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INDUSTRIAL
MINERALS LTD

Interim Financial Report

For the Half-Year Ended
31 December 2023

ASX:IND
industmin.com

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Corporate Directory

Directors

Ashley Pattison, Non-Executive Chairman

Jeffrey Sweet, CEO & Managing Director

Alex Neuling, Non-Executive Director

Melanie Leighton, Non-Executive Director

Company Secretary

Natalie Madden

Principal and Registered Office

Unit 38, 460 Stirling Hwy, Peppermint Grove WA 6011

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Email: admin@industmin.com

Website: www.industmin.com

Auditors

HLB Mann Judd (WA Partnership)

Level 4, 130 Stirling Street, PERTH WA 6000

Bankers

Westpac

Securities Exchange Listing

Australian Securities Exchange

ASX CODE: IND

Share Registry

Automic Group

Level 5, 191 St Georges Terrace, Perth WA 6000

Telephone: 1300 288 664

Directors' Report

The Directors of Industrial Minerals Ltd (the Company or IND) submit herewith the interim report of the Company for the half-year ended 31 December 2023. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

Directors

The names and particulars of the Directors of the Company during or since the end of the half-year are:

Ashley Pattison, Non-Executive Chair

Jeff Sweet, CEO and Managing Director

Melanie Leighton, Non-Executive Director

Alex Neuling, Non-Executive Director

Principal Activities

The principal activity of the Company during the half-year was mineral exploration in Western Australia.

Dividends

The Directors resolved that no dividend be paid for the half-year.

Review of operations

Mineral Exploration Projects

During the reporting period, the Company secured an exclusive option to acquire an 80% interest in lithium and High Purity Quartz (**HPQ**) rights for the Pippingarra Quarry Project¹(**the Project**), located 30km south-east of Port Hedland, within the world class Pilbara lithium province in Western Australia.

IND completed a 2,860m Reverse Circulation (**RC**) drill program at the Project², following-up historical drill results. Experienced lithium geological consultants, Bourke and Associates, were appointed to manage the RC drill program at Pippingarra due to their standing as "Expert" under the definitions provided by the JORC and Valmin Codes. The drilling focused on three priority lithium areas, testing and validating historical drill data adjacent to the existing open pit, and along strike.

Historical core photos from Pippingarra also displayed wide bands (~10m) of very white, clean quartz close to surface, which is considered encouraging due to the inbound enquiries IND has received for Ultra High Purity Quartz from Potential Offtake Groups. During the reporting period, IND received numerous requests from end users and traders for samples of the HPQ product, prompting the collection of quartz samples for two potential buyers in China. IND eagerly awaits the results following full testing and analysis of the samples.

During the reporting period, IND evaluated third-party processing options for the Stockyard High Purity Silica Sand (**HPSS**) Project³. The Company (in collaboration with industry experts) determined the option of processing Stockyard Direct Shipping Ore (**DSO**) HPSS in China as the superior option. The DSO option offers significant advantages over processing in Australia, including lower capital expenditures and operating costs. The in-China processing option offers advanced technology and economies of scale, allowing the Company to optimise production costs without compromising on the quality of the final product.

¹ ASX Announcement 27 October 2023 - Option to Acquire Pippingarra Lithium Project, Pilbara WA

² ASX Announcement 23 November 2023 - RC Drilling Commences at Pippingarra Quarry Project

³ ASX Announcement 28 July 2023 – Stockyard Offtake Discussions Progressing

Offtake discussions progressed for the Stockyard HPSS Project through a visit to China, which provided invaluable opportunities to visit local port facilities, industrial parks and silica sand processing plant manufacturers in the company of potential offtake partners⁴. This allowed IND to assess capabilities, proximity to end customers, access to skilled labour and available infrastructure of industrial parks and facilities, which are considered vital for streamlining the logistics of DSO shipping silica sand from Australia to China, and then on to the PV glass factories.

IND also sent a 200kg DSO Silica Sand sample from Stockyard to Weifang Guote Mining Equipment Co. Ltd (**Guote**) for large scale beneficiation testwork and process flow design. The work is an essential component of the project economics, with the achieved process flow model from this phase of testwork to assist IND in its assessment process. At the end of the process, silica sand product samples and specification sheets will be distributed to Potential Offtake Partners and Photovoltaic Solar Panel Glass Manufacturers.

In October 2023, the Company hosted Potential Strategic Offtake Partners at the Stockyard HPSS Project site and Geraldton Port, showcasing the scale and capability of the Stockyard Project to be a near-term HPSS development⁵.

During the reporting period, IND also received assay results for several prospective HPSS targets identified through hand auger samplin at the Albany HPSS Project⁶, identified through hand auger sampling⁷. The test results showed low Fe₂O₃ levels for in-situ composite auger samples, identifying potential for premium photovoltaic (**PV**) Glass Silica Sand specification to be achieved.

Subsequent events

In February 2024, IND announced the first RC drill results for the Pippingarra Quarry Project⁸. Significant intercepts included **1m @ 1.72% Li₂O** from 30m, and **2m @ 1.03% Li₂O** from 37m in INRC002. Assay results for the remainder of the maiden RC drilling program are pending.

Several quartz samples were also sent to potential offtake partners and mineral processing specialists to determine suitability as feedstock for High Purity Quartz crucible and electronics industry applications. In addition to quartz samples from the Phase 1 RC Drilling, IND collected and crushed quartz rock that has been previously mined from the Pippingarra open cut. A 300kg bulk sample has been shipped to an interested party in China targeting the premium crucible market and the initial feedback from this prospective offtake partner has been encouraging.

Other than the matter noted above, there has not been any matters or circumstances occurring subsequent to the end of the half year that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

⁴ ASX Announcement 15 August 2023 – Stockyard Beneficiation Testwork and Offtake Progress

⁵ ASX Announcement 3 October 2023 – Potential Strategic Offtake Partner Visit to Stockyard Site

⁶ ASX Announcement 6 September 2023 – High Quality Silica Sand added close to Albany Port

⁷ ASX Announcement 6 September 2023 - High Quality Silica Sand added close to Albany Port

⁸ ASX Announcement 14 February 2023 - First RC Drilling Results for Pippingarra Quarry Project

Auditor's Independence Declaration

The auditor's independence declaration is included on page 7 of the interim financial report.

The Directors' report is signed in accordance with a resolution of Directors made pursuant to s306(3) of the Corporations Act 2001.



Jeffrey Sweet

Managing Director


Perth, 15 March 2024

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Industrial Minerals 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:

- 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.

Perth, Western Australia
15 March 2024


D I Buckley
Partner

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HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Industrial Minerals Ltd

Report on the Condensed Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Industrial Minerals Ltd ("the Company"), which comprises the condensed statement of financial position as at 31 December 2023, the condensed statement of profit or loss and other comprehensive income, the condensed statement of changes in equity and the condensed statement of cash flows for the half-year ended on that date, 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 accompanying half-year financial report of Industrial Minerals Ltd does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Company'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 Related to Going Concern

We draw attention to Note 1 in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

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.

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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.

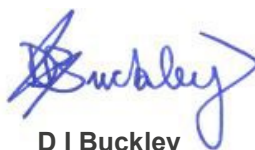
Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.



HLB Mann Judd
Chartered Accountants

Perth, Western Australia
15 March 2024



D I Buckley
Partner

Directors' Declaration

In the Directors' opinion:

- (a) The financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional requirements;
- (b) The financial statements and notes give a true and fair view of the Company's financial position at 31 December 2023 and of its performance for the half-year ended on that date;
- (c) the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board; and
- (d) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations required by s.303(3) of the *Corporations Act 2001*.

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

On behalf of the Directors



Jeffrey Sweet

Managing Director

Perth, 15 March 2024

Condensed statement of profit or loss and other comprehensive income

For the half-year ended 31 December 2023

| | Note | Half-year ended 31/12/23 \$ | Half-year ended 31/12/22 \$ |
|--|------|-----------------------------------|-----------------------------------|
| Continuing operations | | | |
| Other income | | 8,597 | 9,331 |
| Finance costs | (3) | (1,003) | (7,506) |
| Exploration expenses | (3) | (356,272) | (86,369) |
| Administrative and corporate expenses | | (108,641) | (91,441) |
| Consulting fees | | (109,667) | (167,130) |
| Stakeholder relations | | (20,065) | (30,306) |
| Marketing and public relations | | (141,885) | (76,219) |
| Share-based payments | (3) | 76,736 | (601,046) |
| Occupancy expenses | | (14,226) | (13,800) |
| Depreciation | (3) | (18,276) | (18,326) |
| Other expenses | | (31,446) | (6,209) |
| Loss from ordinary activities before income tax | | (716,148) | (1,089,021) |
| Income tax | | - | - |
| Loss for the period | | (716,148) | (1,089,021) |
| Other comprehensive income | | - | - |
| Total comprehensive loss for the period | | (716,148) | (1,089,021) |
| Loss per share | | | |
| Basic (loss) per share (cents per share) | | (1.09) | (1.71) |
| Diluted (loss) per share (cents per share) | | (1.09) | (1.71) |

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

Condensed statement of financial position

As at 31 December 2023

| | Note | 31/12/23 \$ | 30/06/23 \$ |
|--|------|------------------|------------------|
| Current assets | | | |
| Cash | | 1,439,002 | 1,203,513 |
| Trade and other receivables | | 121,127 | 89,667 |
| Total current assets | | 1,560,129 | 1,293,180 |
| Non-current assets | | | |
| Capitalised exploration and evaluation expenditure | (5) | 2,570,948 | 1,815,424 |
| Property, plant and equipment | | 102,906 | 27,661 |
| Right-of-use assets | | 116,380 | 134,656 |
| Other non-current assets | | 18,850 | 18,850 |
| Total non-current assets | | 2,809,084 | 1,996,591 |
| Total assets | | 4,369,213 | 3,289,771 |
| Current liabilities | | | |
| Trade and other payables | | 484,910 | 211,130 |
| Current lease liability | | 34,773 | 33,580 |
| Total current liabilities | | 519,683 | 244,710 |
| Non-current liabilities | | | |
| Non-current lease liability | | 87,708 | 105,398 |
| Total non-current liabilities | | 87,708 | 105,398 |
| Total liabilities | | 607,391 | 350,108 |
| Net assets | | 3,761,822 | 2,939,663 |
| Equity | | | |
| Issued capital | (6) | 6,478,882 | 4,863,839 |
| Reserves | | 1,240,888 | 1,317,624 |
| Accumulated losses | | (3,957,948) | (3,241,800) |
| Total equity | | 3,761,822 | 2,939,663 |

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

Condensed statement of changes in equity

For the half-year ended 31 December 2023

| | Issued capital | Share based payment reserve | Accumulated losses | Total equity |
|---|-------------------|-----------------------------------|-----------------------|------------------|
| | \$ | \$ | \$ | \$ |
| Balance at 1 July 2022 | 4,863,839 | 708,560 | (1,695,724) | 3,876,675 |
| Loss for the period | - | - | (1,089,021) | (1,089,021) |
| Total comprehensive loss for the period | - | - | (1,089,021) | (1,089,021) |
| Share-based payments | - | 601,046 | - | 601,046 |
| Balance at 31 December 2022 | 4,863,839 | 1,309,606 | (2,784,745) | 3,388,700 |
| Balance at 1 July 2023 | 4,863,839 | 1,317,624 | (3,241,800) | 2,939,663 |
| Loss for the period | - | - | (716,148) | (716,148) |
| Total comprehensive loss for the period | - | - | (716,148) | (716,148) |
| Shares issued on option exercise | 1,628,000 | - | - | 1,628,000 |
| Lapse of unvested options | - | (76,736) | - | (76,736) |
| Share issue costs | (12,957) | - | - | (12,957) |
| Balance at 31 December 2023 | 6,478,882 | 1,240,888 | (3,957,948) | 3,761,822 |

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

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Condensed statement of cash flows

For the half-year ended 31 December 2023

| | Half-year ended 31/12/23 \$ | Half-year ended 31/12/22 \$ |
|---|-----------------------------------|-----------------------------------|
| Cash flows from operating activities | | |
| Payments to suppliers and employees | (468,369) | (520,173) |
| Payments for non-capitalised exploration and evaluation | (5,805) | - |
| Interest received | 8,597 | 9,331 |
| Net cash (outflow) from operating activities | (465,577) | (510,842) |
| Cash flows from investing activities | | |
| Payments for capitalised exploration and evaluation expenditure | (811,225) | (716,333) |
| Payments to acquire property, plant and equipment | (85,252) | (1,938) |
| Net cash (outflow) from investing activities | (896,477) | (718,271) |
| Cash flows from financing activities | | |
| Proceeds from share issue | 1,628,000 | - |
| Costs of issue | (12,957) | - |
| Interest paid | (1,003) | (7,506) |
| Payments for leases | (16,497) | (16,994) |
| Net cash inflow/(outflow) from financing activities | 1,597,543 | (24,500) |
| Net increase/(decrease) in cash and cash equivalents | 235,489 | (1,253,613) |
| Cash and cash equivalents at beginning of the period | 1,203,513 | 3,411,756 |
| Cash and cash equivalents at the end of the period | 1,439,002 | 2,158,143 |

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

Notes to the condensed financial statements

For the half-year ended 31 December 2023

1. Significant accounting policies

These general purpose financial statements for the interim 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 condensed general purpose interim 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 period 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 principal accounting policies adopted and methods of computation are consistent with those of the previous financial period, unless otherwise stated.

Going concern

The financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activity and the commercial realisation of the Company's assets and the settlement of liabilities in the normal course of business.

The Directors have prepared a cashflow forecast which indicates the Company will be required to raise capital to meet all commitment and working capital requirements. The Directors expect that the Company will be able to successfully raise sufficient funding to enable it to continue as a going concern for the at least 12 months from the signing of this financial report.

Should the Company be unable to raise sufficient funding, there is a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern and it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts which differ to those stated in the financial statements.

New or amended Accounting Standards and Interpretations adopted

The Company 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. There was no material impact to Company accounting policies.

Any new or amended Accounting Standards or Interpretations in issue that are not yet mandatory have not been early adopted and are not expected to have a material impact on accounting policies.

2. Segment note

Identification of reportable operating segments

The Company is organised into one operating segment, being mining and exploration operations. This operating segment is based on the internal reports that are reviewed and used by the Board of Directors in assessing performance and in determining the allocation of resources.

Types of products and services

The principal products and services of this operating segment are the mining and exploration operations in Western Australia.

Notes to the condensed financial statements

For the half-year ended 31 December 2023

3. Expenses

Loss before income tax from continuing operations includes the following specific expenses:

| | Half-year ended 31 December 2023 \$ | Half-year ended 31 December 2022 \$ |
|--|---|---|
| <u>Share-based payment expense</u> | | |
| Public relations (see note 6) | (76,736) | 26,796 |
| Director options | - | 574,250 |
| | (76,736) | 601,046 |
| <u>Exploration expenses</u> | | |
| Expenditure not capitalised | 290,562 | 43,105 |
| Impairment of capitalised exploration | 65,710 | 43,264 |
| | 356,272 | 86,369 |
| <u>Depreciation</u> | | |
| Depreciation on property, plant and equipment | 10,007 | 7,777 |
| Depreciation on right-of-use assets | 18,276 | 18,326 |
| Depreciation transferred to exploration and evaluation | (10,007) | (7,777) |
| | 18,276 | 18,326 |
| <u>Finance costs</u> | | |
| Interest on lease liabilities | 1,003 | 7,506 |

4. Dividends

No dividend has been paid or proposed in respect of the half-year ended 31 December 2023 (2022: nil).

5. Capitalised exploration and evaluation expenditure

| Exploration and evaluation phase: | \$ |
|--|------------------|
| Balance 1 July 2022 | 607,283 |
| Exploration expenditure incurred | 1,341,808 |
| Expenditure not capitalised ¹ | (133,667) |
| Balance at 30 June 2023 | 1,815,424 |
| Exploration expenditure incurred | 1,111,796 |
| Impairment recognised ² | (65,710) |
| Expenditure not capitalised ¹ | (290,562) |
| Balance at 31 December 2023 | 2,570,948 |

1. Exploration expenditure on areas of interest where tenure was not granted at period end was written off to profit or loss.
2. An impairment has been recognised of previously capitalised exploration expenditure on tenements where no further activity is planned and tenure will not be continued.

Notes to the condensed financial statements

For the half-year ended 31 December 2023

The ultimate recoupment of exploration and evaluation expenditure carried forward is dependent on successful development and exploitation, or alternatively sale of the respective area of interest. Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, costs of drilling and production, production rates, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

6. Share capital

| | 31/12/23 \$ | 30/06/23 \$ |
|---|----------------|----------------|
| 68,760,000 fully paid ordinary shares (30 June 2023: 63,500,000) | 6,478,882 | 4,863,839 |
| | 6,478,882 | 4,863,839 |

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number and amounts paid on the shares held. On a show of hands, every holder of ordinary shares present at a meeting in person or by proxy is entitled to one vote, and upon a poll each share is entitled to a vote.

Ordinary shares have no par value, and the Company does not have a limited amount of authorised capital.

Movements in share capital during the period from incorporation were as follows:

| | | Number of shares | Share Capital \$ |
|-------------------------------|-----|-------------------|---------------------|
| As at 1 July 2023 | | 63,500,000 | 4,863,839 |
| Options exercised | (a) | 5,260,000 | 1,628,000 |
| Issue costs | | | (12,957) |
| As at 31 December 2023 | | 68,760,000 | 6,478,882 |

(a) During the period, ordinary shares were issued for the following option exercises:

- (i) 3,260,000 options with exercise price of \$0.30 and expiry date of 13 July 2024;
- (ii) 1,500,000 options with exercise price of \$0.30 and expiry date of 23 March 2024; and
- (iii) 500,000 options with exercise price of \$0.40 and expiry date of 6 December 2023.

Notes to the condensed financial statements

For the half-year ended 31 December 2023

Share Options

Unissued shares under option at balance date were as follows:

| Series | Number of shares under option | Class of shares | Exercise price of option | Expiry date of options |
|---|-------------------------------------|-----------------|--------------------------------|---------------------------|
| Director options | 5,750,000 | Ordinary | \$0.30 | 23/03/2024 |
| Broker options | 740,000 | Ordinary | \$0.30 | 13/07/2024 |
| Employee options – Sales and Marketing | Nil | Ordinary | \$0.40 | 06/12/2023 |
| Investor relations options | Nil | Ordinary | \$0.30 | 23/03/2024 |
| Director options | 1,250,000 | Ordinary | \$0.40 | 30/11/2025 |
| Director options | 1,250,000 | Ordinary | \$0.30 | 30/11/2025 |

All options were issued by Industrial Minerals Ltd. There have been no options granted during the period.

Option exercises and expiries

- 500,000 Employee options – Sales and Marketing with exercise price of \$0.40 and expiry date of 6 December 2023 were exercised during the period; the remaining 1,500,000 of the option series expired unexercised.
- 3,260,000 Broker options with exercise price of \$0.30 and expiry date of 13 July 2024 were exercised during the period.
- 1,500,000 Investor relations options with exercise price of \$0.30 and expiry date of 23 March 2024 were exercised during the period.

A negative share based payment expense of \$76,736 has been recognised during the period as a reversal of vesting expenses previously recognised in relation to the Employee options – Sales and Marketing following the lapse of 1,500,000 options unvested and unexercised.

7. Financial instruments

Fair value of financial assets and liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required).

The Company holds the following financial instruments:

| | 31/12/23 \$ | 30/06/23 \$ |
|---|----------------|----------------|
| Financial assets | | |
| Cash and cash equivalents | 1,439,002 | 1,203,513 |
| Loans and receivables (including trade receivables) | 121,127 | 89,667 |
| Financial liabilities | | |
| Trade and other payables (at amortised cost) | 484,910 | 211,130 |
| Lease liabilities | 122,481 | 138,978 |

The directors consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair value.

Notes to the condensed financial statements

For the half-year ended 31 December 2023

8. Key management personnel

Remuneration arrangements of key management personnel are disclosed in the 30 June 2023 financial report.

9. Commitments

In order to maintain and preserve rights of tenure to granted exploration tenements, the Company is required to meet certain minimum levels of exploration expenditure specified by the State Government of Western Australia. The WA commitments are subject to amendment from time to time as a result of changes to the number or area of granted tenements, escalating expenditure with tenement age, a change of tenement type from exploration license to mining lease or other reasons pursuant to the WA Mining Act.

As at reporting date these future minimum exploration expenditure commitments are as follows:

| | 31/12/23 \$ | 30/06/23 \$ |
|--|----------------|----------------|
| Not longer than 1 year | 1,202,167 | 1,012,500 |
| Longer than 1 year and not longer than 5 years | 3,932,667 | 3,661,917 |
| Longer than 5 years | - | - |
| Total | 5,134,834 | 4,674,417 |

10. Subsequent events

In February 2024, IND announced the first RC drill results for the Pippingarra Quarry Project. Significant intercepts included **1m @ 1.72% Li₂O** from 30m, and **2m @ 1.03% Li₂O** from 37m in INRC002. Assay results for the remainder of the maiden RC drilling program are pending.

Several quartz samples were also sent to potential offtake partners and mineral processing specialists to determine suitability as feedstock for High Purity Quartz crucible and electronics industry applications. In addition to quartz samples from the Phase 1 RC Drilling, IND collected and crushed quartz rock that has been previously mined from the Pippingarra open cut. A 300kg bulk sample has been shipped to an interested party in China targeting the premium crucible market and the initial feedback from this prospective offtake partner has been encouraging.

Other than the matter noted above, there has not been any matters or circumstances occurring subsequent to the end of the half year that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.