



Black Cat Syndicate Limited

ABN 63 620 896 282

Half-Year Consolidated Financial Report

for the period ended 31 December 2024

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Company Directory

Directors

Other than where stated, the following persons were directors of Black Cat Syndicate Limited during the whole of the reporting period and up to the date of this report:

| | |
|------------------|--|
| Paul Chapman | (Non-Executive Chairman) |
| Gareth Solly | (Managing Director) |
| Les Davis | (Non-Executive Director) |
| Davide Bosio | (Non-Executive Director) (appointed 1 October 2024) |
| Richard Laufmann | (Non-Executive Director) (appointed 15 October 2024) |

Company Secretaries

Mark Pitts
Dan Travers

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Share Registry

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Securities Exchange Listing

The Company's shares are quoted on the Australian Securities Exchange.

ASX Code

BC8 – ordinary fully paid shares
BC8O – quoted options

Australian Business Number

63 620 896 282

Website

www.bc8.com.au



Director's Report

The directors present the condensed half-year financial report for Black Cat Syndicate Limited (**Black Cat** or the **Company**) and its controlled entities (**Group**) for the half-year ended 31 December 2024.

The following persons were directors of the Company during the whole of the period and up to the date of this report, unless otherwise stated:

| | |
|------------------|--|
| Paul Chapman | (Non-Executive Chairman) |
| Gareth Solly | (Managing Director) |
| Les Davis | (Non-Executive Director) |
| Davide Bosio | (Non-Executive Director) (appointed 1 October 2024) |
| Richard Laufmann | (Non-Executive Director) (appointed 15 October 2024) |

Principal Activities

The principal activities of the Group during the reporting period were minerals exploration and project development activities at the Paulsens Gold Operation ("Paulsens"), Kal East Gold Project ("Kal East") and Coyote Gold Operation ("Coyote") located in Western Australia. Significantly, mining activities at Kal East commenced in June 2024. Alongside this, refurbishment and mining activities commenced at Paulsens to allow for commissioning which commenced in December 2024 and concluded in January 2025.

Review of Operations

Operations during the reporting period were primarily focused on refurbishment, project development and undertaking economic studies in respect of the development of the Group's projects.

The consolidated net loss after income tax for the half-year to 31 December 2024 was \$9.7M (2023: \$1.7M).

During the reporting period, net income of \$0.9M (2023: \$nil) was derived from mining at Kal East. In addition, \$0.9M (2023: \$0.7M) was derived from third party use of the Group's site accommodation facilities in the reporting period.

Net cash outflows from operating activities for the period were \$1.7M (2023: \$1.2M).

At 31 December 2024, the Group had \$56.7M in cash and cash equivalents (30 June 2024: \$14.0M). Capitalised mineral exploration and evaluation expenditure (including acquisition costs) at 31 December 2024 was \$99.7M (30 June 2024: \$122.6M).

Significant Changes to State of Affairs of the Company

Black Cat commenced mining at Paulsens during the six months to 31 December 2024, while also refurbishing the processing facility. On 22 December 2024, Paulsens undertook its first gold pour from the processing facility under Black Cat ownership.

First Ore was mined on 26 July 2024 at Kal East Gold Project, culminating in the first gold sales during the period.

Black Cat completed a successful placement to raise a total of \$80M (before costs) by way of a two-tranche placement of 154.5M fully paid ordinary shares at \$0.52 per share.

- 4 November 2024, issue of 102.1M fully paid ordinary shares at an issue price of \$0.52 per share; and
- 18 December 2024 issue of 52.4M fully paid ordinary shares at an issue price of \$0.52 per share.

The placement allowed the Company to not proceed with a secured debt facility.

In November 2024, Black Cat exercised its contractual right to repay \$9M of convertible notes plus accrued interest.

Other than noted above and in the Events after the Reporting Period section below, there have been no significant changes in the state of affairs of the Company and Group during or since the end of the period.

Events after the Reporting Period

Details of events occurring after the period can be found at Note 18 of the Notes to the Financial Statements.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under Section 307C of the Corporations Act is set out on the following page.



This report is made in accordance with a resolution of the board of directors.
Signed at Perth this 11th day of March 2025.

Gareth Solly

A handwritten signature in black ink, appearing to be "G. Solly", written over a light grey grid background.

Managing Director

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Auditor's Independence Declaration

To the Directors of Black Cat Syndicate Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of Black Cat Syndicate Limited for the half-year ended 31 December 2024. I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b no contraventions of any applicable code of professional conduct in relation to the review.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



L A Stella
Partner – Audit & Assurance
Perth, 11 March 2025

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ACN-130 913 594

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Consolidated Statement of Profit or Loss and Other Comprehensive Income for the half year ended 31 December 2024

| | Note | Consolidated | |
|--|------|-------------------------------|-------------------------------|
| | | 31 December 2024 \$'000 | 31 December 2023 \$'000 |
| Other income | 4 | 1,158 | 843 |
| Income from Kal East | | 909 | - |
| Interest income | | 396 | 17 |
| Total income | | 2,463 | 860 |
| Administrative expenses: | | | |
| Corporate administration | 5 | (1,850) | (1,418) |
| Depreciation, depletion and amortisation expense | | (2,854) | (12) |
| Share based payments | | (3,669) | (166) |
| Write-off of exploration and evaluation assets | | (1,021) | (214) |
| Finance costs | | (2,267) | (795) |
| Loss on foreign exchange | | - | (4) |
| Other expenses | | (514) | - |
| Total expenses | | (12,175) | (2,609) |
| Loss before income tax | | (9,712) | (1,749) |
| Income tax expense | | - | - |
| Loss after tax | | (9,712) | (1,749) |
| Other comprehensive income: | | | |
| Total comprehensive loss for the period | | (9,712) | (1,749) |
| Loss per share attributable to the ordinary equity holders of the Company: | | | |
| Basic loss per share (cents) | 16 | (2.1) | (0.6) |
| Diluted loss per share (cents) | 16 | (2.1) | (0.6) |

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



Consolidated Statement of Financial Position as at 31 December 2024

| | Note | Consolidated | |
|---|------|------------------|----------------|
| | | 31 December 2024 | 30 June 2024 |
| | | \$'000 | \$'000 |
| Current assets | | | |
| Cash and cash equivalents | | 56,679 | 13,978 |
| Trade and other receivables | | 3,141 | 1,617 |
| Inventory | | 3,854 | 324 |
| Other current assets | | 729 | 1,176 |
| Total current assets | | 64,403 | 17,095 |
| Non-current assets | | | |
| Security deposits | | - | 65 |
| Property, plant and equipment | 6 | 39,326 | 8,832 |
| Right of use assets | 6 | 8,028 | 290 |
| Mine properties under development | 7 | 34,929 | 8,953 |
| Exploration and evaluation assets | 8 | 99,651 | 122,562 |
| Total non-current assets | | 181,934 | 140,702 |
| Total assets | | 246,337 | 157,797 |
| Current liabilities | | | |
| Trade and other payables | | 6,624 | 2,929 |
| Employee entitlements | | 776 | 447 |
| Financial liabilities | 9 | 6,333 | 6,235 |
| Lease liabilities | 10 | 1,967 | 202 |
| Total current liabilities | | 15,700 | 9,813 |
| Non-current liabilities | | | |
| Financial liabilities | 9 | - | 9,147 |
| Lease liabilities | 10 | 6,129 | 88 |
| Provision for rehabilitation | 11 | 21,839 | 21,755 |
| Employee entitlement | | 59 | - |
| Total non-current liabilities | | 28,027 | 30,990 |
| Total liabilities | | 43,727 | 40,803 |
| Net assets | | 202,610 | 116,994 |
| Equity | | | |
| Issued capital | 13 | 223,862 | 131,811 |
| Share based payments and equity reserve | 14 | 4,641 | 1,364 |
| Accumulated losses | | (25,893) | (16,181) |
| Total equity | | 202,610 | 116,994 |

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



**Consolidated Statement of Changes in Equity
for the half-year ended 31 December 2024**

| Consolidated | | | | |
|--|--------------------------|---------------------------------|---|-----------------|
| | Issued capital \$'000 | Accumulated losses \$'000 | Share based payments and equity reserve \$'000 | Total \$'000 |
| Balance as on 1 July 2023 | 105,794 | (13,646) | 1,327 | 93,475 |
| Prior period amendment - fair value of lapsed convertible securities recognised in a prior year | - | 639 | (639) | - |
| Loss for the period | - | (1,749) | - | (1,749) |
| Share based payments | - | - | 166 | 166 |
| Equity component of convertible note | - | - | 293 | 293 |
| Transactions with equity holders in their capacity as equity holders: Shares issued (net of costs) | 7,746 | - | - | 7,746 |
| Balance as on 31 December 2023 | 113,540 | (14,756) | 1,147 | 99,931 |
| Balance as on 1 July 2024 | 131,811 | (16,181) | 1,364 | 116,994 |
| Shares issued as part of equity raise | 91,502 | - | - | 91,502 |
| Exercise of options | 430 | - | (127) | 303 |
| Shares issued to creditors | 119 | - | - | 119 |
| Loss for the period | - | (9,712) | - | (9,712) |
| Share based payments | - | - | 3,669 | 3,669 |
| Equity component of convertible note (refer note 14) | - | - | (265) | (265) |
| Balance as on 31 December 2024 | 223,862 | (25,893) | 4,641 | 202,610 |

The above consolidated statement of change in equity should be read in conjunction with the accompanying notes.



Consolidated Statement of Cash Flows for the half-year ended 31 December 2024

| | Consolidated | |
|---|-------------------------------|-------------------------------|
| | 31 December 2024 \$'000 | 31 December 2023 \$'000 |
| Cash flows from operating activities | | |
| Net loss | (9,712) | (1,749) |
| Add: Share based payments | 3,669 | 166 |
| Add: Depreciation, depletion and amortisation expense | 2,854 | 12 |
| Add: Write-off of exploration and evaluation assets | 1,021 | 214 |
| Add: Unwinding of present value of rehabilitation liability | 469 | 785 |
| Add: Interest expense | 565 | - |
| | (1,134) | (572) |
| Working capital movement | | |
| Increase in trade and other payables | 2,697 | 363 |
| Increase in employee provisions | 385 | - |
| Increase in receivables | (458) | (565) |
| Decrease/(increase) in prepayments | 294 | (370) |
| Increase in inventory | (3,531) | (89) |
| Net cash used in operating activities | (1,747) | (1,233) |
| Cash flows from investing activities | | |
| Payments for exploration and evaluation | (3,647) | (9,461) |
| Payments for property, plant and equipment | (28,485) | (725) |
| Payments for mining properties under development | (4,239) | - |
| Net cash used in investing activities | (36,371) | (10,186) |
| Cash flows from financing activities | | |
| Lease payments | (378) | - |
| (Repayment of)/proceeds from convertible notes | (9,727) | 7,400 |
| Advance/repayment of borrowings | (1,000) | (353) |
| Proceeds from the issue of shares | 98,194 | 8,300 |
| Payment of share issue costs | (6,270) | (554) |
| Net cash from financing activities | 80,819 | 14,793 |
| Net increase in cash held | 42,701 | 3,374 |
| Cash at the beginning of the period | 13,978 | 4,657 |
| Cash at the end of the period | 56,679 | 8,031 |

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



Notes to the Financial Statements

Note 1 Basis of preparation of half-year report

Statement of compliance

The half-year condensed consolidated financial report is a general-purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. The condensed half-year report does not include all the disclosures and notes of the type normally included in an annual financial report and shall be read in conjunction with the 30 June 2024 annual financial statements and any public announcements made by Black Cat during the period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Basis of preparation

The condensed consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The condensed half-year financial report was approved by the board of directors on 11 March 2025.

New, revised or amending accounting standards and interpretations not yet adopted

From 1 July 2024 the accounting standards applied in the Interim Financial Statements, were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2024. The Group did not have to change its accounting policies or make retrospective adjustments. The Group has not elected to early adopt any new accounting standards, interpretations or amendments that have been issued but are not yet effective.

Significant estimates and assumptions

When preparing the interim condensed consolidated financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from these estimates.

The judgements, estimates and assumptions applied in the interim condensed consolidated financial statements including the key sources of estimation uncertainty, were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2024.



Notes to the Financial Statements

Going concern

The Group has prepared the financial statements on the basis that it will continue as a going concern.

For the half year ended 31 December 2024, the Group has recorded a net loss after tax of \$9.7M (2023: \$1.7M), an operating cash outflow of \$1.7M (2023: \$1.2M) and net cash outflow (before financing activities) of \$38.1M (2023: \$11.4M).

At 31 December 2024, the Group reported a working capital surplus of \$48.7M (30 June 2024: \$7.2M), which includes cash and cash equivalents of \$56.7M (30 June 2024: \$14.0M).

During the period, the following significant events occurred:

- the Company completed tranche 2 of the June 2024 \$36M placement (before costs), issuing 57.6M shares for \$15.6M;
- the Company completed an \$80M placement (before costs); and
- the Company exercised its contractual right and repaid \$9.0M convertible notes, plus accrued interest, as the conversion conditions had not been met at the date of repayment.

The financial viability of the Group over the medium to long-term will largely be subject to the successful ramp-up of operations at Paulsens and the continued development of Kal East. Based on the factors discussed above, the directors are satisfied that the going concern basis of preparation for the financial statements is appropriate.

If the Group is unable to continue as a going concern, it may be required to realise assets and/or settle its liabilities other than in the ordinary course of business and at amounts different from those stated in the interim report.

The interim report does not include adjustments to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that may be necessary should the Group not continue as a going concern.

Note 2 Material Accounting Policies

Inventories

Recognition and Measurement

Inventories, comprising ore stockpiles, gold in circuit and gold doré are valued at the lower of cost and net realisable value. Cost represents the weighted average cost and include fixed direct costs, variable direct costs and an appropriate portion of fixed overhead costs. A portion of the related depreciation and amortisation charge is included in the cost of inventory.

Consumable stores inventory is valued at the lower of cost and net realisable value using the weighted average cost method, after appropriate allowances for redundant and slow-moving items.

Significant Estimates and Assumptions

Net Realisable Value of Inventories

The Group reviews the carrying value of inventories regularly to ensure that their cost does not exceed net realisable value. In determining net realisable value various factors are taken into account, including sales prices and costs to complete inventories to their final form.

Joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement, have rights to the assets, and obligations for the liabilities, relating to the arrangement. The consolidated entity has recognised its share of jointly held assets, liabilities, revenues and expenses of joint operations. These have been incorporated in the financial statements under the appropriate classifications. The joint operation with Mineral Mining Services (MMS) for the mining of the Myhree and Boundary deposits at Kal East is funded by MMS on a non-recourse basis. Black Cat has provided security over the Myhree and Boundary tenements for the initial funding component. MMS's funding of the mining operations constitutes their earn-in to the joint operation.



Notes to the Financial Statements

Note 3 Segment information

The Group's operating segments are based on the internal management reports that are reviewed and used by the Group's directors, identified together as the chief operating decision makers, in assessing performance.

The Group's business is organised into two operating segments, being mine development assets and exploration and evaluation assets, all conducted within Western Australia. The Group's Kal East and Paulsens projects are recognised under the mine development segment as the mine commenced development during the 2024 financial year. The chief operating decision makers monitor the operating results of its segments separately for the purpose of making decisions about resource allocation and performance assessment. Corporate expenditures supporting the business during the period, adjustments and eliminations processed on consolidation and other items that cannot be directly attributed to the reportable operating segments are identified as 'Other' balances. The Group has formed a tax consolidation group and therefore tax balances have been included in the 'Other' grouping.

The reportable segment is represented by the primary statements forming these financial statements.

| | Mine development \$'000 | Exploration and evaluation assets \$'000 | Total operations \$'000 | Other \$'000 | Total \$'000 |
|--|----------------------------|---|----------------------------|-----------------|-----------------|
| Half-year ended 31 December 2024 | | | | | |
| Segment loss before income tax | (2,557) | (256) | (2,813) | (6,899) | (9,712) |
| Segment loss includes the following adjustments: | | | | | |
| Depreciation and amortisation | (2,826) | - | (2,826) | (28) | (2,854) |
| Exploration and evaluation expenditure write-off | - | (1,021) | (1,021) | - | (1,021) |
| | | | | | |
| At 31 December 2024 | | | | | |
| Segment assets | 34,929 | 129,343 | 164,272 | 82,065 | 246,337 |
| Segment liabilities | - | (37,809) | (37,809) | (5,918) | (43,727) |

| | | | | | |
|--|-------|----------|-----------------|----------|-----------------|
| Half-year ended 31 December 2023 | | | | | |
| Segment loss before income tax | - | 381 | 381 | (2,130) | (1,749) |
| Segment loss includes the following adjustments: | | | | | |
| Depreciation and amortisation | - | - | - | (12) | (12) |
| Exploration and evaluation expenditure write-off | - | (214) | (214) | - | (214) |
| | | | | | |
| At 30 June 2024 | | | | | |
| Segment assets | 8,953 | 108,992 | 117,945 | 39,852 | 157,797 |
| Segment liabilities | - | (24,645) | (24,645) | (16,158) | (40,803) |



Notes to the Financial Statements

Note 4 Other income

Other income for the reporting period includes the following items:

| | Consolidated | |
|----------------------------------|-------------------------------|-------------------------------|
| | 31 December 2024 \$'000 | 31 December 2023 \$'000 |
| Camp licensing income | 924 | 664 |
| Bullion sales - Coyote | 234 | - |
| Gain on disposal of fixed assets | - | 117 |
| Other | - | 62 |
| Total other income | 1,158 | 843 |

Note 5 Corporate Administration

| | Consolidated | |
|---------------------------------------|-------------------------------|-------------------------------|
| | 31 December 2024 \$'000 | 31 December 2023 \$'000 |
| Employee expenses | 972 | 705 |
| Corporate administration | 836 | 490 |
| Other expenses | 42 | 223 |
| Total corporate administration | 1,850 | 1,418 |

Employee expenses of \$1.0M (2023: \$0.7M) are inclusive of fees, salaries, superannuation and other employee related expenditure, and are stated net of employee costs capitalised as exploration and evaluation expenditure of \$0.7M (2023: \$1.8M).



Notes to the Financial Statements

Note 6 Property, plant and equipment

| | Right of use assets \$'000 | Plant & equipment \$'000 | Capital work in progress \$'000 | Total \$'000 |
|--|-------------------------------|-----------------------------|------------------------------------|-----------------|
| Cost as at 1 July 2024 | 290 | 1,517 | 8,630 | 10,437 |
| Transfers | - | 185 | (185) | - |
| Additions | 8,112 | - | 30,522 | 38,634 |
| Cost as at 31 December 2024 | 8,402 | 1,702 | 38,967 | 49,071 |
| Accumulated depreciation as at 1 July 2024 | - | (1,315) | - | (1,315) |
| Depreciation expense for the period | (374) | (28) | - | (402) |
| Accumulated depreciation as at 31 December 2024 | (374) | (1,343) | - | (1,717) |
| Net book value as at 1 July 2024 | 290 | 202 | 8,630 | 9,122 |
| Net book value as at 31 December 2024 | 8,028 | 359 | 38,967 | 47,354 |

Recognition and measurement

Property, plant and equipment is measured at cost, unless otherwise stated. Capital work in progress includes assets which are not installed and ready for use at the balance date. No items of property, plant and equipment have been pledged as security by the Group.

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.



Notes to the Financial Statements

Note 7 Mine properties under development

| | Consolidated | |
|---|-------------------------------|---------------------------|
| | 31 December 2024 \$'000 | 30 June 2024 \$'000 |
| Opening balance at beginning of period | 8,953 | - |
| Transfers from exploration & evaluation | 24,116 | 8,953 |
| Depletion expense | (2,379) | - |
| Capitalised costs for the period | 4,239 | - |
| Closing balance at end of period | 34,929 | 8,953 |

Note 8 Exploration and evaluation assets

| | Consolidated | |
|--|-------------------------------|---------------------------|
| | 31 December 2024 \$'000 | 30 June 2024 \$'000 |
| Opening balance at beginning of period | 122,562 | 115,562 |
| Capitalised costs for the period | 2,611 | 14,338 |
| Acquisition of exploration assets | - | 560 |
| Rehabilitation liability revaluation | (385) | 2,484 |
| Transfers to mine properties under development | (24,116) | (8,953) |
| Write-off of exploration and evaluation assets | (1,021) | (1,429) |
| Closing balance at end of period | 99,651 | 122,562 |

Note 9 Financial liabilities

| | Consolidated | |
|--|-------------------------------|---------------------------|
| | 31 December 2024 \$'000 | 30 June 2024 \$'000 |
| Current: | | |
| Deferred acquisition costs | 5,000 | 5,000 |
| Interest accrued on deferred acquisition costs | 750 | 500 |
| Insurance premium funding | 583 | 735 |
| Total current | 6,333 | 6,235 |
| Non-current: | | |
| Convertible Note Facility | - | 9,147 |
| Total liabilities | 6,333 | 15,382 |

During the period, the Group repaid unsecured convertible notes, plus interest ("Convertible Note Facility") amounting to \$9.7M (including \$0.7M of accrued interest) which extinguished all obligations under the Convertible Note Facility.



Notes to the Financial Statements

Note 10 Lease liabilities

| | Consolidated | |
|----------------------------------|-------------------------------|---------------------------|
| | 31 December 2024 \$'000 | 30 June 2024 \$'000 |
| Opening balance | 290 | - |
| Recognition of lease liabilities | 11,579 | 290 |
| Finance costs | 89 | - |
| Lease payments made | (3,862) | - |
| Closing balance | 8,096 | 290 |
| | | |
| Current | 1,967 | 202 |
| Non-current | 6,129 | 88 |
| Total | 8,096 | 290 |

Recognition and measurement

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Significant estimates and judgements

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the consolidated entity's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The consolidated entity reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the consolidated entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.



Notes to the Financial Statements

Note 11 Provision for rehabilitation costs

| | Consolidated | |
|--|-------------------------------|---------------------------|
| | 31 December 2024 \$'000 | 30 June 2024 \$'000 |
| Opening balance | 21,755 | 18,486 |
| Liabilities recognised Kal East | - | 3,104 |
| Unwinding of present value of rehabilitation liability | 469 | 785 |
| Change in rehabilitation provision estimates | (385) | (620) |
| Closing balance | 21,839 | 21,755 |

At 31 Dec 2024, the provision for rehabilitation costs includes rehabilitation liabilities recognised for each of the Company's three main assets being, Kal East, Coyote and Paulsens. Unwinding of the present value of the provision is included in other expenses in the statement of profit and loss.

Note 12 Commitments and contingencies

(i) Commitments

There has been no material change to commitments since 30 June 2024 not otherwise disclosed.

(ii) Contingencies

There has been no material change to contingencies since 30 June 2024 not otherwise disclosed.



Notes to the Financial Statements

Note 13 Issued share capital

| | | 31 December 2024 | | 30 June 2024 | |
|---|-------------|--------------------|----------------|--------------------|----------------|
| | Issue Price | Number | \$000 | Number | \$000 |
| a) Share capital | | | | | |
| Issued share capital | - | 598,410,745 | 223,862 | 377,870,189 | 131,811 |
| b) Share movements during the period | | | | | |
| Balance at the start of the period | - | - | - | 266,876,453 | 105,794 |
| Adjustment to opening balance | - | - | - | - | (459) |
| Share placement | \$0.225 | - | - | 36,888,890 | 8,300 |
| Share placement | \$0.27 | - | - | 69,316,744 | 18,716 |
| Shares based payment – tenement acquisition | \$0.28 | - | - | 2,000,000 | 560 |
| Share based payment – services | \$0.20 | - | - | 1,495,043 | 295 |
| Share based payment – services | \$0.23 | - | - | 930,012 | 209 |
| Employee incentives | \$0.26 | - | - | 216,288 | 57 |
| Performance rights exercised to shares | \$0.22 | - | - | 146,759 | 32 |
| Share placement June 2024 – second tranche | \$ 0.27 | 64,599,920 | 17,442 | - | - |
| Director option conversion | \$ 0.34 | 766,666 | 259 | - | - |
| Share based payment to Creditor | \$0.29 | 408,365 | 119 | - | - |
| Share placement October 2024 – second tranche | \$0.52 | 154,478,846 | 80,329 | - | - |
| Employee share options exercised | \$0.32 | 140,000 | 45 | - | - |
| Employee performance rights exercised | \$ 0.27 | 146,759 | 40 | - | - |
| Transfer from reserve | - | - | 87 | - | - |
| Less share issue costs | - | - | (6,270) | - | (1,693) |
| Balance at the end of the period | - | 598,410,745 | 223,862 | 377,870,189 | 131,811 |



Notes to the Financial Statements

Note 14 Reserves

| | Consolidated | |
|---|-------------------------------|---------------------------|
| | 31 December 2024 \$'000 | 30 June 2024 \$'000 |
| Balance at the beginning of the period | 1,364 | 1,327 |
| Transfer of cancelled/lapsed options | (143) | (839) |
| Exercise of options | (127) | (32) |
| Fair value of convertible securities expensed during the period | 3,812 | 643 |
| Equity component of Convertible Note Facility ¹ | (265) | 265 |
| Balance at the end of the period | 4,641 | 1,364 |

1. Convertible Note Equity Reserve movement was related to the derecognition of the equity component of the Convertible Note Facility.

Note 15 Options and Performance Rights

Movements in unlisted options over unissued shares:

| | Consolidated | |
|---|----------------------------|------------------------|
| | 31 December 2024 No. | 30 June 2024 No. |
| Options on issue at beginning of period | 3,599,000 | 5,844,000 |
| Options exercised | (140,000) | - |
| Options issued | 15,922,000 | 1,730,000 |
| Lapsed/cancelled | (611,000) | (3,975,000) |
| Unlisted options on issue at the end of the period | 18,770,000 | 3,599,000 |

Movements in listed options over unissued shares:

| | Consolidated | |
|---|----------------------------|------------------------|
| | 31 December 2024 No. | 30 June 2024 No. |
| Options on issue at beginning of period | 18,444,455 | 18,444,455 |
| Options exercised | (766,666) | - |
| Listed options on issue at the end of the period | 17,677,789 | 18,444,455 |



Notes to the Financial Statements

Note 15 Options and Performance Rights (continued)

Movements in performance rights over unissued shares:

| | Consolidated | |
|--|-------------------------|---------------------|
| | 31 December 2024 No. | 30 June 2024 No. |
| Performance rights on issue at beginning of period | 6,684,434 | 5,667,077 |
| Performance rights issued to employees pursuant to the Company's Incentive Plan or with shareholder approval | - | 2,568,039 |
| Performance rights exercised | (146,759) | - |
| Lapsed/cancelled | - | (1,550,682) |
| Performance rights on issue at the end of the period | 6,537,675 | 6,684,434 |

Note 16 Loss per share

| | 31 December 2024 | 31 December 2023 |
|---|------------------|------------------|
| a) Basic loss per share | | |
| Loss per share attributable to ordinary equity holders of the Company | 2.1 cents | 0.6 cents |
| b) Diluted loss per share | | |
| Loss per share attributable to ordinary equity holders of the Company | 2.1 cents | 0.6 cents |
| c) Loss for half-year | | |
| Loss used in calculation of basic and diluted loss per share (\$'000) | 9,712 | 1,749 |
| | No. | No. |
| Weighted average number of shares used as the denominator in calculating basic loss per share | 468,772,991 | 289,179,835 |
| Weighted average number of shares used as the denominator in calculating diluted loss per share | 468,772,991 | 289,179,835 |



Notes to the Financial Statements

Note 17 Related Party Disclosures

During the period to 31 December 2024, the Company entered into the following related party transaction:

- \$14,000 receivable with Dreadnought Resources Ltd for contract professional services. Paul Chapman is Chairman of both the Company and Dreadnought Resources Ltd.

Note 18 Events occurring after the reporting date

After the end of the period, the Company:

- Entered into a binding agreement to purchase the Lakewood processing facility from Westgold Resources Limited for consideration of \$85M. This includes \$70M in cash (staged payments) and \$15M in fully paid ordinary shares at \$0.76 per share (escrowed for 12 months from the date of issue). The Company will also assume approximately \$8M in rehabilitation liabilities.
- Entered into a share subscription agreement with Dreadnought Resources Ltd for \$1.0M at a share price of \$0.01 to secure a first right to negotiate and agree terms on the development of the Star of Mangaroon deposit in the Pilbara, Western Australia. Paul Chapman is Chairman of both the Company and Dreadnought Resources Ltd.



Director's Declaration

The directors of Black Cat Syndicate Limited declare that:

- (a) the half-year financial statements and notes set out on pages 9 to 20 are in accordance with the Corporations Act 2001, including:
 - (i) complying with Australian Accounting Standard AASB 134 – *Interim Financial Reporting*, and the Corporations Regulations 2001; and
 - (ii) give a true and fair view of the financial position as at 31 December 2024 and its performance for the half year ended on that date
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the board of directors.

Signed at Perth this 11th day of March 2025.

Gareth Solly

Managing Director

Independent Auditor's Review Report

To the Members of Black Cat Syndicate Limited

Report on the half-year financial report

Conclusion

We have reviewed the accompanying half year financial report of Black Cat Syndicate Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2024, and 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, including material accounting policy information, other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Black Cat Syndicate Limited does not comply with the *Corporations Act 2001* including:

- a giving a true and fair view of the Group'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 the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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 internal control as the Directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. 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 Group'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.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

L A Stella
Partner – Audit & Assurance

Perth, 11 March 2025