating segments

The consolidated entity has identified its operating segments based on the investment decisions of the board and used by the chief operating decision makers in assessing performance and in determining the allocation of resources. The Consolidated entity operates in one segment being the evaluation and exploration of resources.

Accounting policy for operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Note 4. Equity - issued capital

	Consolidated			
	31 December 2023 Shares	30 June 2023 Shares	31 December 2023 \$	30 June 2023 \$
Ordinary shares - fully paid	<u>36,825,010</u>	<u>33,625,010</u>	<u>6,691,416</u>	<u>6,229,416</u>
Details	Date	Shares	Issue price	\$
Balance	1 July 2023	33,625,010		6,229,416
Acquisition of Ontario Project	5 July 2023	3,200,000	\$0.150	480,000
Capital raising costs		-	\$0.000	(18,000)
Balance	31 December 2023	<u>36,825,010</u>		<u>6,691,416</u>

Ordinary shares

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

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

Share buy-back

There is no current on-market share buy-back.

Capital risk management

The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

Note 5. Contingent liabilities

In accordance with the terms of the acquisition of the Vetaz Project by the Company, the consolidated entity will pay the vendors of the FI3-152 title a royalty of 1% of the mine gate sale price of thermal coal in Norte de Santander, as determined by the Colombian National Mining Agency (ANM). The payment of royalties will be made on a quarterly, per ton basis and with reference to the production reports presented to the local authorities.

Payment of any royalties will be contingent upon the consolidated entity realising production from the area subject to the FI3-152 title.

Note 6. Acquisition of Ontario Battery Metals Pty Ltd

On 5 July 2023, the Company completed the acquisition of the Hornby Lake Project a 123 km² package of contiguous lithium exploration claims located in Ontario, Canada. The acquisition consisted of 100% of the issued capital in Ontario Battery Metals Pty Ltd (**OBM**), which (through its wholly owned subsidiary Ontario Battery Corp) is the owner of the Hornby Lake Project (**Acquisition**) (see ASX announcement 21 June 2023).

As detailed in the Company's 21 June 2023 ASX announcement, the consideration payable to acquire OBM was \$50,000 cash and 3.2 million fully paid ordinary shares in Ronin (**Consideration Shares**), which have been paid and issued during the period.

The Company has accounted for the acquisition of OBM as an asset acquisition during the period ended 31 December 2023.

Note 7. Events after the reporting period

No matter or circumstance has arisen since 31 December 2023 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 8. Share-based payments

Set out below are summaries of options granted under the plan:

31 December 2023

Grant date	Expiry date	Exercise price	Balance at the start of the half-year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the half-year
17/02/2021	17/02/2024	\$0.30	800,000	-	-	-	800,000
			800,000	-	-	-	800,000

Set out below are the options exercisable at the end of the financial half-year:

Grant date	Expiry date	31 December 2023 Number	31 December 2022 Number
17/02/2021	17/02/2024	800,000	800,000
		800,000	800,000

The weighted average remaining contractual life of options outstanding at the end of the half-year was 0.17 years (June 2023: 0.67 years).

Performance Rights

During the 30 June 2022 financial year the Company issued 200,000 performance rights (post consolidation amount) to the Company's Executive Chairman with various performance conditions. The expense recognised for the financial year relating to performance rights granted was \$20,228. The performance rights will expire 3 years following admission of the company's securities to the Australian Stock Exchange. The performance rights were split into 3 tranches and will vest as follows:

- 66,666 Class A Performance Rights will vest on the achievement of both of the following milestones within the relevant Milestone Deadlines:
 - (a) the Company's volume weighted average share price (**VWAP**) for a consecutive period of 20 trading days being equal to or greater than \$0.265 (26.5 cents) (**VWAP Milestone 1**); and
 - (b) the Executive completing 12 months continuous service to the Company from the date of admission of the Company's securities to the Australian Stock Exchange (**ASX**) (**Admission Date**) (**Service Milestone 1**).

Note 8. Share-based payments (continued)

- 66,666 Class B Performance Rights will vest on the achievement of both of the following milestones within the relevant Milestone Deadlines:
 - (a) the Company's volume weighted average share price (**VWAP**) for a consecutive period of 20 trading days being equal to or greater than \$0.33 (33 cents) (**VWAP Milestone 2**); and
 - (b) the Executive completing 24 months continuous service to the Company from the date of admission of the Company's securities to the Australian Stock Exchange (**ASX**) (**Admission Date**) (**Service Milestone 2**).
- 66,667 Class C Performance Rights will vest on the achievement of both of the following milestones within the relevant Milestone Deadlines:
 - (a) the Company's volume weighted average share price (**VWAP**) for a consecutive period of 20 trading days being equal to or greater than \$0.40 (40 cents) (**VWAP Milestone 3**); and
 - (b) the Executive completing 36 months continuous service to the Company from the date of admission of the Company's securities to the Australian Stock Exchange (**ASX**) (**Admission Date**) (**Service Milestone 3**).

Performance rights granted carry no dividend or voting rights.

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 2023 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



Joseph van den Elsen
Executive Chairman

14 March 2024
Melbourne

Independent auditor's review report to the members of Ronin Resources Ltd

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 Ronin Resources Ltd (the Company), and its subsidiaries (the consolidated entity) does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 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 consolidated entity, which comprises:

- the consolidated statement of financial position as at 31 December 2023,
- 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 consolidated entity 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 consolidated entity 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 consolidated entity'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.



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



J. C. Luckins
Director

Melbourne, 14 March 2024