

INTERIM FINANCIAL REPORT

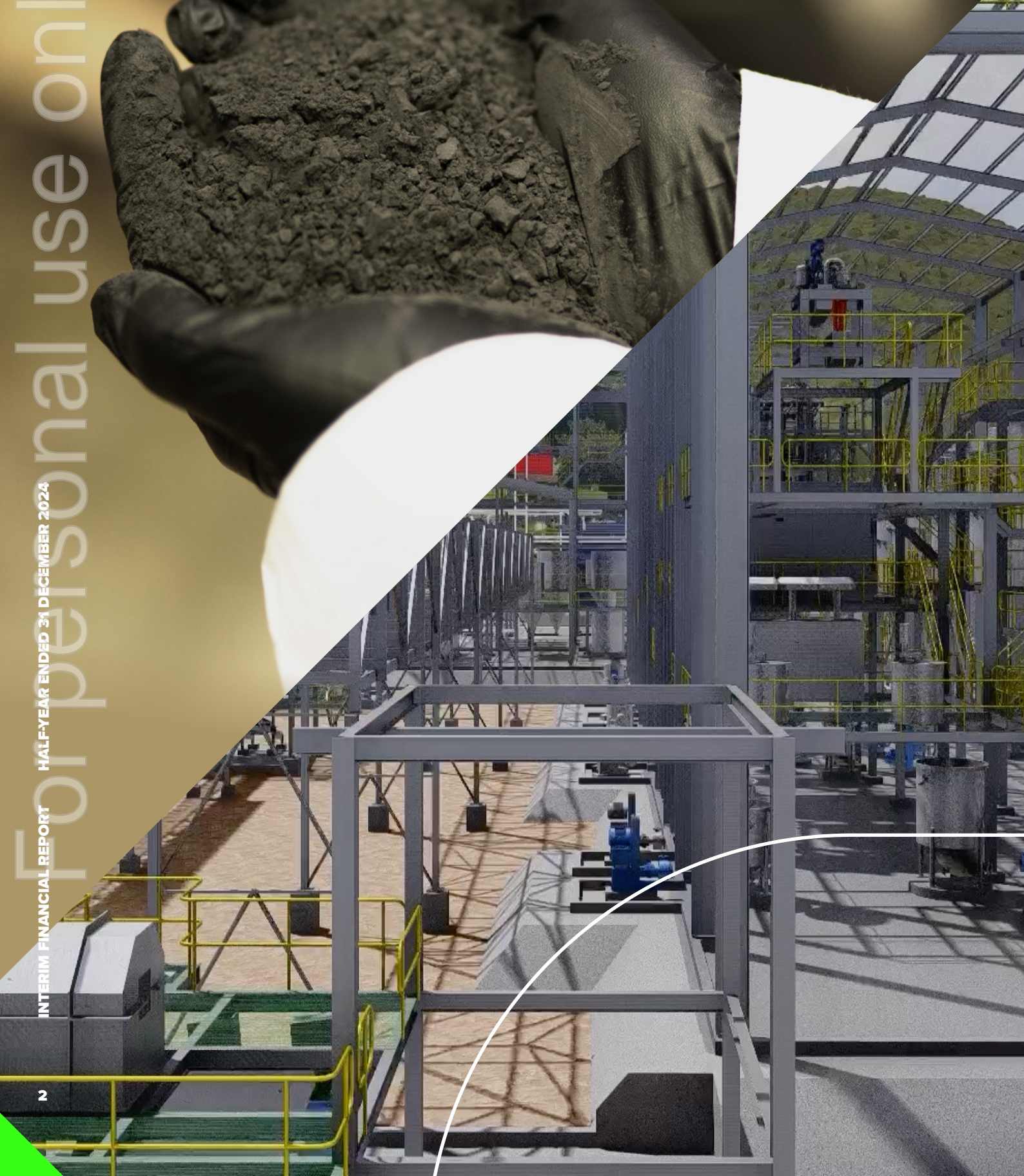


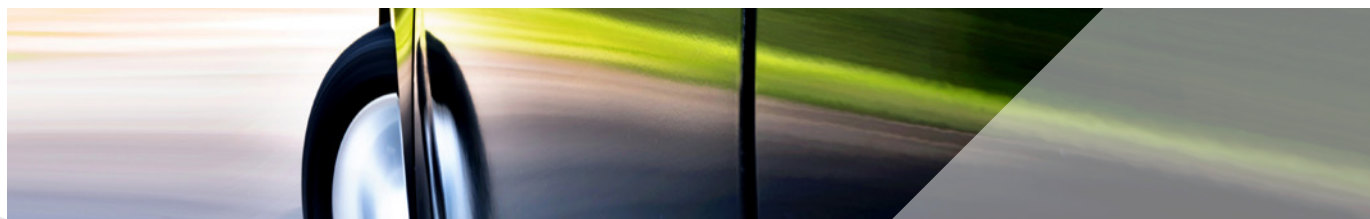
ABN 15 117 330 757



For the half-year ended
31 December 2024

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DIRECTORS' REPORT

The directors of EcoGraf Limited ("EcoGraf" or "the Company") and its controlled entities (collectively, the "consolidated entity") present their report together with the condensed financial statements of the consolidated entity for the half-year ended 31 December 2024.

Board of Directors

The directors of the Company throughout the half-year and to the date of this report are as follows:

| | |
|----------------------|------------------------|
| Robert Pett | Non-Executive Chairman |
| Andrew Spinks | Managing Director |
| John Conidi | Non-Executive Director |
| Keith Jones | Non-Executive Director |

Principal Activities

EcoGraf is building a vertically integrated battery anode materials business to produce high purity graphite products for the lithium-ion battery and advanced manufacturing markets. Over US\$30 million has been invested to date to create a highly attractive graphite business which includes:

- Epanko Graphite Mine in Tanzania;
- Mechanical Shaping Facility in Tanzania; and
- EcoGraf HFfree® Purification Facilities located in close proximity to electric vehicle, battery and anode manufacturers.

In Tanzania, the Company is developing the TanzGraphite natural flake graphite business, commencing with the Epanko Graphite Project, to provide a long-term, scalable supply of feedstock for EcoGraf™ battery anode material processing facilities, together with high quality large flake graphite products for specialised industrial applications.

In addition, the Company is finalising the planned location for its Mechanical Shaping Facility in Tanzania, which will manufacture natural flake graphite into spherical graphite (SpG). This mechanical micronizing and spheronising is the first step in the conversion of high-quality flake graphite concentrate into battery grade anode material used in the production of lithium-ion batteries.

Using its environmentally superior EcoGraf HFfree® purification technology, the Company will upgrade the SpG to produce 99.95%C high performance battery anode material to supply electric vehicle, battery and anode manufacturers in Europe, Asia and North America.

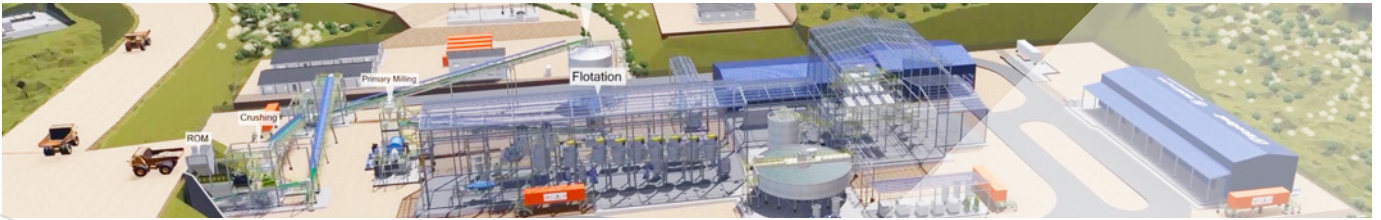
Battery recycling is critical to improving supply chain sustainability and the Company's successful application of the EcoGraf™ purification process to recycle battery anode material provides it with a unique ability to support customers to reduce CO₂ emissions and lower battery costs.

Operating Results

The loss after income tax incurred by the consolidated entity for the six months ended 31 December 2024 was \$1,455,000 (2023: \$2,305,000).

No dividends were declared or paid during the half-year ended 31 December 2024 (2023: nil).





Review of Operations

UPSTREAM

Epanko Graphite Project

The Epanko Graphite Project (Epanko or the Project) is a long life, highly profitable graphite project located approximately 370km from the city of Dar es Salaam in Tanzania. In 2017, a pre-development program was completed resulting in an extensive Bankable Feasibility Study (BFS), which was subject to a rigorous due diligence by bank appointed independent engineers, SRK Consulting (UK) Limited.

The results of the pre-development program positioned the Project as a world class new graphite development. It is forecast to initially produce 73,000 tonnes of natural flake graphite products each year and thereafter expand in stages to over 300,000 tonnes per year to meet the forecast growth in global demand for graphite.

Project funding

EcoGraf has mandated KfW IPEX-Bank to undertake advisory, structuring and arranging services to obtain import credit cover (UFK Cover) and arrange a senior debt facility (UFK Tranche) of up to US\$105 million for the construction of the Epanko Graphite Project in Tanzania. Subject to satisfactory due diligence and credit approvals, KfW IPEX-Bank may act as sole funder of the UFK Tranche (refer to ASX announcement dated 29 November 2023).

The UFK program is provided by the Federal Republic of Germany through credit insurer Euler Hermes to incentivise the development of key projects that can provide a long-term supply of critical minerals for German industry. Subject to satisfaction of defined due diligence criteria, loan cover on behalf of the Federal Republic of Germany with a long tenor can be provided under the program, which upon approval of binding cover provides Epanko with increased financial flexibility during ramp-up and operation. The German Government Inter-Ministerial Committee has provided non-binding confirmation that Epanko is in principle eligible for UFK Cover under the UFK program and that an expert opinion (Independent Expertise) on the Project and proposed financing arrangements is now required to obtain Preliminary Approval for a binding offer of cover.

A key requirement of the UFK program is the promotion of the highest environmental and social construction and operating standards. Epanko's social and environmental planning programs are being developed to comply with the Equator Principles, a globally recognised risk management framework adopted by leading financial institutions for assessing and managing social and environmental risks in new developments. The Company's key focus at Epanko in recent months has been completion of various pre-development programs to support lender due diligence processes. These programs included:

- Mine planning to optimise the expanded Ore Reserve estimate;
- Analysis of additional geotechnical drill data to confirm the tailings storage facility (TSF), water storage dam (WSD) and process plant designs;
- TSF and WSD break assessments and design updates in accordance with the Global Industry Standard on Tailings Management;
- Updated environmental baseline studies, impact assessments and management plans in accordance with IFC Performance Standards, Equator Principles and World Bank Environmental, Health and Safety Guidelines;
- Updated and optimised project construction schedule, cost estimates and risk management plans; and
- Project execution planning, preparation for EPCM tendering and Government approvals.



DIRECTORS' REPORT

Mine planning and development

Completion of the Front-End Engineering Design (FEED) study by METC Engineering and Construction (METC) in conjunction with their Tanzanian joint-venture operation, METC-PaulSam, occurred during the period, and provides for the overall control base for the execution of the Project. The FEED study output include design for all disciplines, scope of work, schedule and control budget for the construction of the process plant (refer to ASX announcement dated 21 October 2024).

The updated process plant design for the Project is based on proven metallurgical processes that optimises recovery and minimises operating costs. Equipment selection has been based upon test work results, vendor advice, BFS recommendations and METC data base and experience. The layout of the plant has been optimised to improve operability, ease of maintenance access and to minimise capital costs.

An engineering geotechnical drilling program was also completed during the period, which comprised 19 holes for 485m and 68 geotechnical test pits. The program provides critical samples and data required to finalise the geotechnical parameters for the processing plant, TSF and WSD and will ensure that the final TSF design meets the engineering standards outlined in the 2020 Global Industry Standard on Tailings Management (GISTM) (refer to ASX announcement dated 21 October 2024). Testwork on the program's samples are in progress.

In partnership with the Tanzania Rural and Urban Roads Agency (TARURA) and following tender approval and award, work commenced using local contractors on upgrading the Epanko Southern Road. This road will provide all weather, dual access to the site, ensuring continuous heavy vehicle access throughout the upcoming construction phase.

Geotechnical Drilling Program and Epanko Southern Road Upgrade





Other activities during the period included the following:

- Refinement of the mine plan and associated mining and processing schedule;
- Advancement of the power supply agreement with TANESCO, the Tanzanian electrical supply company;
- Integration of the Project mine waste dump strategy into the TSF design and construction sequence planning; and
- Preparation of the Project Execution Plan and integrated Project schedule is progressing, comprising the FEED schedule, pre-FID activities, site access road and all other site infrastructure programs.

Environmental and social planning

EcoGraf's social and environmental planning programs were independently assessed in 2017 by KfW IPEX-Bank appointed SRK (UK) to comply with the Equator Principles, a globally recognised risk management framework adopted by leading financial institutions for assessing and managing social and environmental risks in new developments.

In preparation for development of Epanko, the Company has engaged a number of leading international and Tanzanian specialists to undertake an update of the Epanko environmental and social management plans in accordance with IFC Performance Standards.

Following completion of extensive community field surveys during 2023-24, the updated Resettlement Action Plan (RAP) has been compiled and in the process of being finalised. In collaboration with the Epanko community, the Epanko B/Mbera-Kitonga site has been identified as the preferred resettlement location for Project Affected Persons (PAPs). This site ensures that the PAPs remain part of the greater Epanko community, whilst remaining within close proximity to the town of Mahenge. The Company is undertaking an Environmental and Social Impact Assessment for the revised resettlement areas, with baseline dry season environmental and social surveys conducted.

The update of Epanko's environmental assessments and plans continued during the period. Following small changes to the infrastructure layout of the Epanko mine site plan since the 2017 ESIA was completed, an update of the mine site environmental management plan is underway with additional air quality, noise and vibration, water quality, and community health studies taking place. In addition, greenhouse gas and climate change reports have been completed to ensure requirements of the IFC Performance Standards and Equator Principles are adequately addressed.

Community and social activities



Resettlement Action Plan community engagement



Epanko's environmental assessments

DIRECTORS' REPORT

Renovation of a local community dispensary was completed with preparations underway for an official handover to the district government, providing much needed medical services to isolated communities.

As part of the Company's ongoing education program with the Epanko primary school, an introductory session was conducted providing information on the weather station utilised by the Company.



Local community dispensary



Epanko primary school excursion – weather station

Production targets and financial information

Production targets and forecast financial information derived from the production targets, included in this report is extracted from ASX announcements dated 21 June 2017, 28 April 2023 and 25 July 2024.

"Updated Bankable Feasibility Study" available at www.ecograf.com.au and www.asx.com.au. The Company confirms that all material assumptions underpinning the production targets and forecast financial information derived from the production targets set out in the announcements released on 21 June 2017, 28 April 2023 and 25 July 2024 continue to apply and have not materially changed.

The production targets referred to in this report are based on the updated Epanko Reserve (25 July 2024 announcement) which is comprised of 82% Measured Resources and 18% Indicated Resources for an initial 18-year life of mine. The Measured Resources and Indicated Resources underpinning the production target have been prepared by a competent person in accordance with the requirements in Appendix 5A (JORC Code).

The Company has not used Inferred Mineral Resources as part of the production target. The Study includes some Inferred Resources which are mined incidentally with the Measured and Indicated Resources and treated as waste for scheduling purposes.





MIDSTREAM

Tanzania Mechanical Shaping Facility

Following the identification of four prospective sites along the Epanko to Dar es Salaam transport corridor for locating its Spherical Graphite Mechanical Shaping Facility, the Company has selected one preferred location for further evaluation. This facility will beneficiate Epanko natural flake graphite concentrate into spherical graphite product, which is the first step in the conversion of high-quality flake graphite concentrate into battery grade anode material used in the production of lithium-ion batteries.

This location was the subject of a facility siting study designed to review the local infrastructure and available land, whilst considering the optimum position for such a facility. In addition, a review has commenced for the updated capital and operating cost estimates for the proposed facility in Tanzania.

DOWNSTREAM

EcoGraf HFfree® Purification Facilities

The Company is developing a battery anode material business that will provide a new supply of high quality purified spherical graphite for the high growth lithium-ion battery sector, using its EcoGraf HFfree® purification process developed in Australia and Germany.

EcoGraf HFfree® BAM advantages



UPSTREAM

- ✓ High ore grade
- ✓ High processing recoveries
- ✓ High concentrate grade
- ✓ Low mining strip ratio
- ✓ Low energy cost



MIDSTREAM

- ✓ High yields
- ✓ Low energy cost
- ✓ Reduced transport cost (removal of 40% fines)



DOWNSTREAM

- ✓ Low cost chemicals
- ✓ Minimal waste products
- ✓ Logistic efficiency
- ✓ Processing cost advantage



RECYCLING

- ✓ Low cost chemicals
- ✓ Minimal waste products
- ✓ High processing recoveries
- ✓ Increased value from reuse of production anode materials

DIRECTORS' REPORT

Project Qualification Facility (PQF)

During the period, the PQF continued to progress successfully through the second phase of a campaign program. All key equipment were operated successfully on a continuous basis confirming design parameters and materials of construction. This significant milestone follows the successful PQF commissioning phase last year and also extensive bench scale testwork that showed the purification technology achieving extremely high purification levels of up to 99.99% carbon (refer to ASX announcement dated 9 April 2024).

Successful completion of the PQF will serve to validate the EcoGraf HFfree® purification process for commercial scale production, provide product samples for potential customers and support the development program.

Product Marketing and Development

The Company continues to work with a range of prospective customers in Europe, Asia and North America. Assessment and qualification of EcoGraf's purified products are in progress, focussed on high density spherical graphite product samples. The Company also continues to evaluate coating technologies for production of active anode material for cell manufacturing for lithium-ion batteries and has provided its HFfree proprietary purified uncoated spherical graphite (SpG) product samples for trial anode coating programs.

EcoGraf strategy is to provide quality graphite products to customers in Europe, Asia and North America





RECYCLING

EcoGraf is leveraging its proprietary EcoGraf HFfree® purification process to recover and re-use anode materials, with an initial focus on production material from anode cell and battery manufacturing processes.

Testwork with battery manufacturers and electric vehicle OEMs continued with 5 product sample evaluations currently underway. The process flowsheet for the treatment of recycled anode materials utilising EcoGraf's HFfree® purification process is continuing to be optimised for a range of feedstocks.

Significant Changes in the State of Affairs

There were no significant changes in the state of affairs of the consolidated entity during the half-year period ended 31 December 2024.

Significant Events After the Balance Date

On 3 March 2025, the Special Mining Licence (SML) for the Epanko Graphite Project, which fully covers life of mine, was granted by the Government of the United Republic of Tanzania. The grant of the SML is a major milestone in the development of Epanko and a key requirement for the financing process to support the stage 1 development.

Rounding

The amounts contained in this report and in the condensed consolidated financial statements have been rounded to the nearest thousand (unless otherwise stated) under the option available to the Company under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191. The Company is an entity to which the legislative instrument applies.

Auditor's Independence Declaration

The auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 23 of this report.

Signed in accordance with a resolution of the directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

Andrew Spinks
Managing Director

11 March 2025



CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the half-year ended 31 December 2024

Income

| | | |
|-------------------------------------|-------|-------|
| Research and development tax credit | 1,548 | 1,093 |
| Government grant | 763 | 520 |
| Interest income | 534 | 783 |

2,845 2,396

Expenses

| | | |
|---------------------------------------|---------|---------|
| Corporate and administrative expenses | (1,186) | (1,193) |
| Depreciation | (64) | (45) |
| Downstream processing expenses | (1,873) | (1,773) |
| Employee benefits | (830) | (1,106) |
| Exploration and evaluation expense | (134) | (135) |
| Finance charges | (7) | (7) |
| Foreign exchange losses (net) | (36) | (30) |
| Share-based payments | (170) | (412) |

9

(4,300) (4,701)

Loss before income tax

(1,455) (2,305)

Income tax expense

- -

Loss after income tax for the period

(1,455) (2,305)

Other comprehensive loss

Items that may be reclassified subsequently to profit or loss

| | | |
|---|--------------|----------------|
| Exchange differences arising on translation of foreign operations | 5,718 | (2,512) |
| Other comprehensive income for the period | 5,718 | (2,512) |

Total comprehensive loss for the period, net of income tax

4,263 (4,817)

Loss for the year attributable to:

| | | |
|--------------------------|---------|---------|
| Owners of the Company | (1,404) | (2,305) |
| Non-controlling interest | (51) | - |

(1,455) (2,305)

Total comprehensive income/ (loss) for the year attributable to:

| | | |
|--------------------------|-------|---------|
| Owners of the Company | 4,185 | (4,817) |
| Non-controlling interest | 78 | - |

4,263 (4,817)

Loss per share attributable to the owners of the Company

Basic and diluted loss per share (cents per share)

(0.31) (0.51)

The above statement should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

Assets

Current assets

| | | | |
|---------------------------|---|--------|--------|
| Cash and cash equivalents | | 17,613 | 25,459 |
| Other receivables | 4 | 1,755 | 546 |
| Prepayments | | 149 | 321 |

Total current assets

19,517 26,326

Non-current assets

| | | | |
|-----------------------------------|---|--------|--------|
| Other receivables | 4 | 968 | - |
| Exploration and evaluation assets | 5 | 39,930 | 29,292 |
| Property, plant and equipment | | 244 | 269 |

Total non-current assets

41,142 29,561

Total assets

60,659 55,887

Liabilities

Current liabilities

| | | | |
|--------------------------|---|-------|-------|
| Trade and other payables | | 2,672 | 2,167 |
| Deferred revenue | 6 | 1,095 | 1,712 |
| Lease liability | 7 | 108 | 99 |
| Provisions | | 249 | 242 |

Total current liabilities

4,124 4,220

Non-current liabilities

| | | | |
|-----------------|---|-------|-----|
| Other payables | | 1,209 | 668 |
| Lease liability | 7 | 78 | 129 |
| Provisions | | 5 | 60 |

Total non-current liabilities

1,292 857

Total liabilities

5,416 5,077

Net assets

55,243 50,810

Equity

| | | | |
|--|---|----------|----------|
| Contributed equity | 8 | 99,834 | 99,834 |
| Reserves | | 14,592 | 8,833 |
| Accumulated losses | | (59,202) | (57,798) |
| Equity attributable to the owners of the Company | | 55,224 | 50,869 |
| Non-controlling interest | | 19 | (59) |

Total equity

55,243 50,810

The above statement should be read in conjunction with the accompanying notes.

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half-year ended 31 December 2024

| | Contributed equity \$'000 | Accumulated losses \$'000 | Foreign currency translation reserve \$'000 | Loan share reserve \$'000 | Share-based payments reserve \$'000 | Non-controlling interest \$'000 | Total \$'000 |
|---|------------------------------|------------------------------|--|------------------------------|--|------------------------------------|-----------------|
| As at 1 July 2023 | 99,834 | (52,141) | 1,698 | (945) | 10,450 | - | 58,896 |
| Loss for the period | - | (2,305) | - | - | - | - | (2,305) |
| Other comprehensive loss | - | - | (2,512) | - | - | - | (2,512) |
| Total comprehensive loss for the period | - | (2,305) | (2,512) | - | - | - | (4,817) |
| Transactions with owners in their capacity as owners: | | | | | | | |
| Share based payments | - | - | - | - | 412 | - | 412 |
| Balance at 31 December 2023 | 99,834 | (54,446) | (814) | (945) | 10,862 | - | 54,491 |
| As at 1 July 2024 | 99,834 | (57,798) | (1,595) | (945) | 11,373 | (59) | 50,810 |
| Loss for the period | - | (1,404) | - | - | - | (51) | (1,455) |
| Other comprehensive income | - | - | 5,589 | - | - | 129 | 5,718 |
| Total comprehensive loss for the period | - | (1,404) | 5,589 | - | - | 78 | 4,263 |
| Transactions with owners in their capacity as owners: | | | | | | | |
| Share based payments | - | - | - | - | 170 | - | 170 |
| Balance at 31 December 2024 | 99,834 | (59,202) | 3,994 | (945) | 11,543 | 19 | 55,243 |

The above statement should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the half-year ended 31 December 2024

| | 31 December 2024 \$'000 | 31 December 2023 \$'000 |
|--|-------------------------------|-------------------------------|
| Operating Activities | | |
| Government grant received | 146 | - |
| Payments to suppliers and employees | (3,630) | (3,781) |
| Net cash flows used in operating activities | (3,484) | (3,781) |
| Investing Activities | | |
| Payments for plant and equipment | - | (15) |
| Payments for exploration and evaluation assets | (4,826) | (5,126) |
| Interest received | 534 | 783 |
| Net cash flows used in investing activities | (4,292) | (4,358) |
| Financing Activities | | |
| Repayment of lease liability | (57) | - |
| Net cash flows used in financing activities | (57) | - |
| Net decrease in cash and cash equivalents | (7,833) | (8,139) |
| Cash and cash equivalents at beginning of the period | 25,459 | 38,606 |
| Foreign exchange movement on cash and cash equivalents | (13) | - |
| Cash and cash equivalents at end of the period | 17,613 | 30,467 |

The above statement should be read in conjunction with the accompanying notes.

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the half-year ended 31 December 2024

1. Company Information

The condensed consolidated financial statements of EcoGraf Limited and its subsidiaries (collectively, the “consolidated entity”) for the half-year ended 31 December 2024 were authorised for issue in accordance with a resolution of the directors on 11 March 2025.

EcoGraf Limited (“the Company” or “the parent”) is a for profit company limited by shares incorporated in Australia whose shares are publicly listed on the Australian Securities Exchange and Frankfurt Stock Exchange. It has activities in Australia and Tanzania, with the country of domicile being Australia and the registered office located in Australia.

The nature of operations and principal activities of the consolidated entity are described in the directors’ report.

2. Material Accounting Policy Information

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standard AASB 134 Interim Financial Reporting and other authoritative pronouncements of the Australian Accounting Standards Board. Compliance with AASB 134 ensures compliance with International Accounting Standard 34 *Interim Financial Reporting*.

The financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the annual financial report for the year ended 30 June 2024 and any public announcements made by the Company during the half-year ended 31 December 2024 in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and the ASX Listing Rules.

All amounts have been rounded to the nearest thousand, unless otherwise stated, in accordance with ASIC Corporations (Rounding in Financial/ Directors’ Reports) instrument 2016/191.

The accounting policies adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company’s annual financial report for the year ended 30 June 2024.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (‘AASB’) that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

3. Segment Information

Information reported to the chief operating decision maker (CODM) for the purpose of resource allocation and assessment of segment performance, focuses on the geographical location of the consolidated entity’s principal activities, which are located in Tanzania and Australia.

| | Australia \$’000 | Tanzania \$’000 | Consolidated \$’000 |
|-----------------------------------|---------------------|--------------------|------------------------|
| Six months ended 31 December 2023 | | | |
| Segment revenue | 2,396 | - | 2,396 |
| Segment results | (1,982) | (323) | (2,305) |
| Six months ended 31 December 2024 | | | |
| Segment revenue | 2,845 | - | 2,845 |
| Segment results | (959) | (496) | (1,455) |

| | Australia \$'000 | Tanzania \$'000 | Consolidated \$'000 |
|-----------------------------------|---------------------|--------------------|------------------------|
| 30 June 2024 | | | |
| Assets | | | |
| Exploration and evaluation assets | - | 29,292 | 29,292 |
| Property, plant and equipment | 239 | 30 | 269 |
| Segment non-current assets | 239 | 29,322 | 29,561 |
| Unallocated assets: | | | |
| Cash and cash equivalents | | | 25,459 |
| Other receivables | | | 546 |
| Prepayments | | | 321 |
| Total assets | | | 55,887 |
| Liabilities | | | |
| Segment liabilities | (3,141) | (1,936) | (5,077) |
| Total liabilities | | | (5,077) |

| | Australia \$'000 | Tanzania \$'000 | Consolidated \$'000 |
|-----------------------------------|---------------------|--------------------|------------------------|
| 31 December 2024 | | | |
| Assets | | | |
| Other non-current receivables | - | 968 | 968 |
| Exploration and evaluation assets | - | 39,930 | 39,930 |
| Property, plant and equipment | 192 | 52 | 244 |
| Segment non-current assets | 192 | 40,950 | 41,142 |
| Unallocated assets: | | | |
| Cash and cash equivalents | | | 17,613 |
| Other receivables | | | 1,755 |
| Prepayments | | | 149 |
| Total assets | | | 60,659 |
| Liabilities | | | |
| Segment liabilities | (3,421) | (1,995) | (5,416) |
| Total liabilities | | | (5,146) |

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the half-year ended 31 December 2024

4. Other Receivables

| | 31 December 2024 \$'000 | 30 June 2024 \$'000 |
|--------------------------|-------------------------------|---------------------------|
| Current ¹ | 1,755 | 546 |
| Non-current ² | 968 | - |
| | 2,273 | 546 |

1 Includes research and development tax credit for the financial year ended 30 June 2024, which was received subsequent to period-end.

2 Comprises of VAT receivable from the Tanzania Revenue Authority (TRA).

5. Exploration and Evaluation Assets

| | 31 December 2024 \$'000 | 30 June 2024 \$'000 |
|---|-------------------------------|---------------------------|
| Opening balance at the beginning of the period | 29,292 | 22,975 |
| Capitalised expenditure at cost | 4,787 | 9,700 |
| Foreign exchange movement on exploration and evaluation asset | 5,851 | (3,383) |
| Carrying amount at the end of the period | 39,930 | 29,292 |

Judgements and estimates

Recoverability of the carrying amount of exploration and evaluation assets is dependent on the successful development and commercial exploitation of areas of interest and the sale of minerals, or the sale of the respective areas of interest.

Epanko project

All expenditures related to this project are capitalised, as these expenditures are expected to be recovered through successful development of the project.

All other projects

All exploration and evaluation expenditures associated with other projects have been expensed in the period in which they are incurred.

6. Deferred Revenue

| | 31 December 2024 \$'000 | 30 June 2024 \$'000 |
|--|-------------------------------|---------------------------|
| Opening balance at the beginning of the period | 1,712 | 1,044 |
| Government grant received in advance | 146 | 1,567 |
| Recognised as revenue | (763) | (899) |
| Balance at the end of the period | 1,095 | 1,712 |

The deferred revenue relates to the funding received under the Critical Minerals Development Program to establish the Product Qualification Facility. The grant received is initially recognised as deferred revenue and is recognised as income on a systematic basis over the periods that the related costs for which it is intended to compensate, are expensed.

7. Lease Liability

| | 31 December 2024 \$'000 | 30 June 2024 \$'000 |
|---|-------------------------------|---------------------------|
| Current | 108 | 99 |
| Non-current | 78 | 129 |
| | 186 | 228 |
| Maturity analysis | | |
| Within one year | 117 | 111 |
| Later than one year and not later than five years | 80 | 134 |
| | 197 | 245 |
| Less: unearned finance cost | (11) | (17) |
| Carrying amount at the end of the period | 186 | 228 |
| a) Amounts recognised in profit or loss | | |
| Amount recognised in profit or loss arising from leases: | | |
| Interest expense on lease liabilities | 7 | 16 |
| Depreciation on right-of-use assets | 52 | 84 |

The right-of-use assets relate to the lease of the Corporate office under a three-year agreement.

8. Contributed Equity

| | No. of shares | \$'000 |
|---|--------------------|---------------|
| 1 July 2024 | 454,031,819 | 99,834 |
| Shares issued from the exercise of performance rights | 100,000 | - |
| 31 December 2024 | 454,131,819 | 99,834 |

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the half-year ended 31 December 2024

9. Share-based payments

Incentive Performance Rights

Set out below are the number and movement of performance rights, with an exercise price of NIL, granted under the plan:

| Grant date | Expiry date | Balance at the start of the period | Granted | Exercised | Expired/ forfeited/ other | Balance at the end of the period | Exercise-able at the end of period |
|--------------------------|-------------|------------------------------------|----------|------------------|---------------------------|----------------------------------|------------------------------------|
| 20 Jan 2021 | 19 Jan 2026 | 4,675,000 | - | - | - | 4,675,000 | 4,675,000 |
| 8 Dec 2021 | 07 Dec 2027 | 320,825 | - | - | - | 320,825 | 320,825 |
| 8 Dec 2021 | 07 Dec 2026 | 500,000 | - | (100,000) | - | 400,000 | - |
| 29 Nov 2022 ¹ | 29 Dec 2027 | 1,000,000 | - | - | - | 1,000,000 | - |
| 21 Feb 2023 | 21 Feb 2028 | 2,121,970 | - | - | - | 2,121,970 | 555,814 |
| 22 Dec 2023 | 22 Dec 2028 | 2,000,000 | - | - | - | 2,000,000 | - |
| 19 Jan 2024 | 19 Jan 2029 | 2,139,885 | - | - | - | 2,139,885 | 360,510 |
| 22 Feb 2024 | 22 Feb 2029 | 1,700,000 | - | - | (500,000) | 1,200,000 | - |
| | | 14,457,680 | - | (100,000) | (500,000) | 13,857,680 | 5,912,149 |

¹ Date of shareholders' approval.

Performance rights issued under the long-term incentive arrangements are subject to performance hurdles which promote achievement of the Company's strategic objectives.

During the period, 491,539 performance rights associated with long-term incentive arrangements vested and 500,000 performance rights granted on 22 February 2024 were forfeited due to an employee resignation. No performance rights were issued during the period.

Share Plans

During the period, the repayment date of non-recourse loans relating to plan shares were extended in order to maximise the likelihood of the Company receiving the benefit of the cash funds receivable upon repayment. The extension has been treated as a modification with a resulting share-based payment expense.

Model inputs for the valuation of the modification are as follows:

| | 22 June 2024 | 22 June 2024 |
|---|---------------|---------------|
| Modification date | | |
| Extended terms (years) | 1.1 | 1.1 |
| Number of loan shares | 1,000,000 | 4,750,000 |
| New expiry date | 1 August 2025 | 1 August 2025 |
| Exercise price | \$0.228 | \$0.151 |
| Share price at modification date | \$0.115 | \$0.115 |
| Expected volatility | 85% | 85% |
| Dividend yield | Nil | Nil |
| Risk-free interest rate | 4.35% | 4.35% |
| Value prior to modification (\$'000) | - | - |
| Value subsequent to modification (\$'000) | 19 | 123 |
| Impact of modification (\$'000) | 19 | 123 |

There were no plan shares issued during the period.

Share-based payment expense

The total value of performance rights vested and modification of share plans recognised in the current period is \$170,000 (31 December 2023: \$412,000). This includes a reversal of \$118,000 related to an estimate of the share-based payment expense associated with Mr Spinks' STI award for the year-ended 30 June 2024, which have not been issued.

10. Dividends

No dividends were declared or paid during the half-year ended 31 December 2024 (2023: nil).

11. Contingent Assets and Liabilities

There are no contingent assets or liabilities at 31 December 2024 (2023: nil).

12. Events Subsequent to Reporting Date

On 3 March 2025, the Special Mining Licence (SML) for the Epanko Graphite Project, which fully covers life of mine, was granted by the Government of the Republic of Tanzania.

No other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

DIRECTORS' DECLARATION

For the half-year ended 31 December 2024

In the directors' opinion:

1. The interim financial statements, comprising the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of financial position, condensed consolidated statement of changes in equity, condensed consolidated statement of cash flows and accompanying notes, are in accordance with the *Corporations Act 2001* and:
 - a) Comply with Australian Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*; and
 - b) Give a true and fair view of the consolidated entity's financial position at 31 December 2024 and of its performance for the financial half-year ended on that date.
2. 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 directors, pursuant to section 303(5)(a) of the *Corporations Act 2001*.



Andrew Spinks
Managing Director

11 March 2025

AUDITOR'S INDEPENDENCE DECLARATION



RSM Australia Partners

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GPO Box R1253 Perth WA 6844

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www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of EcoGraf Limited for the half-year ended 31 December 2024, 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.

A handwritten signature in black ink, appearing to read 'Tutu Phong'.

RSM AUSTRALIA

A handwritten signature in black ink, appearing to read 'Tutu Phong'.

TUTU PHONG
Partner

Perth, WA
Dated: 11 March 2025

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AUDITOR'S REVIEW REPORT



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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ECOGRAF LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of EcoGraf Limited (the Company) which comprises the condensed consolidated statement of financial position as at 31 December 2024, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising material accounting policy information 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.

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 EcoGraf Limited 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 2024 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting and Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (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.

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

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Directors' Responsibility for the Half-Year Financial Report

The directors of EcoGraf Limited 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 is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Half-Year Financial Report

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 the Entity*, 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 half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2024 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.

A stylized, handwritten-style signature of "Rsm" in black ink.

RSM AUSTRALIA

A handwritten signature in black ink, appearing to read "Tutu Phong".

TUTU PHONG
Partner

Perth, WA
Dated: 11 March 2025

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