



**ASTUTE**METALS**NL**

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# **ASTUTE METALS NL**

(formerly Astro Resources NL)

ABN 96 007 090 904

## **Consolidated Interim Financial Report**

FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

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## Contents

<b>Consolidated Interim Financial Report</b>	<b>Page</b>
Directors' Report	3
Auditor's Independence Declaration under Section 307C of the Corporations Act 2001	18
Consolidated Statement of Profit or Loss and Other Comprehensive Income	19
Consolidated Statement of Financial Position	20
Consolidated Statement of Cash Flows	21
Consolidated Statement of Changes in Equity	22
Notes to the Consolidated Financial Statements	23
Directors' Declaration	33
Independent Auditor's Review Report	34

## Directors' Report

The Directors of Astute Metals NL ("Astute" or "the Company") present their report together with the consolidated financial statements for the six months ended 31 December 2023 ("Half-Year 2023").

### Directors

The names of the Company's Directors in office during the 2023-Half Year and until the date of this report are as below:

- Mr Anthony Leibowitz – Non-Executive Chairman
- Mr John Young – Non-Executive Director
- Mr Matthew Healy – Executive Director (appointed on 30 November 2023)
- Mr Vincent Fayad – Executive Director

### Joint Company Secretaries

The names of the company secretaries in office at any time during, or since the end of the 2023-Half Year are as below:

- Mr Kurt Laney
- Mr Vincent Fayad

### Principal Activities and Significant Change in the Nature of Activities

The principal activities of the Group during the half-year period were the exploration and development of mineral resources, principally in the areas of mineral sands, lithium, iron-oxide-copper-gold (IOCG) deposits.

There were no significant changes in the nature of the Group's principal activities during the 2023 Half-Year period.

### Review of Results and Operations

The consolidated loss of the Group for the 2023 Half-Year after providing for income tax amounted to \$1,036,764 (2022 Half-Year: loss of \$1,984,784).

### Objectives

The Company's objective is to increase shareholder wealth through successful exploration activities and mining activities whilst providing a safe workplace and ensuring best practice in relation to its environmental obligations.

### Mineral Resources Operations Summary

Astute has three key projects within its portfolio:

- the Georgina Basin IOCG Project, located east of Tennant Creek, Northern Territory (80% owned);
- Red Mountain, Altair and Polaris Lithium Projects in Nevada, USA (all 100% owned); and
- the Governor Broome Mineral Sands Project located in the south-west region of Western Australia (100% owned).

Astute also has two minor projects within its portfolio, being the East Kimberley Diamond Project, located in the northeast region of WA and the Needles Gold Project in Nevada, USA.

During the 2023 Half-Year, the following developments were made in the Company's exploration projects:

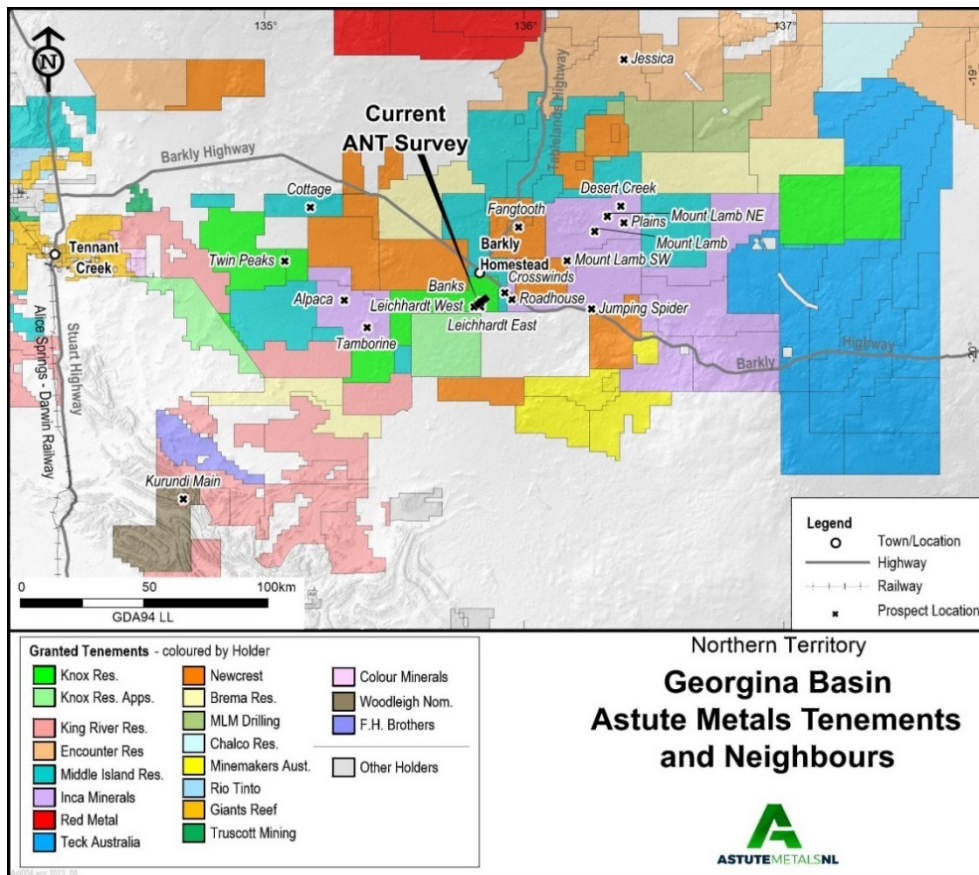
### Georgina Basin, IOCG Project

#### Background

Located in the highly prospective East Tennant province in the Northern Territory, the Georgina Basin Project is 20% owned by Greenvale Energy Ltd (ASX:GRV), with the remaining 80% owned by Astute Metals NL. The project comprises of seven granted exploration licences and a further three currently under application, for a combined area of approximately 4,500km<sup>2</sup> (Figure 1). The Georgina Basin Project and associated tenement licences are held by a company called Knox Resources Pty Ltd (Knox).

The East Tennant Province has been the subject of intense geoscientific investigation by both Geoscience Australia and the Northern Territory Geological Survey over the last five years. Pre-competitive work undertaken as part of the Federal

Government's \$225 million "Exploring for the Future" Program (EFTF) included solid geology interpretation, alteration proxy mapping and mineral prospectivity mapping for Iron Oxide Copper Gold (IOCG) deposits. The collaborative MinEx CRC National Drilling Initiative, conducted in late 2020, confirmed the highly prospective nature of the region by intersecting prospective host rocks, IOCG-style alteration and sulphide mineralisation as part of a 10-hole program at East Tennant.



### Co-Funding Grants

During the 2023 Half-Year, Knox was awarded two co-funding grants through the Geophysics and Drilling Collaborations (GDC) program, which is administered by the Northern Territory Geological Survey (NTGS).

Knox took part in the Round 16 Geophysics and Drilling Collaborations program, with the following successful applications having been made:

- **Grant 1:** \$100,000 for ANT survey on Central tenement EL33375; and
- **Grant 2:** \$161,106 (50% of eligible drilling costs) towards a 700m deep drill hole at the Ranken area.

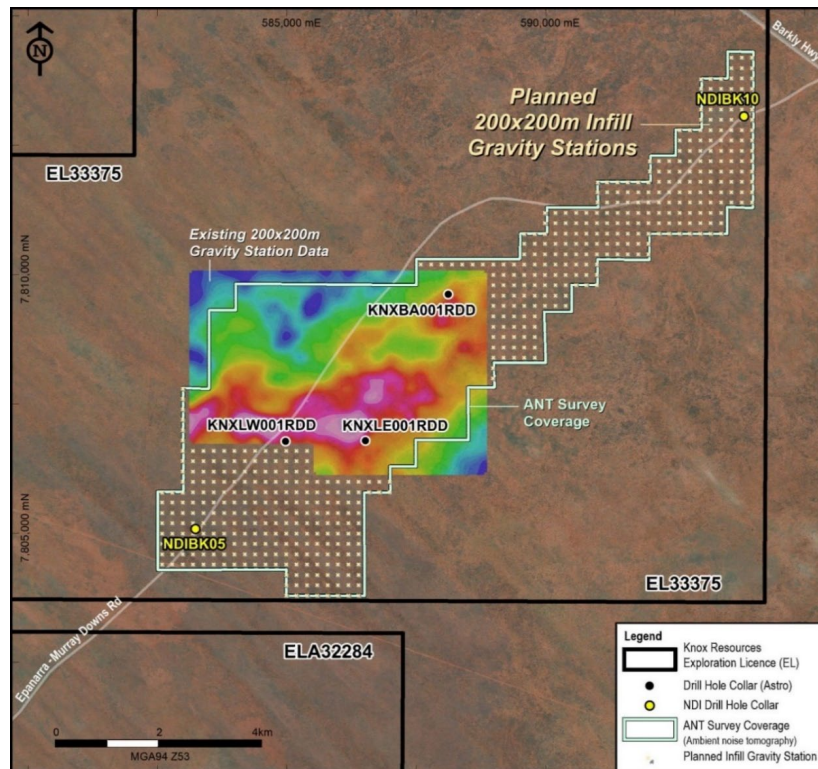
The receipt of such grants emphasises the strategic focus on key project areas and the collaboration with government initiatives for exploration and drilling programs. The results from these surveys are expected to play a crucial role in guiding future exploration efforts in these highly prospective regions.

### Drilling activities

- **Gravity Surveying - Central Georgina Project Tenement EL33375**

In August 2023, Knox initiated a prospect-scale gravity survey across its Central Georgina Project (tenement EL33375). The survey used Fleet Space Technologies "ExoSphere" technology, the first of its kind to be employed in the frontier IOCG-prospective East Tennant region.

Previous gravity surveying conducted by the Company in mid-2022 identified three IOCG targets: Banks, Leichhardt West and Leichhardt East, where drill-holes confirmed variably altered metasedimentary rocks with significant copper, uranium, silver, and bismuth anomalies (Figure 2).



**Figure 2.** Existing prospect-scale gravity imagery, planned in-fill gravity stations and Ambient Noise Tomography (ANT) survey outline.

The gravity surveying program was undertaken for the purposes of enhancing data resolution between previous datapoints where drilling was conducted on the Knox project. To do this, gravity stations were strategically placed, extending coverage to NDI holes for comprehensive interpretation.

Results from the survey were announced by Astute on 11 January 2024, which noted that the information obtained from the gravity surveying program will be critical for future drill target identification at the Georgina IOCG Project.

- **Ranken Geophysical Surveying - Eastern Georgina IOCG Project**

During the 2023 Half-Year, Knox completed a geophysical surveying its Ranken Project, located in the eastern part of the Georgina IOCG Project.

Confirmation of Ranken's prospectivity (per the Company's announcement on 22 May 2023) was reflected through Geoscience Australia's 'National Mineral Potential for Sediment-Hosted Zinc-Lead Mineral Systems in Australia', with evaluation conducted on the prospectivity of sediment-hosted base metal mineral systems. Knox's Ranken Project area, comprising of licences EL32285 and EL32286 - was identified as highly prospective for Century-style and Mount Isa-style sediment-hosted deposits.

The geophysical surveying, which was co-funded by the NT Government, was completed in September 2023 and highlighted a high prospectivity for sediment-hosted base metal mineralisation. These findings have provided a valuable insight into the Ranken Project's potential, guiding for further exploration, and supporting the strategic direction of Knox.

The interpretations obtained from the Ranken geophysical survey will be used to guide the final design and collar location for Knox's first drill-hole at the project.



## Lithium Interests, USA

### Background

The Needles Lithium Project is comprised of several key areas, all located within Nevada, USA. The project areas are as follows:

- **Altair and Polaris projects**

Located in the Montezuma Valley, south-west of the township of Tonopah and are accessed via the Veteran's Memorial Highway (Figures 3 and 4).

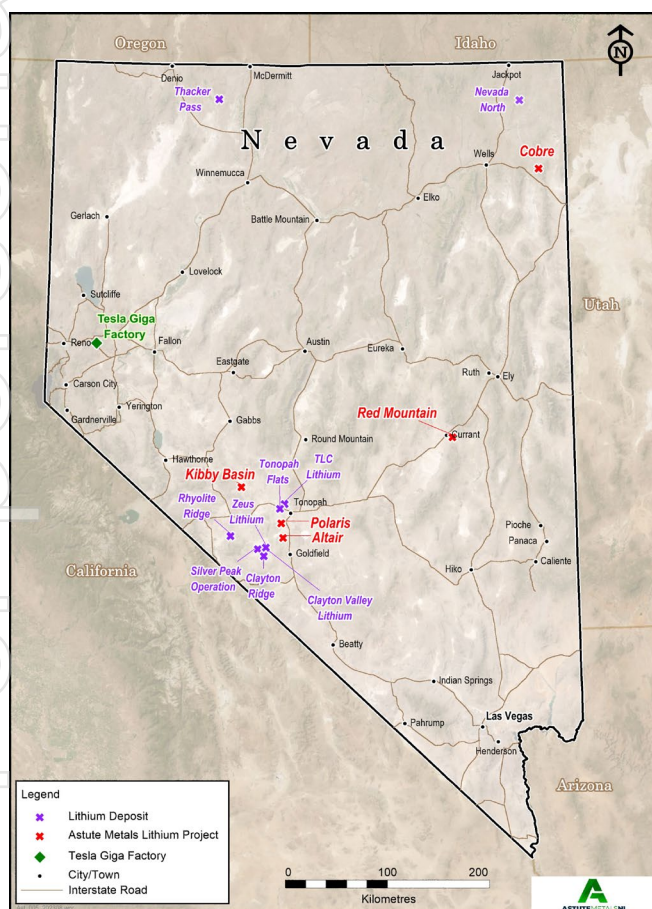
The projects are strategically located near known claystone lithium deposits that are active in the region of the Big Smoky Valley. The Big Smoky Valley area has seen significant lithium exploration activity recently, with notable projects like American Lithium Corporation's TLC Lithium Project and American Battery Technology Corporation's Tonopah Flats project. Other explorers in the vicinity include Future Battery Minerals and Pan-American Energy.

- **Cobre project**

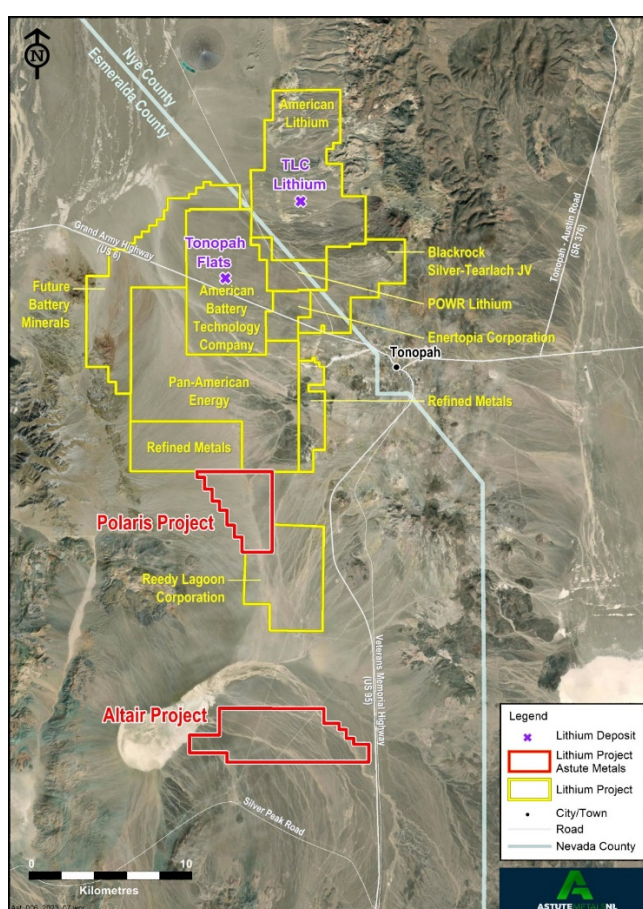
Located east of Wells and close to the locality of Cobre, a historical interchange between the Southern Pacific Railroad and the Nevada Northern Railway, which historically serviced the copper mining industry in Ely, Nevada (Figure 3). The claims are considered prospective for claystone-hosted lithium deposits.

- **Red Mountain project**

Located near the town of Currant, in Nye County, Nevada, the Red Mountain project is approximately 195 miles (300 km) from the Company's Polaris and Altair projects. The project area has broad mapped tertiary lacustrine (lake) sedimentary rocks known locally as the Horse Camp Formation, and regionally as part of the Ts3.



**Figure 3.** Astute lithium project locations



**Figure 4.** Altair and Polaris locations and select neighbouring projects

## Acquisition – Project Staking

### > Cobre Project

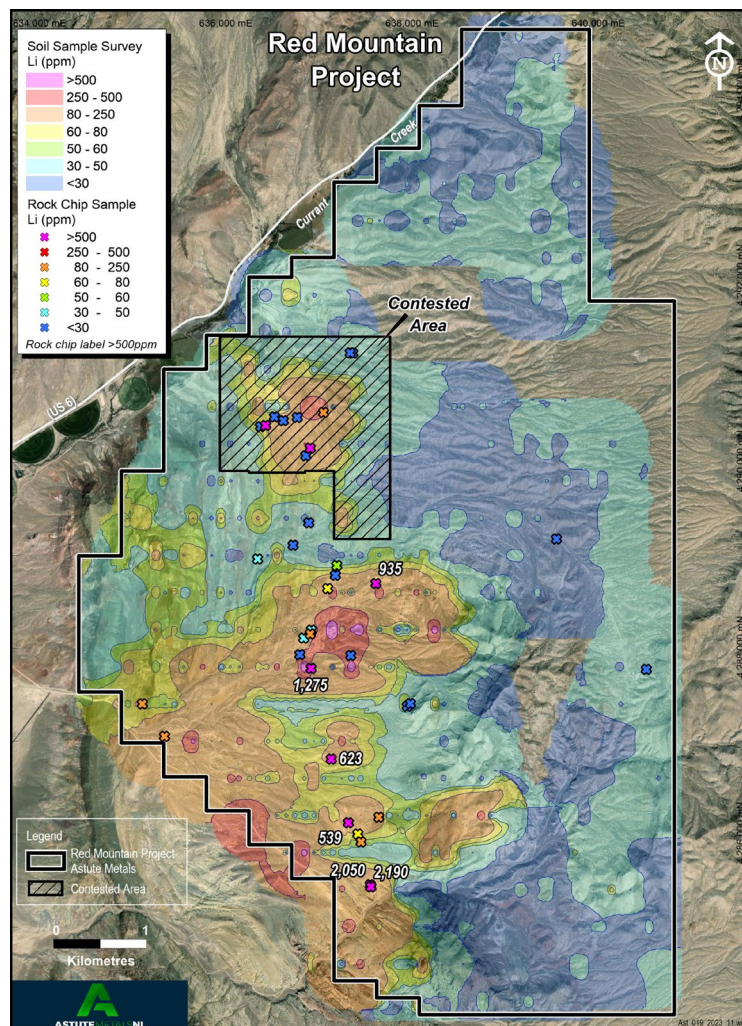
In August 2023, the Company successfully staked several highly prospective claystone-hosted lithium deposits in eastern Nevada, USA - known as the Cobre Lithium Project. The Cobre project is considered prospective for claystone-hosted lithium deposits and was staked due to proximity to the Granite Range, which is host to a number of lithium based exploration projects such as Suge Battery Metals Inc (TSXV: NILI) Nevada North Lithium Project.

### > Red Mountain Project

In September 2023, the Company completed the staking of the Red Mountain Project, located in eastern central Nevada.

The Project was identified as an area of interest to the Company based on its testing conducted which identified the presence of Ts3 sedimentary rocks, which are known to host lithium deposits elsewhere in the state of Nevada. Furthermore, historical stream sediment samples were collected from the project in 1980 as part of the National Uranium Resource Evaluation (NURE) program, which yielded anomalous lithium geochemistry. Such samples which were re-assayed for a full suite of elements, with the latest revised data publicly released in 2021 and included analysis for lithium.

Upon completion of the staking exercise for the project with the Nye County, the Company became aware of a competitor that had staked claims in the same area, which remain subject to dispute (Figure 5). However, based on information to hand, the Company has the view that it is entitled to secure a substantial part of the project and correspondence with the other party remains ongoing.



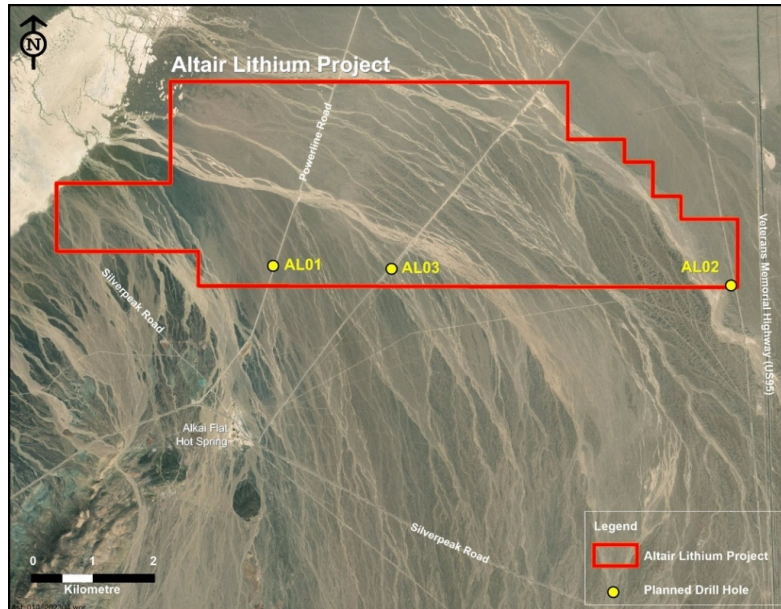
**Figure 5.** Red Mountain project location, including an area within the project that is currently contested.



## Drilling Activity and Results

### > Altair Project

During the 2023 Half-Year, the Company undertook its maiden lithium drilling campaign in Nevada, USA - at the Altair Project. The Altair Project drilling campaign was completed in two phases, with a total of 3 drill-holes having been completed (see Figure 6).



**Figure 6.** Altair Project drill-hole location

The results of the Company's Altair drilling and laboratory analysis conducted during the 2023 Half-Year was as follows:

#### • Phase 1 (Drill-hole AL01)

Drill-hole AL01 was completed in July 2023 and drilled to a total depth of 181.4m, ending in Siebert formation claystone.

The drilling intersected 109.7m of Siebert Formation that contained two significant zones of lithium mineralisation, with the final, end-of-hole sample grading 585ppm Li. Such results were promising and indicated the further potential for lithium beyond the depth the AL01 was completed, which the Company pursued in its Phase 2 campaign.

Upon conclusion of the AL01 drilling campaign, samples obtained were sent to ALS Laboratories in Reno, Nevada for laboratory testing and analysis. The results from such testing were announced by the Company on 23 August 2023 and reported the following results – with a 300ppm Li intersection cut-off:

- 33.5m @ 481ppm Li from 80.8m (265ft); and
- 33.5m @ 508ppm Li from 147.8m (485ft) to End-of-Hole (181.4m/595ft)

Observations from the two intersections were that they both hosted mostly by blue-green claystone's were separated by a lower-grade zone dominated by clayey gravels. Additionally, it was notes that both intersections lied within a broader lower-grade envelope of 109.7m @ 389ppm Li that constituted the full Siebert formation claystone from hole AL01.

#### • Phase 2 (Drill-hole AL02 and AL03)

Following on from completion of the Altair Phase 1 drilling campaign, drill-holes AL02 and AL03 were drilled at Altair in November 2023 for a combined depth of 312.4m (1,025ft), with the objective being to test for the presence of claystone to the east of its Phase 1 campaign. Additionally, as part of this campaign the Company re-commenced drilling at Altair at drill-hole AL01 with a higher-powered Reverse Circulation (RC) drill rig, which was more



appropriate to contend with the challenging drilling conditions previously encountered and enabling the Company to test for lithium below the previous cut off.

The results from the Phase 2 drilling campaign were as follows:

- drill-hole AL02 intersected a series of interbedded claystones, gravelly clays and fine gravels, starting with intersection of the first claystone bed at a shallow depth of 22.9m (75ft). A further eight claystone-gravelly clay beds were intersected, varying in thickness from 1.5m to 12.2m, each separated by beds of fine gravels; and
- drill-hole AL03 intersected 22.9m of blue-green-cream coloured claystone's and gravelly clays, of a similar nature to those intersected in AL01. However, the intersection of clays was deeper than in AL01, with claystone starting at a depth of 153.9m in AL03, compared to a depth of 71.6m in AL01.

Samples from the Phase 2 Altair drilling campaign were sent to ALS Laboratories in Reno, Nevada in late November 2023. The full details of the drilling results were announced by the Company on 12 January 2024.

#### **> Polaris Project**

An initial drilling campaign commenced at the Polaris Lithium Project in April 2023, where a four air-core drilling campaign was designed to test for lithium mineralisation.

In May 2023, the Company announced that all four drill-holes at Polaris. Based on visual observations made by the Company for the samples collected, three appeared to have intersected regionally significant lithium bearing host rocks, ending in the Siebert Formation (a regional name for Ts3 sedimentary rocks). Such observations made by the Company were confirmed by laboratory analysis completed by ALS Laboratories in Reno, Nevada, in June 2023, with the results confirming highly anomalous lithium mineralisation at three of the four drill intersections. Notably, the laboratory analysis confirmed that two of the four (PL02 and PL04) Polaris drill-holes contained an increased lithium grade towards the end of the hole.

Given the above results, in late June 2023 the Company proceeded with a fifth drill-hole at the Polaris project, which was designed to test for higher-grade lithium mineralisation beyond the original PL04 intersection of 3.05m (10 feet). The re-drill of PL04 was completed in July 2023, with the Company's initial observations noting an intersection at 59.5m of Siebert Formation, which reflected a significant extension to the original drill-hole. Laboratory results received in August 2023 confirmed a maximum grade of 236ppm over a single sample (1.5m), which was an increase to the previous grading of 140.8ppm lithium at the PL04 end-of-hole.

As a result of the successful redrill of PL04, the full intersection of Siebert formation claystone of 59.5m (195ft) graded 82.8ppm Li on average.

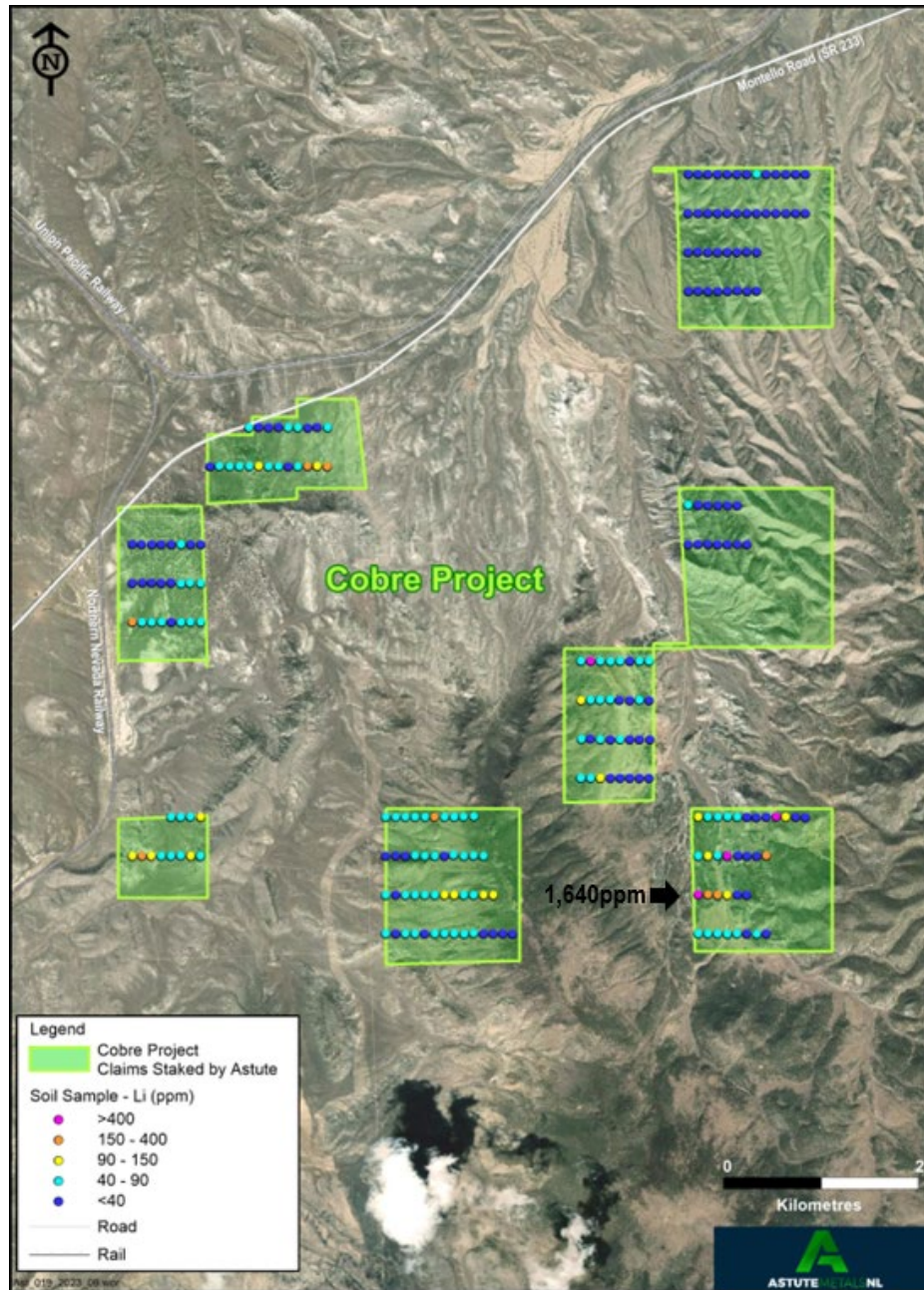
#### **Soil Sampling and Rock Chip Sampling**

##### **> Cobre Project**

Following the staking of the Cobre Project, the Company conducted a soil sampling program to detect the presence of lithium in soil, which can indicate the presence of lithium-bearing claystone.

The Company collected a total of 229 samples covering the Cobre Project area on a 400m x 100m sampling grid pattern, mostly overlaying mapped outcropping Ts3 host rocks which were prospective for lithium claystone mineralisation (Figure 7).

The results from the soil sampling were returned in September 2023 and were highly encouraging, with a peak value of 1,640ppm lithium and 23 results of over 100ppm lithium - which is considered highly anomalous.



**Figure 7.** Soil sample lithium geochemistry, Cobre Project claims outline and aerial image.

The results obtained from the lithium-in-soil geochemistry, will be used by the Company to establish optimal drill locations for permitting and subsequent testing.

### > Red Mountain

During the 2023 Half-Year, the Company completed a soil sampling campaign at the Red Mountain Project. This program comprised of 829 soil samples, of which 10 were from initial reconnaissance and 819 from grid sampling.

Assay results were returned to the Company in November 2023 and revealed a strike-extensive and broad lithium-in-soil anomaly for the project (Figures 8 and 9). The key results achieved from the Company's Red Mountain soil sampling campaign were as follows:

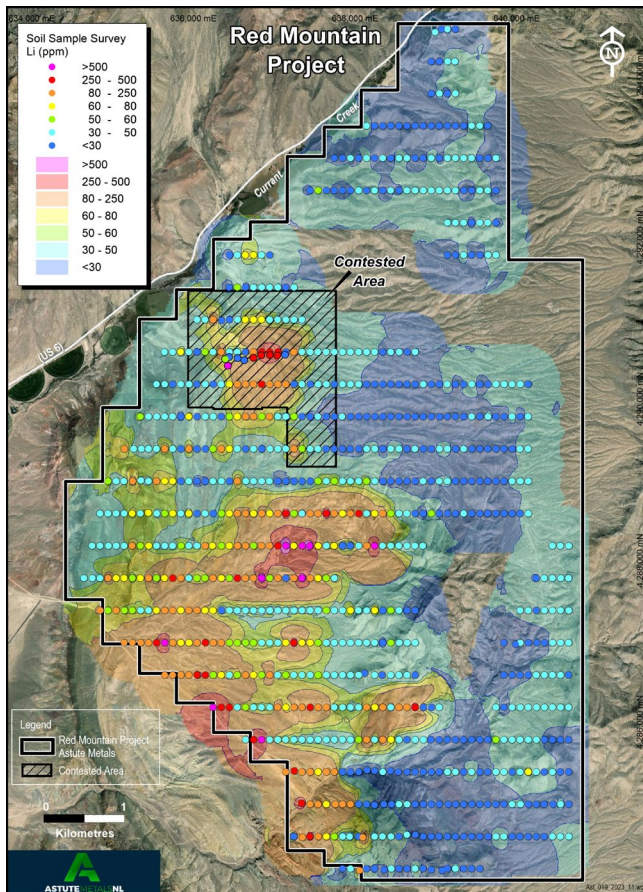
- a 50ppm+ lithium anomaly stretching over 8km of approximate north-south strike in alignment with the observed bedding of host rocks, a width of up to 2.8km at its widest point; and



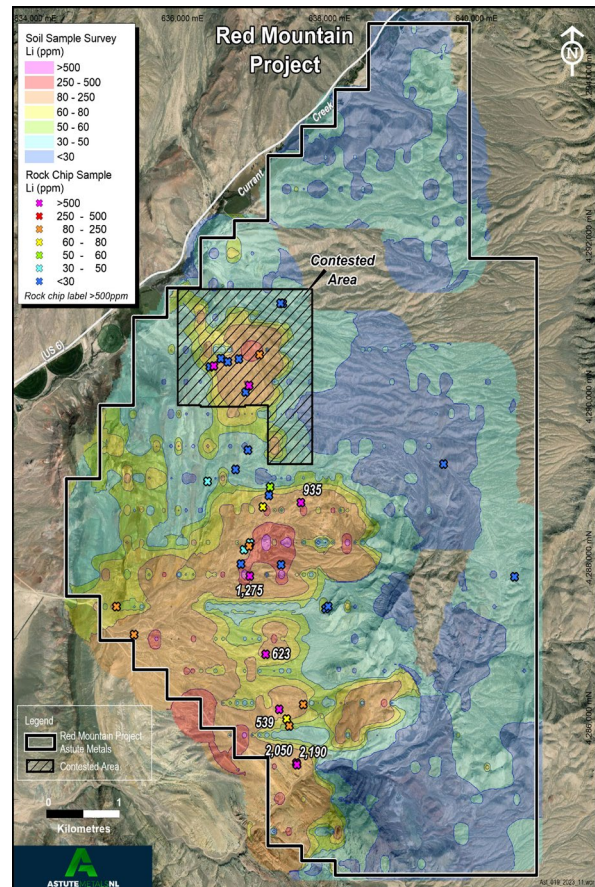
- two broad and coherent 250ppm+ anomalies, with top values of up to 1,110ppm lithium.

Following completion of the soil sampling campaign, the Company embarked on a rock-chip campaign at Red Mountain which was designed to test for lithium at strategic locations. A total of 36 rock chip samples were obtained, with the results of this campaign revealing the presence of strongly mineralised claystone. Notably, 10 of the claystone samples collected graded on average 1,102ppm lithium and ranged from 132-2,190ppm lithium.

Together, the soil sampling and rock-chip sampling results from Red Mountain have provided the Company with a compelling target for further exploration, including drill testing.



**Figure 8.** Red Mountain project, soil samples and gridded geochemistry over aerial imagery.



**Figure 9.** Red Mountain project, rock chip results and gridded soil geochemistry over aerial imagery.

## Governor Broome Heavy Minerals, WA

### Background

The Governor Broome Project is located on the Scott River Coastal Plain, 70km south of Busselton and 50km southwest of Nannup. The Governor Broome project consists of three parts:

- Retention Licence R70/53 which is held 100% by Astute ("Governor Broome");
- Retention Licence R70/58 which was previously subject to a Farm-in /Joint Venture arrangement with Iluka Resources Limited (Iluka) ("Jack Track"). The project was acquired from Iluka during the 2022 financial year; and
- Retention Licence R70/22, which was acquired from Cable Sands Pty Ltd in August 2023 ("Fouracres").



### **Acquisition – Fouracres**

During the 2023 Half-Year, the Company completed the acquisition of the Fouracres deposit from Cable Sands Pty Ltd (**Cable Sands**).

Completion of the acquisition for the Fouracres deposit occurred on 3 August 2023, with the key terms of the acquisition being as follows:

- a cash payment on settlement of \$150,000; and
- a 1% gross royalty on all future product arising from the deposit.

The Fouracres deposit was explored using air-core drilling by Cable Sands during 1991. Cable Sands then carried out a resource estimation and mineralogical studies, which was re-estimated in 2011 to comply with the reporting standards of the JORC code.

Based on the previous exploration activity undertaken by Cable Sands, the Fouracres deposit hosts an Indicated Resource with a grading of 11.4% heavy minerals (“HM”), which is considered to be very high. Additionally, the heavy mineral assemblage for the project is also high value, comprising 75% ilmenite, 3% secondary ilmenite, 4% leucoxene/rutile, and 8% zircon for a 90% VHM content.

### **Bulk Test Work Program – Jack Track Deposit**

During the 2023 Half-Year, a test work program was completed by Allied Mineral Laboratories (“AML”) for the purposes of evaluating the grades and recoveries of potential heavy mineral products from the Jack Track deposit.

The test work comprised Feed Preparation Plant (FPP), Wet Concentrator Plant (WCP) and Dry Plant (DP) sighter test work, which was conducted on a 2-tonne bulk sample obtained from the Jack Track deposit.

The key results from the Jack track test work program were as follows:

- consistent with the Governor Broome West and East material previously tested, the FPP stage of the test work successfully demonstrated the amenability of the material sourced from the Jack Track Deposit to processes through the feed preparation circuit - using conventional mineral sands processing equipment;
- processing through the WCP successfully demonstrated that a heavy mineral concentrate containing valuable heavy minerals could be produced, with a high recovery of valuable heavy minerals to the concentrate. The low-density ‘gangue’, or valueless, minerals were successfully rejected to tails producing a heavy mineral concentrate containing greater than 90% heavy minerals; and
- the product demonstrated that the heavy mineral concentrate produced responded well to the dry circuit processing with ilmenite, rutile and zircon minerals readily isolated into final products.

Highly regarded international mineral sands consultancy group TZMI subsequently assessed the TiO<sub>2</sub> feedstock products generated during the Jack Track test work program and formed the opinion that:

- the combined ilmenite (58.7% TiO<sub>2</sub>) product will be suitable for direct use in chloride feedstock markets or for chloride slag manufacture;
- the CaO, MgO and MnO of the combined ilmenite are within the generally accepted thresholds for direct use in chloride pigment manufacture or as an ilmenite feed for chloride slag or SR manufacture, particularly as the MgO content (at ≤0.3%) compares favourably against competing products; and
- the rutile product meets the criteria of a premium-grade product, suitable for use in pigment production. Low levels of key impurities make it suitable for welding applications for sale as a higher value product.

TZMI also assessed the zircon products generated from the Jack Track program and formed the opinion that:

- at a ZrO<sub>2</sub> + HfO<sub>2</sub> content of 65%, the zircon product generated is considered a standard grade product;
- the Fe<sub>2</sub>O<sub>3</sub> and TiO<sub>2</sub> contents of the Jack Track zircon product are within the acceptable threshold for ceramics and foundry applications; and
- TZMI estimates that a price discount of about 5% relative to premium-grade zircon may be applicable.

The bulk test work results for the Jack Track deposit concluded that the deposit is highly amenable to processing using conventional mineral sands processing equipment producing separate TiO<sub>2</sub> (titania) feedstock, zircon and monazite products. The results from the bulk test work program will be used by the Company for inclusion into the broader Governor Broome Project scoping study.

### Mineral Resource Estimate Update

In conjunction with the Company's successful execution of the Jack Track deposit in-fill drilling program completed in June 2023, finalisation of the Jack Track Bulk Test Work Program enabled the Company to proceed with updating the Mineral Resource Estimate (**MRE**) for the broader Governor Broome Project.

Continental Resource Management Pty Ltd (**CRM**) was engaged by the Company to update MRE for the Governor Broome Project, which was completed in November 2023. The updated MRE delivered a substantial 18% upgrade in higher confidence Measured and Indicated Resources from a previous 79Mt of Indicated Resources to 28.4Mt of Measured and 65Mt of Indicated Resources. Details of the various resources are given in Table 1 below.

Tenement	Category	Tonnage (Mt)	HM (%)	Slimes (%)
R70/58 - Jack Track	Measured	20.2	4.2	8.5
	Indicated	21	3.5	7.9
	<b>Total</b>	<b>41</b>	<b>3.9</b>	<b>8.2</b>
R70/53 - Governor Broome	Measured	8.0	5.0	13
	Indicated	44	5.0	13
	Inferred	7	3.5	12
	<b>Total</b>	<b>59</b>	<b>4.8</b>	<b>12.5</b>
R70/22 - Fouracres	Indicated	0.72	11.4	6.5
	Inferred	0.2	3.5	9
	<b>Total</b>	<b>0.93</b>	<b>9.6</b>	<b>7.1</b>
<b>Project</b>	Measured	28.4	4.4	9.7
	Indicated	66	4.5	12
	Inferred	7	3.5	12
<b>Total Resources</b>		<b>101</b>	<b>4.5</b>	<b>11</b>

**Table 1.** Governor Broome Project Resources – at 2% HM lower block-cut-off grade

In preparing the updated MRE, CRM made the following estimates:

- Inverse Distance Squared ("ID2") modelling to produce ore block models ("OBMs") of the HM mineralisation. HM and slimes grades were used to form wireframed hard upper and lower boundaries to the mineralisation;
- a 2% lower cut-off was selected as this grade allowed grade continuity to be established between drill-holes. This cut-off grade was used for the estimation of the Governor Broome Resources to the west within R70/53 and consistency will be necessary for planned study of the economics of the entire Governor Broome Project;
- no upper cut was used for the HM grades, as virtually no outlying high values were present; and
- the Specific Gravity (SG) was calculated for each ore block based on its interpolated HM content, according to the standard formula  $SG = 1.686 + (0.0108 \times HM\%)$ .

The updated MRE is currently being used for the purposes of completing the Company's scoping study for the broader Governor Broome Sands Project.

### Scoping Study Commencement

During the 2023 Half-Year, the Company finalised arrangements with TZMI to complete a scoping study for the Governor Broome Project.

The study is scheduled for completion in Q3 of the 2024 financial year and will comprise of a review and assessment of the Governor Broome Project setting, mining options, processing options, infrastructure assessment and mineral products market review. Such an assessment will be guided by the bulk test work carried out by the Company previously, including that of the Jack Track test work noted above.

## **Needles Gold Project, USA**

### **Background**

In October 2017, Astute acquired 100% of the Needles Gold Project in Nevada, a State with a thriving mining industry which has produced over 215Moz of gold since 1835. The project is approximately 100km southeast of the operating 15Moz Kinross Round Mountain open cut gold mine (Figure 3). It covers an area of approximately 2,830 acres or 11.46km<sup>2</sup> within Federal Land, consisting of one hundred and thirty-seven (137) unpatented lode mining claims.

The Needles licence area is located near the eastern margin of a mostly eroded shield-type volcano/caldera complex formed between ~32 million and ~19 million years ago, as part of extensive continental magmatism. The caldera measures approximately 15 kilometres in diameter.

The principal target type mineralisation sought in the Needles Property area is epithermal gold ( $\pm$  silver and base metals). The available information for the area indicates that structurally controlled, silver-antimony-gold-bearing epithermal quartz veins are the main deposit type. Quartz stock work replacement veins containing silver and arsenic-bearing sulphides characterize areas of high-grade gold-silver mineralization.

### **Work undertaken**

The Company undertook an extensive programme diamond drill campaign during the year ended 30 June 2022.

In light of the results obtained from the 2022 drilling campaign, the Company has subsequently been reviewing options for this project, including undertaking a shallow initial air-core or reverse circulation drill program in the 2024 calendar year.

## **East Kimberly Diamonds**

### **Background**

The Company holds the Lower Smoke Creek (E80/4120) exploration licence that adjoins the Argyle and the former Bow River Diamond Mines within the East Kimberley region of Western Australia. Previous exploration for diamonds in the area has included limited bulk sampling, airborne magnetics, geochemical soil sampling, and drilling and the completion of 57 km ground penetrating radar ("GPR") survey.

### **Native Title**

In August 2023, the Company announced that it had secured a land access agreement with the relevant Traditional Owners for its 100%-owned East Kimberly Diamonds Exploration Licence (E80/4120). Upon receipt of this agreement, the Company submitted a proposed work plan to the Traditional Owners, for the purposes of undertaking further exploration on the tenement.

As the proposed work program is of a nature that necessitates the completion of a cultural heritage survey, the work program was submitted to a heritage surveyor during the 2023 Half-Year for a cost proposal. The Company had not received a suitable proposal by the end of the 2023 Half-Year.

### **Extension of Term Application**

The protracted timeline for obtaining the land access agreement, coupled with the necessary wait for the heritage survey, impeded the Company from being able to undertake any fieldwork on the East Kimberley Diamond Project during the 2023 Half-Year.

Under the terms of the exploration licence for the project, the Company was permitted to hold the licence for a period of five years after grant date. The Company's licence for the project was due to expire in October 2023.

With the above in mind and noting the delays caused in obtaining land access to the project, the Company submitted an Extension of Term (EoT) with the Western Australia Department of Mines, Industry Regulation & Safety (DMIRS) during the 2023 Half -Year. The application, which was for a two-year extension, was granted by the DMIRS in November 2023.

### **Future of the East Kimberly Project**

The Company announced on the 23 August 2023 that it was looking for options on this project, including selling and joint venture arrangements.



## Financial Results

### Revenue

The Company derived interest income on its short-term interest-bearing deposits held during the Half-Year 2023.

### Net expenses and impairment

The following points are noted in relation to expenses for the Half-Year 2023:

- > ongoing administration expenses increased from \$687,833 at December 2022 to \$989,248 at December 2023. Included in the Half-Year 2023 results was directors travel costs which related to management of the Company's exploration campaign for its lithium project portfolio in Nevada, United States of America and also to source new lithium opportunities for the Company in the region;
- > legal costs incurred in respect to matters concerning the Company's lithium projects of \$88,963; and
- > marketing costs of \$36,680.

The Directors have considered whether any further impairment for the Company's tenements is required for the 2023 Half-Year. The directors have formed the view that no impairment adjustment is required for the 2023 Half-Year.

### Statement of financial position

During the 2023 Half-Year the following key items occurred:

- > cash decreased from \$3,329,574 at 30 June 2023 to \$2,481,432 at 31 December 2023. This decrease was primarily caused by the Company's ongoing exploration commitments incurred for the Governor Broome Mineral Sands, Needles Lithium and Georgina IOCG projects; and
- > trade and other payables decreased from \$281,979 at 30 June 2023 to \$108,286 at 31 December 2023, due to the payment of consulting costs and drilling fees related to the Governor Broome in-fill drilling campaign and Needles Lithium exploration campaign, which had been incurred in June 2023.

### Cash Flow

The Half-Year cash flow for the 2023 Half-Year of the Group included:

- > an increase in exploration costs from \$897,581 in December 2022 to \$3,070,235 in December 2023. The causes for the increase to exploration costs during the 2023 Half-Year was due to:
  - the resource upgrade work conducted at the Jack Track Mineral Sands Project;
  - extensive drilling and geochemical work conducted at the Company's Lithium Projects, predominately at the Altair and Polaris projects; and
  - the introduction of the Georgina Basin IOCG commitments, noting that such costs were only introduced into the Company in November 2022.
- > an increase in administrative costs from \$599,863 at December 2022 to \$886,953 at December 2023. The December 2023 Half Year administrative costs were largely comprised of payments for:
  - travel to Nevada, United States of America to manage the source new lithium-based opportunities for the Company; and
  - statutory costs incurred in relation to the compliance and listing requirements of the Company.

## Corporate

### Directors

#### > Appointments

On 30 November 2023, Mr Matthew Healy joined as an executive director of the Company. Mr Healy is a highly experienced geologist with over 17 years' experience working at senior levels within ASX-listed explorers and private resources companies, exploring for and developing critical minerals, base metal and precious metal ore deposits.

Mr Healy transferred to Astute in the role of General Manager – Exploration in November 2022, following Astute's acquisition of an 80% interest in the Georgina Basin IOCG Project from Greenvale.

#### > Other Management Changes

In conjunction with Mr Healy's appointment as Executive Director on 30 November 2023, the Company's Executive Chairman, Tony Leibowitz, transitioned to the role as a Non-Executive Chairman.

#### > Loan Funded Share Plan

During the 2023 Half Year, the Company issued 10,440,000 Loan Funded Performance Shares to directors and key management personnel, under the Company's Loan Funded Share Plan (**Plan**).

The purpose of the Plan is to align the interests of participants to that of shareholders and to retain/properly compensate participants. Participants will include current and future members of the Company or its subsidiaries.

### Share Issue

#### > Placement to sophisticated investors and directors

Following approval by shareholders at the Company's General Meeting held on 17 July 2023, the Company issued 25,413,641 fully paid ordinary shares pursuant to a placement to sophisticated investors and directors, raising \$1,346,923 (before costs).

These shares were issued pursuant to the Company's placement capacity under Listing Rule 7.1.

#### > Placement to Holdmark Property Group

During the 2023 Half-Year, the Company completed the subscription agreement with its major shareholder, Holdmark Property Group (**Holdmark**) for the issue of 41,273,185 fully paid ordinary shares at a price of \$0.05 per share, raising \$2,063,659.26.

Following the issue of the shares, Holdmark's shareholding in the Company has increased from 11.05% to 19.9%.

### Change of Company Name

Following the receipt of shareholder approval at the Company's General Meeting on 17 July 2023, the Company changed its name from 'Astro Resources NL' to 'Astute Metals NL'.

The name change was registered with the Australian Securities and Investment Commission (ASIC) and Astute's shares commenced trading under the ASX code 'ASE' from 20 July 2023.

### Events Subsequent to Balance Date

Since balance date, the following matters have arisen:

- > on 11 January 2024, Astute announced that a strong IOCG target had been identified at the Knox Resources Leichhardt East Prospect. The target was generated from geophysical modelling using data collected from the Ambient Noise Tomography (ANT) survey, completed in late 2023. The target extends over a strike length of approximately 1km with a density of 3.5 - >5g/cc, which is consistent with that of mineralised rocks from iron oxide copper gold (IOCG) deposit. The lead up work for this was largely done during the 2023 Half-Year;
- > on 12 January 2024, the Company announced that lithium mineralisation had been intersected from its follow up drilling campaign at the Altair Lithium Project, in Nevada USA. The drill hole (AL03) intersected 13.7m at 365 ppm Li from 163m to the end of hole. The result is believed to confirm an extension of the mineralised Siebert Formation claystone 1.9 km to the east of the initial discovery at drill hole AL01; and
- > Astute entered into an agreement (subject to shareholder approval) to acquire the remaining 20% interest in Knox Resources Pty Ltd from Greenvale. Consideration is to be in the form of 10.0 million ordinary shares in Astute, with

5.0 million of such shares to be contingent upon Knox achieving certain milestones. More information in respect to the term of the proposed acquisition can be found within Astute's ASX release dated 29 January 2024.

Apart from the above, no matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

### Competent Persons Statement

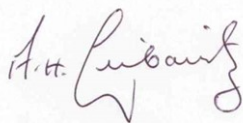
The information in this report that relates to:

- > The information in this report that relates to Exploration Results associated with the NT Georgina project is based on information compiled by Mr Matthew Healy, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy (AusIMM Member number 303597). Mr Healy is a full-time employee of Astute Metals NL. Mr Healy 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 Healy consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.
- > The information in this report that relates to Nevada Lithium Projects Sampling Techniques and Data (Section 1) is based on information compiled by Mr Matthew Healy, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy (AusIMM Member number 303597). Mr Healy is a full-time employee of Astute Metals NL and is eligible to participate in a Loan Funded Share incentive plan of the Company. Mr Healy 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 Healy consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.
- > The information in this report that relates to the Nevada Lithium Projects Reporting of Exploration Results (Section 2) is based on information compiled by Mr Richard Newport, principal partner of Richard Newport & Associates – Consultant Geoscientists. Mr Newport is a member of the Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person under the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Newport consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.
- > The information in this report as it relates to Mineral Resources and Exploration Results for the Governor Broome Project is based on information compiled by John Doepel, a Director of Continental Resource Management Pty Ltd (CRM), who is a member of the Australasian Institute of Mining and Metallurgy. Mr Doepel has sufficient experience in mineral resource estimation relevant to the style of mineralisation and type of deposit under consideration 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 Doepel consents to the inclusion in this announcement of the information in the form and context in which it appears.

### Auditor's Independence Declaration

The auditor's independence declaration for the Half-Year ended 31 December 2023 has been received and can be found on page 18 of the financial report.

This report is signed in accordance with a resolution of the Board of Directors.



**Anthony Leibowitz**  
Non-Executive Chairman  
14 March 2024



**RSM Australia Partners**

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**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the review of the financial report of Astute Metals NL 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:

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



**RSM AUSTRALIA PARTNERS**



**C J Hume**  
Partner

Sydney, NSW

Dated: 14 March 2024

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Half-Year Ended 31 December 2023

	Note	31 December 2023 \$	31 December 2022 \$
<b>Continuing Operations</b>			
Revenue	5(a)	30,757	14,325
Acquisition and due diligence expenses		-	(436,672)
Administration expenses	5(b)	(989,248)	(687,833)
Finance expenses		(11,225)	-
Impairment of exploration and evaluation assets	6	-	(870,071)
Share-based compensation expense	12(b)	(67,048)	(4,533)
<b>Loss from continuing operations before income tax</b>		<b>(1,036,764)</b>	<b>(1,984,784)</b>
Income tax expense		-	-
<b>Loss from continuing operations after tax</b>		<b>(1,036,764)</b>	<b>(1,984,784)</b>
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Net gain on revaluation of financial assets available for sale		40	100
<b>Total comprehensive loss for the period</b>		<b>(1,036,724)</b>	<b>(1,984,684)</b>
<b>Loss attributable to:</b>			
- Members of Astute Metals NL		(1,007,947)	(1,982,091)
- Non-controlling interest		(28,817)	(2,693)
		<b>(1,036,764)</b>	<b>(1,984,784)</b>
<b>Total comprehensive loss attributable to:</b>			
- Members of Astute Metals NL		(1,007,907)	(1,981,991)
- Non-controlling interest		(28,817)	(2,693)
		<b>(1,036,724)</b>	<b>(1,984,684)</b>
<b>Earnings per share (cents per share)</b>			
- basic; for loss for the Half-Year		(0.27)	(0.99)
- diluted; for loss for the Half-Year		(0.27)	(0.99)

The accompanying notes form part of these Financial Statements.

## Consolidated Statement of Financial Position

As at 31 December 2023

	Note	31 December 2023 \$	30 June 2023 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	2,481,432	3,239,574
Trade and other receivables		157,366	345,961
Inventories		4,000	4,000
Other current assets		293,295	198,608
<b>TOTAL CURRENT ASSETS</b>		<b>2,936,093</b>	<b>3,788,143</b>
<b>NON-CURRENT ASSETS</b>			
Trade and other receivables		196,770	196,770
Available-for-sale investments		740	700
Plant and equipment		649,686	731,832
Exploration expenditure	7	18,057,236	15,262,107
<b>TOTAL NON-CURRENT ASSETS</b>		<b>18,904,432</b>	<b>16,191,409</b>
<b>TOTAL ASSETS</b>		<b>21,840,525</b>	<b>19,979,552</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	8	180,205	427,933
Borrowings	9	260,269	290,274
Other liabilities		-	130,000
<b>TOTAL CURRENT LIABILITIES</b>		<b>440,474</b>	<b>848,207</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings		27,866	27,865
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>27,866</b>	<b>27,865</b>
<b>TOTAL LIABILITIES</b>		<b>468,340</b>	<b>876,072</b>
<b>NET ASSETS</b>		<b>21,372,185</b>	<b>19,103,480</b>
<b>EQUITY</b>			
Issued capital	11	40,825,714	37,587,333
Reserves	12	385,669	318,581
Non-controlling interest		906,316	935,133
Accumulated losses		(20,745,514)	(19,737,567)
<b>TOTAL EQUITY</b>		<b>21,372,185</b>	<b>19,103,480</b>

The accompanying notes form part of these Financial Statements.



## Consolidated Statement of Cash Flows

For the Half-Year Ended 31 December 2023

	31 December 2023 \$	31 December 2022 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Interest and other income received	33,355	3,603
Proceeds from grants	165,830	-
Payments to suppliers and employees	(886,953)	(599,863)
Net cash used in operating activities	(687,768)	(596,260)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Payment for exploration expenditure	(3,070,235)	(897,581)
Payments for plant and equipment	-	(101,843)
Payments for acquiring terminated projects	(193,020)	(305,674)
Proceeds from plant and equipment	84,500	-
Net cash used in investing activities	(3,178,755)	(1,305,098)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from placement (net of transaction costs)	3,108,381	2,337,309
Net cash provided by financing activities	3,108,381	2,337,309
Net (decrease)/increase in cash and cash equivalents held	(758,142)	435,951
Cash and cash equivalents at beginning of year	3,239,574	2,074,450
Cash and cash equivalents at end of the Half-Year	2,481,432	2,510,401

The accompanying notes form part of these Financial Statements.

## Consolidated Statement of Changes in Equity

For the Half-Year Ended 31 December 2023

	Issued capital \$	Reserves \$	Accumulated losses \$	Non-controlling interest \$	Total equity \$
<b>Balance at 1 July 2022</b>	27,663,242	273,820	(16,778,972)	-	11,158,090
Loss for the period attributable to members of the parent entity	-	-	(1,984,784)	-	(1,984,784)
Non-controlling interest	-	-	2,693	(2,693)	-
Other comprehensive income	-	100	-	-	100
Acquisition of Knox Resources Pty Ltd	-	-	-	939,118	939,118
Share Placement (September 2022)	654,669	-	-	-	654,669
Share Placement (December 2022)	2,082,740	-	-	-	2,082,740
Shares Issued in satisfaction of Knox Resources transaction	3,450,000	-	-	-	3,450,000
Share based payments	-	4,533	-	-	4,533
<b>Balance at 31 December 2022</b>	<b>33,850,651</b>	<b>278,453</b>	<b>(18,761,063)</b>	<b>936,425</b>	<b>16,304,466</b>
<b>Balance at 1 July 2023</b>	37,587,333	318,581	(19,737,567)	935,133	19,103,480
Loss for the period attributable to members of the parent entity	-	-	(1,036,764)	-	(1,036,764)
Non-controlling interest	-	-	28,817	(28,817)	-
Other comprehensive income	-	40	-	-	40
Share Placement (August 2023)	1,333,774	-	-	-	1,333,774
Share Placement (Holdmark Property Group)	2,063,659	-	-	-	2,063,659
Share issue costs	(159,052)	-	-	-	(159,052)
Share based payments	-	67,048	-	-	67,048
<b>Balance at 31 December 2023</b>	<b>40,825,714</b>	<b>385,669</b>	<b>(20,745,514)</b>	<b>906,316</b>	<b>21,372,185</b>

The accompanying notes form part of these Financial Statements.

# Condensed Notes to the Consolidated Financial Statements

For the Half-Year Ended 31 December 2023

## 1 CORPORATE INFORMATION

The financial report of Astute Metals NL (formerly Astro Resources NL) ("**the Company**") for the Half-Year ended 31 December 2023 was authorised for issue in accordance with a resolution of the Directors on 14 March 2024. The financial report comprises of the activities for the Company and its subsidiaries (together referred to as "**the Group**"), which is primarily involved in mineral exploration.

The Company is incorporated in Australia and limited by shares which are publicly traded on the Australian Securities Exchange.

The consolidated annual financial statements of the Group as at 31 December 2023 and for the year ended 30 June 2023 are available upon request from the Company's registered office at Suite 6, Level 5, 189 Kent Street, Sydney NSW 2000, or <https://astutemetals.com/>

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Half-Year financial report does not include all of the notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

The 2023 Half-Year financial report should be read in conjunction with the Annual Financial Report of Astute Metals NL as at 30 June 2023. It is also recommended that the Half-Year financial report be considered together with any public announcements made by Astute Metals NL and its controlled entities during the Half-Year ended 31 December 2023 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

### (a) Basis of Preparation

The Half-Year consolidated financial report is a general-purpose financial report, which has been prepared in accordance with the requirement of the Corporations Act 2001 and Australian Accounting Standards, including AASB 134 "Interim Financial Reporting". Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

For the purpose of preparing the 2023 Half-Year financial report, the Half-Year has been treated as a discrete reporting period.

### (b) Basis of consolidation

The Half-Year consolidated financial statements comprise the financial statements of Astute Metals NL and its controlled subsidiaries (the "**Group**").

### (c) New Accounting Standards and Interpretations

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding AASB134(16A)(a) interim reporting period, unless otherwise stated.

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.

### (d) Going concern

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

As disclosed in the financial statements, the company incurred a loss after tax of \$1,036,764 and had net cash outflows from operating and investing activities of \$3,866,523 for the half year ended 31 December 2023.



**(d) Going concern (continued)**

The Directors believe that there are reasonable grounds to believe that Astute Metals will be able to continue as a going concern, after consideration of the following factors for the 2023 Half-Year:

- the company has cash at bank of \$2,481,432;
- the company has net current assets \$2,495,619 and net assets of \$21,372,185; and
- if required, the Company has the ability to continue to raise additional funds on a timely basis pursuant to the Corporations Act 2001.

**3 FINANCIAL RISK MANAGEMENT**

All aspects of the Group's financial risk management objectives and policies are consistent with that disclosed in the consolidated financial report as at and for the year ended 30 June 2023.

**4 SEGMENT INFORMATION**

**Identification of reportable segments**

**Operating Segments**

Operating segments are reported in a manner consistent with the internal reporting provided to the "chief operating decision maker". The "chief operating decision maker", which is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segment results are regularly reviewed by the Group's Board of Directors to make decisions about resources allocated to the segment and assess its performance and for which discrete financial information is available.

Operating segments are identified and segment information disclosed on the basis of internal reports that are provided to, or revised by, the Company's chief operating decision maker which, for the Company, is the Board of Directors. The operating segments are identified by management based on the type of exploration being conducted by the Group. Discrete financial information about each of these operating businesses is reported to the Board of Directors on at least a quarterly basis.

The Group operates as an explorer in five operating segments being:

- heavy minerals, located in Australia;
- lithium exploration, located in the United States of America;
- diamonds, located in Australia;
- iron ore copper gold (IOCG), located in Australia; and
- gold exploration industries located in the United States of America.

**Types of Products and Services**

*Heavy mineral exploration*

The Company is currently conducting exploration upon tenements considered prospective for heavy minerals. No income has been derived from the recovery of mineral sands in period ending 31 December 2023 (2022: Nil).

*Lithium exploration*

The Company is currently conducting exploration upon tenements considered prospective for lithium, notably the Kibby Basin Project. Since the date of acquisition, no income has been derived from lithium projects in the period ending 31 December 2023 (2022: Nil).

*Diamond exploration*

The Company is currently conducting exploration upon tenements considered prospective for diamonds. No income has been derived from the recovery of diamonds in the period ending 31 December 2023 (2022: Nil).

*Iron Ore Copper Gold (IOCG) exploration*

The Company is currently conducting exploration upon tenements considered prospective for IOCG deposits. No income has been derived from the recovery of IOCG deposits in the period ending 31 December 2023 (2022: Nil).

*Gold and silver exploration*

The Company is currently conducting exploration upon tenements considered prospective for gold. Since the date of acquisition, no income has been derived from gold projects in the period ending 31 December 2023 (2022: Nil).

**Half-Year Financial Report 2023**  
**Astute Metals NL and Its Controlled Entities**



**4 SEGMENT INFORMATION**

**(a) Segment Information 31 December 2022**

**Six months ended 31 December 2022**

**Revenue**

	Diamond	Heavy minerals	Lithium	IOCG	Gold	Unallocated	Total
	\$	\$	\$	\$	\$	\$	\$
Other revenue	-	-	-	10,821	-	3,504	14,325
Total segment revenue	-	-	-	10,821	-	3,504	14,325
Segment result	(875,707)	(12,588)	-	(13,464)	(198,177)	(884,848)	(1,984,784)
(Loss) before income tax and non-controlling interests	(875,707)	(12,588)	-	(13,464)	(198,177)	(884,848)	(1,984,784)
Income tax expense	-	-	-	-	-	-	-
Net (loss) for the six months as Statement of Comprehensive Income	(875,707)	(12,588)	-	(13,464)	(198,177)	(884,848)	(1,984,784)

**Assets and Liabilities**

**Segment assets**

- Exploration Expenditure	100,000	3,903,742	-	4,198,126	4,445,540	-	12,647,408
- Plant and Equipment	274,852	-	-	529,527	101,844	-	906,223
- Inventories	4,000	-	-	-	-	-	4,000
	378,852	3,903,742	-	4,727,653	4,547,384	-	13,557,631

**Unallocated assets**

- Available for sale assets	-	-	-	-	-	920	920
- Cash and cash equivalents	462	104,648	-	50,545	-	2,354,746	2,510,401
- Trade and other receivables	-	45,104	-	66,221	-	142,971	254,296
- Other assets	9,540	55,170	-	198,774	110,838	51,725	426,047
	10,002	204,922	-	315,540	110,838	2,550,362	3,191,664

**Total assets as per the Statement of Financial Position**

	388,854	4,108,664	-	5,043,193	4,658,222	2,550,362	16,749,295
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**Segment and unallocated liabilities**

- Trade and other payables	-	-	-	10,041	-	124,592	134,633
- Lease liabilities	-	-	-	38,862	-	-	38,862
- Borrowings	-	-	-	271,334	-	-	271,334

**Total liabilities as per the Statement of Financial Position**

	-	-	-	320,237	-	124,592	444,829
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**Half-Year Financial Report 2023**  
**Astute Metals NL and Its Controlled Entities**



**4 SEGMENT INFORMATION**

**(b) Segment Information 31 December 2023**

	Diamond	Heavy minerals	Lithium	IOCG	Gold	Unallocated	Total
	\$	\$	\$	\$	\$	\$	\$
<b>Six months ended 31 December 2023</b>							
<b>Revenue</b>							
Other revenue from external customers	-	-	-	(2,597)	-	33,354	30,757
Total segment revenue	-	-	-	(2,597)	-	33,354	30,757
Segment result	(1,077)	-	(56,390)	(144,086)	-	(835,211)	(1,036,764)
(Loss) before income tax and non-controlling interests	(1,077)	-	(56,390)	(144,086)	-	(835,211)	(1,036,764)
Other comprehensive income/(loss)	-	-	-	-	-	40	40
Net (loss) for the six months as Statement of Comprehensive Income	(1,077)	-	(56,390)	(144,086)	-	(835,171)	(1,036,724)
<b>Assets and Liabilities</b>							
<b>Segment assets</b>							
- Exploration Expenditure	169,247	4,831,492	3,075,190	5,584,970	4,396,337	-	18,057,236
- Plant and Equipment	248,621	-	101,843	299,222	-	-	649,686
- Inventories	4,000	-	-	-	-	-	4,000
	421,868	4,831,492	3,177,033	5,884,192	4,396,337	-	18,710,922
<b>Unallocated assets</b>							
- Available for sale assets	-	-	-	-	-	740	740
- Cash and cash equivalents	396	224,431	-	32,906	-	2,223,699	2,481,432
- Trade and other receivables	-	4,361	-	54,400	-	98,605	157,366
- Other assets	10,022	52,333	200,297	131,191	70,869	25,353	490,065
	10,418	281,125	200,297	218,497	70,869	2,348,397	3,129,603
Total assets as per the Statement of Financial Position	432,286	5,112,617	3,377,330	6,102,689	4,467,206	2,348,397	21,840,525
<b>Segment and unallocated liabilities</b>							
- Trade and other payables	-	-	-	41,787	-	138,418	180,205
- Borrowings	-	-	-	288,135	-	-	288,135
<b>Total liabilities as per the Statement of Financial Position</b>	-	-	-	329,922	-	138,418	468,340



## 5 REVENUE, INCOME AND EXPENSES FROM CONTINUING OPERATIONS

	31 December 2023 \$	31 December 2022 \$
<b>(a) Income</b>		
Interest income	33,354	3,504
Other income	(2,597)	10,821
	<b>30,757</b>	<b>14,325</b>
<b>(b) Administrative Expenses</b>		
Directors' and related entities consulting fees	487,430	128,732
Administration expenses	424,383	179,982
Corporate listed expenses	33,592	146,820
Travel and accommodation expenses	43,843	232,299
	<b>989,248</b>	<b>687,833</b>

## 6 CASH AND CASH EQUIVALENTS

	31 December 2023 \$	30 June 2023 \$
<b>CURRENT</b>		
Cash at bank and in hand	972,900	1,739,574
Term deposits – short term	1,508,532	1,500,000
	<b>2,481,432</b>	<b>3,239,574</b>

## 7 EXPLORATION, EVALUATION AND DEVELOPMENT ASSETS

	31 December 2023 \$	30 June 2023 \$
<b>Note</b>		
Exploration Expenditure (at cost)	(a) 20,615,128	17,820,000
Less: Impairment	(b) (2,557,892)	(2,557,893)
	<b>18,057,236</b>	<b>15,262,107</b>

### (a) Carrying amount of Exploration Expenditure

	31 December 2023 \$	30 June 2023 \$
<b>Note</b>		
Carrying amount at the beginning of the year	17,820,000	10,557,150
Add: Expenditure capitalised during the period	2,795,128	3,064,723
Add: Transfer of interest in Knox Resources Pty Ltd project	(c) -	4,198,127
Less: Impairment recognised during the period	(b) -	-
	<b>20,615,128</b>	<b>17,820,000</b>

## 7 EXPLORATION, EVALUATION AND DEVELOPMENT ASSETS (continued)

### (b) Discussion on impairment

At each reporting date the Company undertakes an assessment of the carrying amount of its exploration and evaluation assets. Where an indication of impairment exists, and impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the assets fair value less costs to sell and value in use, to the assets carrying value.

Included within the capitalised exploration costs for the 2023 Half-Year are the following impairment adjustments, which have been recognised in previous financial years:

#### (i) East Kimberley Diamonds Project

During the 31 December 2022 half year, the Company identified indicators of impairment on certain exploration and evaluation assets under AASB 6 *Exploration and Evaluation of Mineral Resources*. As a result of this review, a total impairment loss of \$870,071 was recognised at such time as a loss in relation to the East Kimberley Diamonds (**Diamonds**) project.

The basis for recognising an impairment adjustment for the Diamonds project was due to changing market conditions, notably the termination of the proposed Initial Public Offering (IPO) spin off via the Argyle Resources Limited entity.

#### (ii) Impairment – Governor Broome Sands

Included in the capitalised exploration costs are to the Heavy Mineral Sands exploration project:

- the Governor Broome Sands (that is, heavy minerals project), tenement number E70/2372, now known as Retention Licence R70/53 which is not subject to any minimum expenditure commitments; and
- the Iluka Joint Venture – see below.

The Board has previously formed a view that a provision for impairment of \$1.687 million was required. The Board considers that this provision is still adequate having regard to the following:

- future outlook of mineral sands prices;
- the level of resources, as recently determined by the competent person; and
- potential range of operating costs for the exploitation of the resources and capital expenditure.

The Board has formed the view that other key capitalised exploration asset namely, the IOCG, lithium and gold projects do not require impairment and continue to actively pursue this exploration asset.

### (c) Information on Knox Resources Pty Ltd Exploration Expenditure

On 28 November 2022, the Company acquired an 80% interest in Knox Resources Pty Ltd, the 100% owner of the Georgina Basin IOCG Project.

As at the date of joining the Astute Metals NL consolidated financial group, exploration expenditures incurred on the Georgina Basin portfolio were approximately \$4.20 million. Such an amount has been included within the total exploration expenditures (at cost) amount.

## 8 TRADE AND OTHER PAYABLES

	31 December 2023 \$	30 June 2023 \$
Trade payables	108,286	281,979
Other payables	71,919	145,954
	<b>180,205</b>	<b>427,933</b>

## 9 BORROWINGS

### CURRENT

	Note	31 December 2023 \$	30 June 2023 \$
Loan – Greenvale Energy Limited	(a)	249,273	270,681
Credit card borrowings		-	8,597
Unexpired lease		10,996	10,996
Total		<b>260,269</b>	<b>290,274</b>

### NON-CURRENT

Unexpired lease		27,866	27,865
Total		<b>27,866</b>	<b>27,865</b>

(a) Key terms of the loan facility to Greenvale Energy Limited (Greenvale) is as follows:

<b>Security</b>	Unsecured
<b>Facility Limit</b>	\$600,000
<b>Interest Rate</b>	Nil% per annum
<b>Facility Term</b>	Two years from the Commencement Date
<b>Purpose</b>	To provide funding to Knox Resources Pty Ltd for the purpose of general working capital and exploration activities at the Georgina Basin Project. This loan has been used to provide Greenvale's share of the costs incurred for the exploration activities. As at the 2023 Half-Year, the amount owing to Greenvale by Knox is to be capitalised so as to match Astute's level of contribution made over the period of time since the acquisition. Accordingly, the amount owing to Greenvale will be extinguished post 31 December 2023, irrespective of the proposed transaction occurring in note 14 below.

## 10 COMMITMENTS AND CONTINGENCIES

### EXPLORATION

The Company has to perform minimum exploration work and expend minimum amounts of money on its tenements. The overall expenditure requirement tends to be limited in the normal course of the Company's tenement portfolio management through expenditure exemption approvals, and expenditure reductions through relinquishment of parts of the whole of tenements deemed non-prospective. Should the Company wish to preserve interests in its current tenements the amount which may be required to be expended as follows:

	31 December 2023 \$	30 June 2023 \$
No later than one year	1,230,698	1,230,698
Between one to five years	4,922,791	4,922,791
	<b>6,153,490</b>	<b>6,153,490</b>

## 11 CONTRIBUTED EQUITY

410,519,490 (June 2023: 343,832,664) Ordinary shares

Note	31 December 2023	30 June 2023
	\$	\$
(a)	<b>40,825,714</b>	37,587,333
	<b>40,825,714</b>	<b>37,587,333</b>

### (a) Ordinary shares – movement reconciliation

	No.	No.
Opening Balance	<b>343,832,664</b>	4,705,241,266
Shares issued under offer 2022 (September 2022)	-	188,025,688
Share consolidation (25:1)	-	(4,697,536,276)
Shares issued under offer 2022 (December 2022)	-	27,769,878
Shares issued in consideration for Knox Resources Pty Ltd	-	46,000,000
Shares issued under offer 2023 (April 2023)	-	66,628,404
Shares issued under share purchase plan	-	7,703,704
Shares issued under offer 2023 (August 2023)	<b>25,413,641</b>	-
Shares issued under offer 2023 (Holdmark Property Group)	<b>41,273,185</b>	-
Number of ordinary shares on issue	<b>410,519,490</b>	<b>343,832,664</b>

### (b) Ordinary shares – voting rights

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Group. On a show of hands at meetings of the Group, each holder of ordinary shares has one vote in person or by proxy, and upon a poll each share is entitled to one vote. In the event of winding up of the Group ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any proceeds of liquidation.

## 12 RESERVES

Share based payments reserve

Revaluation reserve

Note	31 December 2023	30 June 2023
	\$	\$
(b)	<b>405,929</b>	338,881
	<b>(20,260)</b>	(20,300)
(a)	<b>385,669</b>	<b>318,581</b>

### (a) Movement in reserves

Opening balance

Current year share-based payment expense

Loss on revaluation of investment

31 December 2023	30 June 2023
\$	\$
<b>318,581</b>	273,820
<b>67,048</b>	44,881
<b>40</b>	(120)
<b>385,669</b>	<b>318,581</b>



## 12 RESERVES (continued)

### (b) Share based payments reserve

During the 2023 Half-Year, directors and key management personnel were granted 10,440,000 options under a Loan Funded Share Plan ("LFSP"). The following factors and assumptions were used in determining the fair value of the options under the Monte Carlo option valuation model ("MC model").

		31 December 2023	30 June 2023
	Note	\$	\$
Expense recognised for consulting services received during the year:			
Share-based compensation related to options granted to directors		42,217	44,881
Share-based compensation related to options granted to consultants		24,831	-
	(i), (ii)	67,048	44,881

### (i) Factor/assumptions pertaining to share based payments issued during the Half-Year

Grant date		23/08/2023	02/04/2023
Option life		18, 36 months	18, 36 months
Fair value per option (MC model)		\$0.026, \$0.029	\$0.015, \$0.016
Exercise price	(iii)	\$0.08, \$0.12	\$0.08, \$0.12
Price of shares on grant date		\$0.053	\$0.06
Expected volatility		85.00%	85.00%
Risk-free interest rate		3.87%	2.85%

### (ii) Accounting policy for share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to directors and consultants. Equity-settled transactions are awards of shares, or options over shares, that are provided to directors and consultants in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions is recognised as an expense with a corresponding increase in equity over the vesting period. 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 previously recognised.

### (iii) Exercise price

As per the terms of the loan funded share plan, there will be two exercise prices based on performance hurdles:

- 50% at a hurdle price of \$0.08; and
- 50% at a hurdle price of \$0.12

### 13 CONTROLLED ENTITIES

Country of Incorporation	Percentage Owned (%)
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**Parent Entity:**

Astute Metals NL

**Subsidiaries:**

HM Sands Pty Limited	Australia	100
Boldhill Holdings Pty Limited	Australia	100
East Kimberley Diamond Corporation Pty Limited	Australia	100
Governor Broome Sands Pty Limited	Australia	100
MacPhee Resources Pty Limited	Australia	100
Needles Holdings Inc	United States	100
North Doolgunna Metals Pty Limited	Australia	100
Knox Resources Pty Ltd	Australia	80
Argyle Resources Limited	Australia	100

### 14 EVENTS AFTER THE BALANCE SHEET DATE

Since balance date, the following matters have arisen:

- > on 11 January 2024, Astute announced that a strong IOCG target had been identified at the Knox Resources Leichhardt East Prospect. The target was generated from geophysical modelling using data collected from the Ambient Noise Tomography (ANT) survey, completed in late 2023. The target extends over a strike length of approximately 1km with a density of 3.5 - >5g/cc, which is consistent with that of mineralised rocks from iron oxide copper gold (IOCG) deposit;
- > on 12 January 2024, the Company announced that lithium mineralisation had been intersected from its follow up drilling campaign at the Altair Lithium Project, in Nevada USA. The drill hole (AL03) intersected 13.7m at 365 ppm Li from 163m to the end of hole. The result is believed to confirm an extension of the mineralised Siebert Formation claystone 1.9 km to the east of the initial discovery at drill hole AL01; and
- > Astute entered into an agreement (subject to shareholder approval) to acquire the remaining 20% interest in Knox Resources Pty Ltd from Greenvale. Consideration is to be in the form of 10.0 million ordinary shares in Astute, with 5.0 million of such shares to be contingent upon Knox achieving certain milestones. More information in respect to the term of the proposed acquisition can be found within Astute's ASX release dated 29 January 2024.

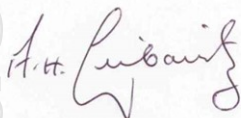
Apart from the above, no matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

## Directors' Declaration

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 19 to 32 are in accordance with the *Corporations Act 2001*, including:
  - (a) complying with Accounting Standard AASB 134: Interim Financial Reporting the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
  - (b) give a true and fair view of the consolidated group's financial position as at 31 December 2023 and of its performance for the Half-Year ended on that date.
2. In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



**Anthony Leibowitz**  
Non-Executive Chairman  
14 March 2024

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## INDEPENDENT AUDITOR'S REVIEW REPORT

### TO THE MEMBERS OF

### ASTUTE METALS NL

#### Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Astute Metals NL which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of 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.

#### *Directors' Responsibility for the Half-Year Financial Report*

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of Astute Metals NL*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the 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*. As the auditor of Astute Metals NL, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

#### *Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Astute Metals NL is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

A handwritten signature in blue ink, appearing to read "RSM".

**RSM AUSTRALIA PARTNERS**

A handwritten signature in blue ink, appearing to read "C J Hume".

**C J Hume**  
Partner

Sydney, NSW  
Dated: 14 March 2024