native mineral resources

Financial Report for the Half-Year ended 31 December 2023

Native Mineral Resources Holdings Limited ACN 643 293 716

Contents

Corporate Directory

DIRECTORS	**James Walker (GAICD, FCA, B.Comm (UNSW))** Non-Executive Chair **Phil Gardner (FAICD, CPA, B.Comm (Newcastle))** Non-Executive Director **Blake Cannavo** Managing Director and CEO
COMPANY SECRETARY	**Patricia Vanni (GIA)**
REGISTERED OFFICE	Suite 4201, Level 42 Australia Square 264-278 George Street Sydney NSW 2000
PRINCIPLE PLACE OF BUSINESS	Suite 10, 6-14 Clarence Street Port Macquarie NSW 2444 AUSTRALIA Telephone: 02 6583 7833 Website: www.nmresources.com.au
AUDITORS	HLB Mann Judd Assurance (NSW) Pty Ltd
SHARE REGISTRY	Boardroom Pty Ltd
BANKERS	Australian & New Zealand Banking Group
SOLICITORS	Queensland Law Group
STOCK EXCHANGE	Native Mineral Resources Holdings Limited shares are listed on the Australian Securities Exchange (ASX code: NMR)

Directors’ Report

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Native Mineral Resources Holdings Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2023.

Directors

The following persons were directors of Native Mineral Resources Holdings Limited during the whole of the financial period and up to the date of this report, unless otherwise stated:

- James Walker
- Phil Gardner
- Blake Cannavo

Principal Activities

During the financial half-year the principal continuing activities of the consolidated entity consisted of exploration and development activities at the consolidated entity’s mining tenements predominately situated in Queensland and Western Australia.

Dividends

No dividends were paid or declared during the financial half-year.

Review of Operations

Native Mineral Resources (NMR) continues its clear focus on delivering exploration success. The company is focused on rapid target delineation in order to fast track towards mine development and operations ensuring the best value return for investors. The company will achieve this goal by building a world-class tenement portfolio and adopting modern techniques and technologies for exploration.

NMR will continue to add value to the company by quickly building on its already impressive exploration results.

Share Issues

On 30 August 2023, NMR issued 6,666,667 shares as initial consideration for the acquisition of a 51% interest in McLaughlin Lake Lithium Project).

On 28 August 2023, NMR Issued 21,363,744 shares at an issue price of $0.03 per share by way of a Placement.

On 6 September 2023, NMR issued 26,540,345 shares as part of the Shortfall of shares in the previous Rights Issue of shares to shareholders.

On 9 November 2023, NMR issued 6,702,889 shares to the directors due to their participation in the 2023 Entitlement Offer Shortfall Placement, as announced to the ASX on 6 September 2023 and approved by the shareholders in the Annual General Meeting held on 27 October 2023.

On 14 November 2023, NMR issued 1,512,000 shares to directors due to the exercise of options issued to Non-Executive Directors under the Employee Option Plan.

Tenement Purchases and Sales

In August 2023, NMR took a 51% stake in High-Grade Lithium project at McLaughlin Lake (Manitoba – Canada) – MEL 1208A. More details of this tenement are listed below.

There were no sales of tenements during the period but the tenements in Nullarbor were relinquished as they no longer fit the strategic objective of the business as detailed below.

Palmerville Copper and Gold Prospect in North QLD

A 30,000-line km (2,162km^2) airborne magnetic and radiometric survey was completed in the June 2023 quarter. This survey was partly funded by the Queensland Government as part of the Collaborative Exploration Initiative (CEI).

The initial observations of the survey data provide the following insights:

- Clear delineation of the Palmerville fault structure in the northern section which controls the Fairlight and Glenroy deposits.
- Possible dislocation and offsetting of the Palmerville fault between Glenroy & Leanes Prospect.
- Possible faulting and large circular structures south of Leanes Prospect
- Two high/low mag anomalies in the southern portion of the Palmerville region with one of them being related to the flexure of the Palmerville fault between the southern and northern Chillagoe formations.

During the period NMR continued geophysical modelling of the Palmerville airborne geophysical data and is planning to follow up on the work during the 2024 dry season which usually commences after Easter.

Music Well and Arcoona Gold Projects in WA

The Eastern Goldfields are part of the Yilgarn Craton which is host to significant mineral resources, particularly gold and nickel, and is becoming an increasingly important target area for lithium, REE's, and other key metals and minerals. NMR is exploring for granite-hosted gold mineralisation and a host of new mineralisation opportunities across four highly prospective tenements in the Eastern Goldfields.

No work was undertaken on the Eastern Goldfields projects during the period.

Nullarbor Project in WA

After reviewing the 2022 drilling and geophysical work the board of NMR decided that, despite the potential shown by the Nullarbor tenements, the cost of exploration and the potential timeframe for a positive discovery was too high for a junior explorer such as NMR and it was in the company's best interest to relinquish the tenements and focus on its other projects.

Maneater Hill Breccia Pipe in North QLD

During the reporting period, NMR completed a Pole Dipole (PDIP) IP survey over the Maneater Hill magnetic anomaly. The Pole Dipole Induced Polarisation (PDIP) survey has revealed a new 900m long chargeability high anomaly over the Maneater Hill magnetic anomaly. Chargeability high is open to both the north and south, up to 400m deep, up to 150m wide, and located near the surface. The new anomaly can be identified by a high chargeability gradient with a low structurally controlled resistiviy.

To date only MPD005 has been assayed and despite visible alteration and sulphide mineralisation being present in the hole, the assay results for the hole were disappointing with the best results being:

• 22m @ 0.23% Zn (from 257m) Including 5m @ 0.48% Zn (from 257m) Including 1m @ 1.61% Zn, 1,140ppm Pb & 13.1ppm Ag (260 – 261m) The assays were dispatched in two batches, with the first batch covering between 237 – 294 metres, and the average for the zinc and lead assays between 237 and 256m is 19m @245ppm Zn and 274ppm Pb, while the average grades between 256 and 294m (the last metre sampled) average 38m @ 0.14% Zn and 617ppm Pb, demonstrating a zonal change between the two sections of MPD005. The second batch of assays covered between 368 - 423 metres and included a 23-metre zone of porphyry located at the bottom of MPD005. The results for the second batch included:

- 1m @ 4,520ppm Zn, 1,060ppm Pb & 154ppm Sn (from 301 metres)
- 2m @ 4,090ppm Zn, 358ppm Pb & 147ppm Sn (from 310 metres)
- 2m @ 3,985ppm Zn, 331ppm Pb & 158ppm Sn (from 328 metres)
- 4m @ 2,789ppm Zn, 2,080ppm Pb & 188ppm Sn (from 368 metres)

With the results from the second set of assays from MPD005 not being as good as the first set of assays, especially the assays from the sections of porphyry intersected in the drillhole, NMR has decided to postpone the drilling of MPD006.

McLaughlin Lake in Canada

In August 2023, NMR announced it had acquired a 51% interest in the McLaughlin Lake Pegmatite Project, which consists of Mineral Exploration License (MEL) 1208A and covers 19,245. MEL 1208A is a 30km east-west striking tenement located approximately 560km north of Winnipeg and 10km southeast of the locality of Oxford House which is accessible by air and winter road in the Canadian province of Manitoba.

McLaughlin Lake is located in the Archean-aged Superior Province of the Canadian Shield, which is host to some of the most significant lithium resources in the world, mainly in Quebec and Ontario, though the Lithium Tanco Mine is located within Manitoba and has been mined for tantalum and caesium since the 1920’s and has an established Reserve. An east-west 30km long inferred shear zone contact running through the MEL which has the potential for lithium bearing pegmatites to be associated with it.

During the period NMR completed an initial ground-based sampling program proposed by Axiom Exploration Group, one of its Canadian geological contractors. 29 samples from various pegmatite dykes were collected for analysis. Two of the samples returned high Li2O grades of 2.77% and 2.25% with the second sample being from a 1.5m continuous grab sample across the dyke. The second sample also confirmed a historic channel sampling of the same dyke that returned 1.5m @ 1.32% Li2O.

Sampling has also highlighted elevated levels of Rubidium (Rb), Cesium (Cs), Tin (Sn) and Tantalum (Ta) including:

- Rb grades ranging between 6.4 & 2,100ppm and averaging 468ppm Rb
- CS grades ranging between 0.5 & 57.9pmm and averaging 17ppm Cs
- Sn assays averaging 37ppm with a range of 1.5 to 461ppm Sn
- Ta assays averaging 32ppm with a range of 0.28 to 224ppm Ta

All five of the “high grade” Cs results were collected from the west of the tenement, along strike from the McLaughlin Lake spodumene occurrences, and are located approximately 10km away from the source of the mineralisation which is thought to be the Magill Lake granite. This reinforces the theory that the further the pegmatites are from the inferred heat source, the more likely for fractionation of the pegmatites which is beneficial for the formation of spodumene.

Rb grades range between 6.4 and 2,110ppm (0.21%) and average 468ppm and the Rb grades are higher in the five anomalous Cs samples when compared with the other samples, again reinforcing the theory that the formation of spodumene bearing pegmatites is more likely in the western section of the tenement.

Far Fanning in North QLD

On 01 November 2023, NMR entered into a binding exclusivity agreement with Ashby Mining Ltd (Ashby) in relation to the Far Fanning and Black Jack deposits both of which are advanced, near mine-ready gold projects located in or near Charters Towers, QLD.

NMR is currently waiting for one of the preconditions being met, namely the listing of Ashby Mining Ltd through its IPO, before further project stages can begin.

Competent Person's Statement

The information in this report that relates to Exploration Results and Minerals Resources is based on information compiled by Mr Gregory Curnow, a Competent Person who is a member of the Australian Institute of Geoscientists and the Australasian Institute of Mining and Metallurgy. Mr Curnow is a full-time employee of Native Mineral Resources. Mr Curnow has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Curnow has no potential conflict of interest in accepting Competent Person responsibility for the information presented in this report and consents to the inclusion in this report of the matters based upon the information in the form and context in which it appears.

Financial Position

At 31 December 2023, the consolidated entity had net assets of $(411,257) (30 June 2023: $194,703) and $3,586 in cash (30 June 2023: $306,837).

Matters subsequent to the end of the financial year

Other than set out in note 9 to the financial statements, no matters 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.

Likely developments and expected results of operations

The consolidated entity intends to continue its exploration, development and production activities on its existing projects and to acquire further suitable projects for exploration as opportunities arise.

Environmental regulation

The consolidated entity is subject to and is compliant with all aspects of environmental regulation of its exploration and mining activities. The directors are not aware of any environmental law that is not being complied with.

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

The Auditor's Independence Declaration is set out on page 9 and forms part of the Directors' Report for the half year ended 31 December 2023.

Pursuant to section 306 of the *Corporations Act 2001 (Cth)* this Directors' Report is made in accordance with a resolution of the Directors and is signed by James Walker on behalf of the directors.

James Walker
Chair

14 March 2024

HLB MANN JUDD

Auditor's Independence Declaration

To the directors of Native Mineral Resources Holdings Limited:

As lead auditor for the review of the financial report of Native Mineral Resources Holdings Limited 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:

(a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

(b) any applicable code of professional conduct in relation to the review.

This declaration is in respect of Native Mineral Resources Holdings Limited and the entities it controlled during the period.

Sydney, NSW
14 March 2024

N J Guest
Director

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Consolidated Statement of Financial Position

NATIVE MINERAL RESOURCES HOLDINGS LIMITED

	NOTES	31-Dec-23 $	30-Jun-23 $
Assets			
Current Assets			
Cash and cash equivalents		3,586	306,837
Trade and other receivables		131,215	112,932
Total Current Assets		**134,801**	**419,769**
Fixed Assets			
Plant and Equipment		109,749	146,202
Total Fixed Assets		**109,749**	**146,202**
Total Assets		**244,550**	**565,971**
Liabilities			
Current Liabilities			
Trade and other payables		488,536	244,371
Employee Entitlements		167,271	126,897
Total Current Liabilities		**655,807**	**371,268**
Total Liabilities		**655,807**	**371,268**
Net (Liabilities) Assets		**(411,257)**	**194,703**
Equity			
Share Capital	7	14,755,076	12,541,979
Other Reserves		241,953	645,160
Retained Earnings		(15,408,286)	(12,992,436)
Total (Deficiency) Equity		**(411,257)**	**194,703**

Consolidated Statement of Profit or Loss and Other Comprehensive Income

NATIVE MINERAL RESOURCES HOLDINGS LIMITED

	NOTES	31-Dec-23 $	31-Dec-22 $
Interest Revenue		768	266
Other Income		3,638	5,379
Board & Directors Expenses		(117,687)	(122,652)
Exploration Development		(995,083)	(1,307,689)
Exploration Management		(252,720)	(38,056)
Finance Related Fees & Charges		(329)	(549)
Office Expenses		(87,630)	(59,185)
Professional Services Fees		(251,165)	(241,139)
Other Expenses		(8,974)	(6,490)
Depreciation		(19,114)	(22,234)
Travel		(419)	(57,095)
Utilities		(6,422)	(9,659)
Wages Costs		(664,000)	(730,745)
Foreign Currency movements		(16,713)	-
Loss before income tax benefit		(2,415,850)	(2,589,848)
Income tax benefit		-	-
Loss for the period		(2,415,850)	(2,589,848)
Basic loss per share	5	(0.0131)	(0.0243)
Diluted loss per share	5	(0.0131)	(0.0243)

Consolidated Statement of Cash Flows

NATIVE MINERAL RESOURCES HOLDINGS LIMITED

	NOTES	31-Dec-23 $	31-Dec-22 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipt from Customers		-	737
Interest income		768	266
Other revenue		3,638	5,379
Payments for exploration		(879,021)	(1,744,923)
Payments to suppliers and employees		(806,583)	(739,017)
NET CASH FLOW USED IN OPERATING ACTIVITIES		(1,681,198)	(2,477,558)
CASH FLOW FROM INVESTING ACTIVITIES			
Payments for tenement acquisition		(91,203)	-
Proceed from sale of plant & equipment		10,728	-
Payments to acquire or for plant & equipment		(1,719)	(26,278)
NET CASH FLOWS USED IN INVESTING ACTIVITIES		(82,194)	(26,278)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from the issue of shares and options		1,570,792	2,130,195
Transaction costs related to the issue of shares		(93,938)	(37,771)
NET CASH FLOWS PROVIDED BY FINANCING ACTIVITES		1,476,854	2,092,424
Net change in cash held		(286,538)	(411,412)
Effect of Movement in Exchange Rates		(16,713)	-
Cash and cash equivalents at beginning of period		306,837	449,962
CASH AND CASH EQUIVALENTS AT END OF PERIOD		3,586	38,550

Consolidated Statement of Changes in Equity

	Ordinary Shares	Accumulated Losses	Other Reserves	Total Equity
	$	$	$	$
Balance at 1 July 2022	9,268,187	(9,265,183)	495,040	498,044
Loss for the year	-	(2,589,848)	-	(2,589,848)
Other comprehensive Income	-	-	-	-
	9,268,187	(11,855,031)	495,040	(2,091,804)
Transactions with shareholders in their capacity as shareholders				
Issue of Shares net of transaction costs	2,092,424	-	-	2,092,424
Share issue costs	-	-	71,575	71,575
Balance at 31 December 2022	11,360,611	(11,855,032)	566,615	72,195
Balance at 1 July 2023	12,541,979	(12,992,436)	645,160	194,703
Loss for the year	-	(2,415,850)	-	(2,415,850)
Other comprehensive Income				
	12,541,979	(15,408,286)	645,160	(2,221,147)
Transactions with shareholders in their capacity as shareholders				
Issue of Shares net of transaction costs	1,650,507	-	-	1,650,507
Transfer from reserves	562,590	-	(560,590)	-
Share based payments	-	-	62,316	62,316
Share issue costs	-	-	97,067	97,067
Balance at 31 December 2023	**14,755,076**	**(15,408,286)**	**241,953**	**(411,257)**

Notes to Financial Statement

NOTE 1: STATEMENT OF COMPLIANCE

The half-year financial report is a general-purpose financial report prepared in accordance with the *Corporations Act 2001 (Cth)* and Australian Accounting Standard 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 the annual financial report and should be read in conjunction with the most recent annual financial report (being that for the year ended 30 June 2023), and any public announcements made by the company during the reporting period.

NOTE 2: SUMMARY OF MATERIAL ACCOUNTING POLICIES

a) Basis of Preparation

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

b) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the group and the revenue is capable of being reliably measured. Revenue from the rendering of a service is recognised upon the delivery of the service to the customers. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. All revenue is stated net of the amount of goods and services tax (GST).

The consolidated entity recognises revenue as follows:

Revenue from contracts with customers
Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Sales of goods
Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Interest
Interest revenue is recognised using the effective interest method.

Grant income
Income from Government grants is recognised only when the conditions of the grant are satisfied.

Sale of tenements
Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer.

c) Issued capital

Ordinary shares are classified as equity. Costs directly attributable to the issue of new shares are shown as a deduction from the equity proceeds.

d) Share based payments

Equity-settled share-based compensation benefits are provided to directors, the capital raising lead managers and employees .

Equity-settled transactions are awards of shares, or options over shares, that are provided to directors, the capital raising lead managers and employees in exchange for the rendering of services.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either Black-Scholes or the Monte Carlo option pricing model that takes into account the exercise price, the terms of the option, the impact of dilution, the share price at grant date and the expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the holders to receive payment. No account is taken of any other vesting conditions.

The cost of equity-secured transactions are recognised as an expense with the corresponding increase in equity over the vesting period unless the issue of equity is directly attributable to the issue of new shares, in which case it is recorded as a deduction from equity. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

All changes in the liability are recognised in profit or loss.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity, director or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity, director or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

e) **Going Concern**

The financial statements have been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The consolidated entity has incurred operating losses of $2,415,850 (2022: $2,589,848) and negative operating cash flows of $1,681,198 (2022: $2,477,558) for the half year ended 31 December 2023. As at 31 December 2023 the consolidated entity held cash of $3,586 (June 2023: $306,837) and had net liabilities of $411,257 (June 2023: net assets $194,703).

The ability of the consolidated entity to continue as a going concern is dependent on securing additional debt and or equity funding to meet the working capital requirements in the next 12 months. These conditions indicate the existence of a material uncertainty that may cast doubt about the consolidated entities ability to continue as a going concern and therefore that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

As at the date of this report, the directors are satisfied there are reasonable grounds to believe that the consolidated entity will be able to continue its planned operations and the consolidated entity will be able to meet its obligations as and when they fall due, based on the following:

- Subsequent to the period end (refer Note 9 below – Event Subsequent to Reporting Date), the company has raised $1.1 million by way of a Convertible Note issue to professional and sophisticated investors;
- the Directors consider the consolidated entity has sufficient funding to continue to meet its budgeted operational expenditure requirements, including minimum exploration commitments across its tenement portfolio, in the short term; and
- the consolidated entity has demonstrated the historic ability to raise additional funds to meet its planned and budgeted exploration expenditure and is confident of doing so again, if and when required;

If the consolidated entity does not achieve the matters set out above, there is a material uncertainty whether the consolidated entity would continue as a going concern and therefore whether it would realise its asset and discharge its liabilities in the normal course of business and at the amounts stated in the financial report. The Consolidated financial statements do not include any adjustment relating to the recoverability or classification of recorded asset amounts or liabilities that might be necessary should the group not be able to continue as a going concern.

f) **New accounting standards and interpretations**

The consolidated entity has adopted all of the new, revised or amended Accounting Standards and interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period. These have had no material impact.

There are no new Accounting Standards or interpretations that have been published, but not yet mandatory, that are expected to have a material impact on the consolidated entity.

NOTE 3: SEGMENT INFORMATION

The consolidated entity has identified its operating segments 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 consolidated entity operates in one segment being Exploration and Evaluation of Minerals.

NOTE 4: COMMITMENTS AND CONTINGENCIES

a) Tenements

The consolidated entity has certain obligations to perform minimum exploration work and to expend minimum amounts of money on such work on mining tenements. These obligations may be varied from time to time subject to approval and are expected to be fulfilled in the normal course of the operations of the consolidated entity. These commitments have not been provided for in the financial report. Due to the nature of the consolidated entity's operations in exploring and evaluating areas of interest, it is difficult to accurately forecast the nature and amount of future expenditure beyond the next year. Expenditure may be reduced by seeking exemption from individual commitments, by relinquishing of tenure or by new joint venture arrangements. Expenditure may be increased when new tenements are granted or joint venture agreements amended.

The minimum expenditure commitment on the tenements is:

	Consolidated Entity	
	31 December 2023	**31 December 2022**
	$	$
Not later than one year	1,239,750	1,108,978
Later than one year and less than five years	1,516,100	2,437,859

b) Employees

The Company has issued performance rights and options to management as part of their total remuneration. Those issued in the current period are listed below in Note 8.

NOTE 5: BASIC PROFIT (LOSS) PER SHARE

	2023	**2022**
Weighted Average Number of Shares	185,288,499	106,622,676
Profit (Loss) for period	(2,415,850)	(2,589,848)
Basic loss per share	**(0.0131)**	**(0.0243)**
Diluted loss per share	**(0.0131)**	**(0.0243)**

Options are not included in the calculation of diluted EPS because they are considered to be antidilutive. These could potentially dilute EPS in future periods.

NOTE 6: RELATED PARTY TRANSACTIONS

During the year Bamford Engineering and Consulting Pty Ltd "Bamford Engineering" (a company 100% controlled by Blake Cannavo) charged the company $36,300 (2022: $36,300) for rental of offices owned by Bamford Engineering. In addition, $95,040 (2022: 109,542) was paid for consultancy work provided by staff of Bamford Engineering.

Transactions between related parties are on commercial terms and conditions, no more favourable than those available to other parties.

A total of $27,750 was paid to the directors as director fees during the period ended 31 December 2023 (2022: $27,625). In addition, options issued to directors resulted in an expense of $62,316 (2022: $71,575)

A total of $277,500 was paid to key management personnel as wages during the period ended 31 December 2023 (2022: $279,512). An additional $28,700 was paid to a relative of the Managing Director as an employee on commercial terms (2022: $0).

NOTE 7: ISSUED CAPITAL

	31-Dec-23	30-Jun-23	31-Dec-23	30-Jun-23
	$	$	Number	Number
Ordinary Shares				
Fully paid ordinary shares	14,755,076	12,541,979	209,750,514	146,964,869
Movement in contributed Equity for the period				
Balance at beginning of the period	12,541,979	9,268,187	146,964,869	99,128,441
Shares issued during the previous financial year				
08 August 2022 (Rights issue to shareholders)		481,141		3,701,083
05 October 2022 (Rights issue shortfall)		322,037		2,477,206
02 November 2022 (Rights issue shortfall)		1,344,606		10,343,118
31 January 2023 (Share Placement)		404,000		4,488,887
27 June 2023 (Rights Issue to shareholders)		804,784		26,826,134
Shares issued during the current financial year				
28 August 2023 (Share Placement)	640,912		21,363,744	
30 August 2023 (Consideration of Tenement Purchase)	200,000		6,666,667	
06 September (Rights Issue)	796,210		26,540,345	
09 November 2023 (Rights Issue Shortfall)	201,087		6,702,889	
14 November 2023 (Exercise of Options)	302,400		1,512,000	
Less: Share Issuance Costs	(187,702)			
Transfer from Reserves	260,190	(82,776)		
	14,755,076	12,541,979	209,750,514	146,964,869

NOTE 8: SHARE BASED PAYMENTS

During the period ended 31 December 2023, options were issued to a director, Blake Cannavo. Using the Monte Carlo model, the fair value of the options issued is as set out below along with key criteria/assumptions.

	Short Term Incentive Options (STI) Managing Director	Vesting Rights Non-Executive Directors
Number of options issued	13,888,888	8,280,000
Expiry (years)	3	N/A
Exercise price ($)	0.03	0.00
Vesting period (years)	1	3
Share price ($)	0.037	0.037
Expected life	2.3 years	3.1 years
Volatility	80%	80%

Risk free interest rate	4.31%	4.29%
Dividend yield	0%	0%
Total expense recorded for the period ended 31 December 2023 ($)	$11,805.55	$8,510

The vesting period for the STI Options began on 1 July 2023. The options were approved by shareholders at the AGM on 27 October 2023.

The vesting date for the STI options is 30 June 2024, provided that the share price of the company is equal to or greater than $0.03, calculated using a 5-day volume-weighted average price ("VWAP") on any date from the 2023 AGM up to and including 30 June 2024.

NOTE 9: EVENTS SUBSEQUENT TO REPORTING DATE

On 4 March 2024 NMR raised $1,100,00 (before costs) via the issue of Convertible Notes. Conversion of the Notes will be subject to and conditional upon the Company obtaining shareholder approval. Proceeds will be used for general working capital purposes. [For further details on terms and conditions of the convertible notes refer to ASX announcement dated 4 March 2024.]

There has not been any other matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial periods.

Directors' Declaration

In the opinion of the Directors:

(a) the financial statements and the notes of the consolidated entity are in accordance with the *Corporations Act 2001*, including:

   (i) giving a true and fair view of the financial position as at 31 December 2023 and the performance for the half year ended on that date of the consolidated entity; and

   (ii) complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and

(b) 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 the directors of Native Mineral Resources Holdings Limited made pursuant to section 303(5)(a) of the *Corporations Act 2001*.

On behalf of the Board

James Walker
Chair

14 March 2024

Independent Auditor's Review Report to the Members of Native Mineral Resources Holdings Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Native Mineral Resources Holdings Limited ("the Company"), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the 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, for the consolidated entity comprising the Company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Native Mineral Resources Holdings Limited 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 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 Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Material Uncertainty Regarding Continuation as a Going Concern

Without modifying our opinion, we draw attention to Note 2(e): Going Concern in the financial report, which states that, during the half year to 31 December 2023, the consolidated entity incurred a loss of $2,415,850 had net cash outflows from operating activities of $1,681,198. As at the balance date the consolidated statement of financial position indicates the Group held cash of $3,586 and had net liabilities of $411,257.

These conditions, along with other matters set forth in Note 2(e): Going Concern, indicate the existence of a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern. Our review conclusion is not modified in respect of this matter.

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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 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 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.

HLB Mann Judd

HLB Mann Judd Assurance (NSW) Pty Ltd
Chartered Accountants

N J Guest
Director

Sydney, NSW
14 March 2024