



IMPACT MINERALS LIMITED
(and Controlled Entities)

ABN 52 119 062 261

HALF-YEAR FINANCIAL REPORT
31 December 2024

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CONTENTS

| | |
|---|----|
| DIRECTORS' REPORT | 2 |
| AUDITOR'S INDEPENDENCE DECLARATION | 6 |
| CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2024 | 7 |
| CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024 | 8 |
| CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2024 | 9 |
| CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2024 | 10 |
| NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2024 | 11 |
| DIRECTORS' DECLARATION..... | 18 |
| INDEPENDENT AUDITOR'S REVIEW REPORT..... | 19 |

DIRECTORS' REPORT

Your Directors submit the financial report of the consolidated entity for the half-year ended 31 December 2024.

DIRECTORS

The names of directors who held office during or since the end of the half-year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

- Peter Unsworth – Non-Executive Chairman
- Michael Jones – Managing Director
- Paul Ingram – Non-Executive Director
- Frank Bierlein – Non-Executive Director

PRINCIPAL ACTIVITIES

The principal activity of the Group during the financial year was to continue works to progress the right to earn an 80% interest in the Lake Hope High Purity Alumina Project and exploration for deposits of nickel, gold, copper and platinum group elements mostly within Western Australia.

REVIEW OF OPERATIONS

Lake Hope HPA Project, WA (IPT 80%)

- The Mine at Lake Hope:
 - A maiden Measured Resource of 730,000 tonnes at 25.8% alumina (Al₂O₃) defined, underpinning an initial 15-year mine life.
 - Ongoing work towards declaring a maiden Proven Reserve, with mining and economic studies advancing.
 - Funding secured to accelerate development of the pilot plant through a Federal Government grant of \$2.87 million in collaboration with CPC Engineering and Edith Cowan University.
 - A negotiation protocol for Land Access and Cultural Heritage agreements with the Ngadju peoples reviewed and signed.
 - Applications for a Mining Lease and associated Miscellaneous licence lodged.
 - Mining studies underway to provide mining schedules, proposed equipment, site logistics and costs of mining and transport of ore to Kwinana.
 - Further flora fauna and heritage surveys are being planned for the mine haul road.
- The Process Plant:
 - CPC Engineering selected to provide a design and engineering studies for the 10,000 tpa HPA plant, incorporating design improvements for acid regeneration.
 - Test work progressing, with a 20 kg sample of intermediate material prepared for acid leaching under the Low-Temperature Leach process.
 - Kwinana selected as the location for process plant to produce a benchmark

10,000 tonnes per annum of HPA due to access to providers of the required input chemical reagents, buyers of the fertiliser and acid by-products and access to suitable land. Combined, these provide substantial strategic advantages for the project with savings on capex and opex.

- The Low-Temperature Leach process selected as the most straightforward processing method to produce HPA at scale.
- Product development, offtake and marketing
 - Joseph Casella appointed as Marketing Manager to lead engagement with potential off-take partners and customers.
 - Market studies align with strong global demand, positioning Impact for successful market entry.
 - Further test work on HPA and fertiliser by-products continues.
 - Experimental work has produced a hydrated alumina product that may have major applications in the catalyst and flame retardant industries.
 - Early-stage discussions are underway for potential synergies with existing alumina businesses in Europe and the USA.

Arkun Nickel-Copper-PGM Project, WA (IPT 100%)

- Further landholder liaison has unlocked new areas to sample
- 311 new soil samples were collected which included infill sampling at the Caligula target and over new mobile MT anomalies
- Drill targeting and planning for Q2 2025
- 413 soil samples were re-assayed to refine drill targets at Beau and Caligula prospects
- Land access agreements and statutory approvals are being finalised ahead of planned drill programme in Q1 2025
- Previous geochemical and MME survey data at Caligula support the project potential, with \$180,000 co funding awarded under the WA Government' EIS scheme for drilling.

Commonwealth Gold-Silver-Zinc-Lead-Copper Project, NSW (IPT 100%)

- Burrendong Minerals Limited has released its prospectus for an IPO, offering 25 million shares at \$0.20 per share, with a one-for-two free attaching option exercisable at \$0.25 within 36 months.
- Impact shareholders have a priority entitlement of \$2 million in the IPO.

FINANCIAL PERFORMANCE AND FINANCIAL POSITION

During the half-year the Group reported an operating loss after tax of \$2,724,516 (half-year to 31 December 2023: \$4,610,291). As at 31 December 2024 the Group had net assets of \$12,540,904 (30 June 2024: \$14,984,501) including \$1,198,379 of cash and cash equivalents (30 June 2024: \$3,422,215).

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EVENTS SUBSEQUENT TO THE REPORTING DATE

No matters or circumstances have arisen since the end of the half year which significantly affect or may significantly affect the operations of the Group, the results of those operations, or the state of affairs in future years, except for:

On 28 February 2025 the Company announced a renounceable pro-rata offer to Eligible Shareholders of up to 874,123,919 New Shares on the basis of two New Shares for every seven Shares held on the Record Date (with one free attaching New Option for every two New Shares issued) at an issue price of \$0.006 per New Share to raise up to approximately \$5,244,744 (before costs). The Offer is underwritten to \$1,000,000 by Mahe Capital Pty Ltd ACN 634 087 684.

On 5 March 2025 the company's largest shareholder and long-term supporter, who holds 17% of the company, will subscribe for their entire entitlement as part of the current renounceable rights issue and Mahe Capital Pty Ltd (ACN 634 087 684) (AFSL 517246), the Lead Manager and Underwriter to the issue has agreed to increase their underwriting from \$1 million to \$2 million.

On 7 March 2025 the Company entered into an agreement to purchase from New Frontier Metals Ltd (ASX:NFM) its wholly owned subsidiary BHA No. 1 Pty Ltd ("BHA"), which holds the Broken Hill East Project comprising tenements EL8434 and EL8435. Under the terms of the agreement, in consideration for NFM transferring all of the shares in BHA to the Company, NFM will receive \$275,000 worth of the Company's shares (totalling 37,774,040 shares based on a 14-day VWAP as at March 7th 2025), of which the shares are subject to voluntary escrow arrangements for up to 6 months. This transaction was completed on 10 March 2025.

Auditor's Declaration

Section 307C of the *Corporations Act 2001* requires our auditors, Hall Chadwick WA Audit Pty Ltd, to provide the directors of the company with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on the following page and forms part of this directors' report for the half-year ended 31 December 2024.

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



Peter Unsworth
Chairman

Perth, 13 March 2025

Competent Person's Statement

The review of exploration activities and results contained in this report is based on information compiled by Dr Mike Jones, a Member of the Australian Institute of Geoscientists. He is a director of the Company and works for Impact Minerals Limited. He has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code

DIRECTORS' REPORT

for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Dr Jones has consented to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward Looking Statements

This document may contain certain forward-looking statements. Forward-looking statements include but are not limited to statements concerning Impact Minerals Limited's (Impact's) current expectations, estimates and projections about the industry in which Impact operates, and beliefs and assumptions regarding Impact's future performance. When used in this document, words such as "anticipate", "could", "plan", "estimate", "expects", "seeks", "intends", "may", "potential", "should", and similar expressions are forward-looking statements. Although Impact believes that its expectations reflected in these forward-looking statements are reasonable, such statements are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the control of Impact and no assurance can be given that actual results will be consistent with these forward-looking statements.

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To the Board of Directors

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead audit Director for the review of the financial statements of Impact Minerals 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:

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

Yours faithfully,

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis

MARK DELAURENTIS CA
Director

Dated this 13th day of March 2025
Perth, Western Australia

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

| | Notes | CONSOLIDATED | |
|---|-------|--------------------|--------------------|
| | | 31 Dec 2024 \$ | 31 Dec 2023 \$ |
| Interest and other income | 3 | 562,850 | 77,974 |
| | | 562,850 | 77,974 |
| Employee benefits expense | | (439,596) | (252,102) |
| Corporate and administration expenditure | | (762,969) | (736,752) |
| Depreciation and amortisation expense | | (54,867) | (54,307) |
| Occupancy expense | | (3,135) | (26,613) |
| Financing expense | | (19,287) | (22,493) |
| Impairment of exploration expenditure | 7 | (2,007,512) | (3,595,998) |
| Loss before income tax expense | | (2,724,516) | (4,610,291) |
| Income tax expense | | - | - |
| Net Loss from continuing operations | | (2,724,516) | (4,610,291) |
| Other comprehensive income / (loss) | | | |
| <i>Items that will not be reclassified to profit or loss</i> | | | |
| Change in the fair value of financial assets | 6 | 18,000 | 53,000 |
| Other comprehensive income (net of tax) | | 18,000 | 53,000 |
| Total comprehensive loss for the period | | (2,706,516) | (4,557,291) |
| Total comprehensive loss attributable to the owners of Impact Minerals Limited | | (2,706,516) | (4,557,291) |
| Loss attributable to the owners of Impact Minerals Limited | | Cents per share | Cents per share |
| Basic Profit/(Loss) per share | 13 | (0.09) | (0.16) |

The Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

| | Notes | CONSOLIDATED | |
|---|-------|-------------------|-------------------|
| | | 31 Dec 2024 \$ | 30 Jun 2024 \$ |
| Current Assets | | | |
| Cash and cash equivalents | 4 | 1,198,379 | 3,422,215 |
| Trade and other receivables | | 186,860 | 89,463 |
| Other current assets | | 92,617 | 90,413 |
| Assets held for sale | 5 | 1,782,037 | 1,782,037 |
| Total Current Assets | | 3,259,893 | 5,384,128 |
| Non-Current Assets | | | |
| Financial assets at fair value through other comprehensive income | 6 | 46,750 | 78,750 |
| Property, plant and equipment | | 24,614 | 22,783 |
| Exploration expenditure | 7 | 9,647,132 | 9,813,877 |
| Right of Use Assets | | 307,213 | 352,171 |
| Other non-current assets | | 234,055 | 234,055 |
| Total Non-Current Assets | | 10,259,763 | 10,501,636 |
| TOTAL ASSETS | | 13,519,656 | 15,885,764 |
| Current Liabilities | | | |
| Trade and other payables | | 464,561 | 350,285 |
| Short-term provisions | | 150,902 | 149,476 |
| Lease Liabilities | | 84,931 | 78,377 |
| Total Current Liabilities | | 700,394 | 578,138 |
| Non-Current Liabilities | | | |
| Lease Liabilities | | 278,358 | 323,125 |
| Total Non-Current Liabilities | | 278,358 | 323,125 |
| TOTAL LIABILITIES | | 978,752 | 901,263 |
| NET ASSETS | | 12,540,904 | 14,984,501 |
| EQUITY | | | |
| Issued capital | 8 | 66,426,693 | 66,432,353 |
| Option reserve | 8 | 1,925,509 | 1,656,930 |
| Financial asset reserve | 9 | (53,250) | (71,250) |
| Transactions with non-controlling interest | | (1,161,069) | (1,161,069) |
| Accumulated losses | | (54,596,979) | (51,872,463) |
| TOTAL EQUITY | | 12,540,904 | 14,984,501 |

The Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

| | Issued capital \$ | Option reserve \$ | Financial asset reserve \$ | Transactions with non-controlling interest \$ | Accumulated losses \$ | Total equity \$ |
|---|----------------------|----------------------|-------------------------------|--|--------------------------|--------------------|
| Balance at 1 July 2023 | 62,742,519 | 1,711,433 | (23,750) | (1,161,069) | (45,852,025) | 17,417,108 |
| Loss for the period | - | - | - | - | (4,610,291) | (4,610,291) |
| Other comprehensive income | - | - | 53,000 | - | - | 53,000 |
| Total comprehensive loss for the half-year | - | - | 53,000 | - | (4,610,291) | (4,557,291) |
| Transactions with owners in their capacity as owners | | | | | | |
| Shares issued | 240,000 | - | - | - | - | 240,000 |
| Share issue costs | (1,986) | - | - | - | - | (1,986) |
| Fair value of options issued | - | 201,851 | - | - | - | 201,851 |
| Fair value of performance rights issued | - | 17,516 | - | - | - | 17,516 |
| Fair value of options expired | - | (629,610) | - | - | 629,610 | - |
| Balance at 31 December 2023 | 62,980,533 | 1,301,190 | 29,250 | (1,161,069) | (49,832,706) | 13,317,198 |
| Balance at 1 July 2024 | 66,432,353 | 1,656,930 | (71,250) | (1,161,069) | (51,872,463) | 14,984,501 |
| Loss for the period | - | - | - | - | (2,724,516) | (2,724,516) |
| Other comprehensive income | - | - | 18,000 | - | - | 18,000 |
| Total comprehensive loss for the half-year | - | - | 18,000 | - | (2,724,516) | (2,706,516) |
| Transactions with owners in their capacity as owners | | | | | | |
| Shares issued | - | - | - | - | - | - |
| Share issue costs | (5,660) | - | - | - | - | (5,660) |
| Fair value of performance rights issued | - | 268,579 | - | - | - | 268,579 |
| Balance at 31 December 2024 | 66,426,693 | 1,925,509 | (53,250) | (1,161,069) | (54,596,979) | 12,540,904 |

The Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

| | Notes | CONSOLIDATED | |
|---|-------|--------------------|--------------------|
| | | 31 Dec 2024 \$ | 31 Dec 2023 \$ |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments to suppliers and employees | | (958,434) | (1,069,724) |
| Interest received | | 52,212 | 79,546 |
| Interest paid | | (19,287) | (11,493) |
| R&D Tax Incentive Refund | | 512,427 | - |
| NET CASH FLOWS USED IN OPERATING ACTIVITIES | | (413,082) | (1,001,671) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Payments for property, plant and equipment | | (11,740) | (10,904) |
| Payments for exploration activities | | (1,805,142) | (1,575,810) |
| Proceeds from the sale of financial assets at fair value through other comprehensive income | | 50,000 | - |
| NET CASH FLOWS USED IN INVESTING ACTIVITIES | | (1,766,882) | (1,586,714) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Share issue costs | | (5,659) | (1,986) |
| Repayment of Lease Liabilities | | (38,213) | - |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | | (43,872) | (1,986) |
| Net increase/(decrease) in cash and cash equivalents | | (2,223,836) | (2,590,371) |
| Cash and cash equivalents at beginning of the period | | 3,422,215 | 4,688,824 |
| CASH AND CASH EQUIVALENTS AT END OF THE PERIOD | 4 | 1,198,379 | 2,098,453 |

The Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES

a) Basis of Preparation

These general-purpose financial statements for the interim half-year reporting period ended 31 December 2024 have been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standards including AASB 134: *Interim Financial Reporting*.

This interim report is intended to provide users with an update on the latest annual financial statements of Impact Minerals Limited and its controlled entities (the consolidated entity). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the consolidated entity. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the consolidated entity for the year ended 30 June 2024, together with any public announcements made during the half-year.

Except for Note 1(b) the accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

The half-year financial statements have been prepared on the historical cost basis, except where stated. For the purpose of preparing the half-year financial statements, the half-year has been treated as a discrete reporting period.

b) New accounting standards and interpretations

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for an annual accounting period that begins on or after 1 July 2024.

The adoption of the new and revised Standards and Interpretations have not had a material impact on this half-year financial report.

c) Going Concern

The interim financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Consolidated Group generated a loss for the period of \$2,724,516 (2023: loss of \$4,610,291) and net cash outflows from operating activities of \$413,082 (2023: \$1,001,671). As at 31 December 2024 the Consolidated Group had a cash balance of \$1,198,379 (30 June 2024: \$3,422,215).

The ability of the Consolidated Group to continue as a going concern is principally dependent upon the ability of the Company to secure funds by raising capital from equity markets and managing cashflow in line with available funds. These conditions indicate a material uncertainty that may cast significant doubt about the ability of the Company to continue as a going concern. In the event the above matters are not achieved, the Company will be required to raise funds for working capital from debt or equity sources.

The directors have prepared a cash flow forecast which indicates that the Consolidated Group will have sufficient cash flows to meet all commitments and working capital requirements for the 12-month period from the date of signing this financial report.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

Based on the cash flow forecasts and other factors referred to above, the directors are satisfied that the going concern basis of preparation is appropriate. In particular, given the Company's history of raising capital to date, the directors are confident of the Company's ability to raise additional funds as and when they are required.

Should the Consolidated Group be unable to continue as a going concern it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Company be unable to continue as a going concern and meet its debts as and when they fall due.

NOTE 2: SEGMENT REPORTING

Management has determined that the Group has one material reportable segment, being mineral exploration in Australia.

The Board has considered the requirements of AASB 8 *Operating Segments* and the internal reports that are reviewed by the chief operating decision maker (the Managing Director) in allocating resources and have concluded at this time that there are no separately identifiable segments.

NOTE 3: INTEREST AND OTHER INCOME

| | 31 Dec 2024 \$ | 31 Dec 2023 \$ |
|--------------------------|-------------------|-------------------|
| Interest income | 46,046 | 77,974 |
| R&D Tax Incentive Refund | 512,426 | - |
| Other income | 4,378 | - |
| | 562,850 | 77,974 |

NOTE 4: CASH AND CASH EQUIVALENTS

| | 31 Dec 2024 \$ | 30 Jun 2024 \$ |
|--------------------------|-------------------|-------------------|
| Cash at bank and on hand | 1,143,129 | 1,366,965 |
| Short-term deposits | 55,250 | 2,055,250 |
| | 1,198,379 | 3,422,215 |

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

NOTE 5: ASSETS HELD FOR SALE

Tenements held for sale

| 31 Dec 2024 | 30 Jun 2024 |
|------------------|------------------|
| \$ | \$ |
| 1,782,037 | 1,782,037 |
| 1,782,037 | 1,782,037 |

In April 2022, the Company announced that it had sold Mining Lease ML 2386 to Peter Campbell FT Pty Ltd ("PCFT") an unrelated Company for \$30,000. The Company also granted PCFT an option ("Option") to buy all of the shares in Blackridge Exploration Pty Ltd ("Blackridge" a wholly owned subsidiary of Impact). The assets of Blackridge are three exploration licences EPM26806, EPM27410 and EPM27571. PCFT paid the non-refundable Option Fee of \$50,000 in August 2022 and has two years to exercise the Option. Upon exercise of the Option, PCFT will pay \$350,000 for the shares in Blackridge and the Company will retain a 1% gross gold royalty after the first 5,000 ounces have been recovered from any of the tenements. At 30 June 2023 the Blackridge tenements were held at their fair value (\$342,942).

In February 2024 the Company executed a shareholders sale agreement that subject to final CP's, completes the sale of 51% of the Commonwealth Project to Burrendong Minerals Limited with an earn in right to acquire a further 24% interest by meeting certain expenditure targets. Therefore, the Company has included that 51% at fair value for assets held for sale.

NOTE 6: FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Opening balance
Disposals
Change in fair value
Closing balance

| 31 Dec 2024 | 30 Jun 2024 |
|---------------|---------------|
| \$ | \$ |
| 78,750 | 126,250 |
| (50,000) | - |
| 18,000 | (47,500) |
| 46,750 | 78,750 |

The fair value of listed financial assets at fair value through other comprehensive income has been determined directly by reference to published price quotations in an active market, with movement in fair value recognised in other comprehensive income.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

NOTE 7: EXPLORATION EXPENDITURE

| | 31 Dec 2024 \$ | 30 Jun 2024 \$ |
|--|-------------------|-------------------|
| Opening balance | 9,813,877 | 9,568,039 |
| Exploration expenditure incurred during the year | 1,721,048 | 3,383,261 |
| Commonwealth Project | - | 404,469 |
| Lake Hope Project acquisition costs | - | 261,000 |
| Impairment of Arkun Project | (1,649,205) | - |
| Impairment of Broken Hill Project | (89,987) | (1,570,179) |
| Impairment of Doonia Project | - | (891,129) |
| Impairment of Dinningup Project | - | (601,344) |
| Impairment of other Projects | (148,601) | (740,240) |
| Closing balance | 9,647,132 | 9,813,877 |

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

NOTE 8: ISSUED CAPITAL

| | 31 Dec 2024 \$ | 30 Jun 2024 \$ |
|----------------------------|-------------------|-------------------|
| Ordinary shares fully paid | 66,426,693 | 66,432,353 |

a) Movements in ordinary shares on issue

| | HALF-YEAR ENDED 31 DEC 2024 | | YEAR ENDED 30 JUN 2024 | |
|--|-----------------------------|-------------------|------------------------|-------------------|
| | No. | \$ | No. | \$ |
| At the beginning of the period | 3,059,433,718 | 66,432,353 | 2,844,703,889 | 62,742,520 |
| - Playa One Tranche 1 share issue ^(a) | - | - | 20,000,000 | 240,000 |
| - IPTOB option conversion | - | - | 9,655,621 | 193,112 |
| - Employee staff cashless option conversion | - | - | 8,480,017 | 42,400 |
| - Placement ^(b) | - | - | 150,000,000 | 3,000,000 |
| - IPTOB option conversion | - | - | 7,983,918 | 159,678 |
| - IPTOB option conversion | - | - | 18,610,273 | 372,205 |
| - Transaction costs | - | (5,660) | - | (317,562) |
| At the end of the period | 3,059,433,718 | 66,426,693 | 3,059,433,718 | 66,432,353 |

(a) In August 2023 the Company issued 20,000,000 new shares as the Company exercised its option to earn an 80% interest in the Lake Hope Project.

(b) In May 2024, the Company raised \$3,000,000 (before costs) via a placement of 150,000,000 new shares at an issue price of 2 cents each.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

b) Movements in options and performance rights on issue

| | HALF-YEAR ENDED 31 DEC 2024 | | YEAR ENDED 30 JUN 2024 | |
|--|-----------------------------|------------------|------------------------|------------------|
| | No. | \$ | No. | \$ |
| At the beginning of the reporting period | 186,000,000 | 1,656,930 | 426,254,389 | 1,711,433 |
| Options issued - unlisted | - | - | 30,000,000 | 394,452 |
| Options issued - listed | 65,000,000 | 64,063 | - | - |
| Options expired | - | - | (215,004,577) | (732,129) |
| Options exercised | - | - | (44,729,829) | - |
| Options cancelled | - | - | (10,519,983) | - |
| Performance rights granted - unlisted | - | 268,579 | 137,000,000 | 283,175 |
| At the end of the reporting period | 251,000,000 | 1,925,509 | 186,000,000 | 1,656,930 |

NOTE 9: FINANCIAL ASSET RESERVE

| | 31 Dec 2024 \$ | 30 Jun 2024 \$ |
|--|-------------------|-------------------|
| Financial asset reserve | | |
| Opening balance | (71,250) | (23,750) |
| Financial assets at fair value through other comprehensive income (Note 6) | 18,000 | (47,500) |
| Closing balance | (53,250) | (71,250) |

NOTE 10: SHARE BASED PAYMENTS

There were no new issues of share based payments during the half year.

The share-based payment expense for the half-year was \$268,579 (2023: \$219,367).

NOTE 11: CONTINGENCIES

There has been no change in contingent liabilities or assets since the annual reporting date.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

NOTE 12: COMMITMENTS

In order to maintain an interest in the exploration tenements in which the Group is involved, the Group is committed to meet the conditions under which the tenements were granted. The timing and amount of exploration expenditure commitments and obligations of the Group are subject to the minimum expenditure commitments required as per the *Mining Act 1978* (Western Australia), the *Mining Act 1992* (New South Wales) and the *Mineral Resources Act 1989* (Queensland) and may vary significantly from the forecast based upon the results of the work performed which will determine the prospectivity of the relevant area of interest.

As at the reporting date, there has been no material change in the commitments since 30 June 2024.

NOTE 13: EARNINGS PER SHARE

| | Half-year ended 31 Dec 2024 Cents | Half-year ended 31 Dec 2023 Cents |
|-------------------------------|---|---|
| Basic profit/(loss) per share | (0.09) | (0.16) |

The following reflects the income and share data used in the calculations of basic profit/(loss) per share:

| | Half-year ended 31 Dec 2023 \$ | Half-year ended 31 Dec 2022 \$ |
|--|--------------------------------------|--------------------------------------|
| Profit / (Loss) used in calculating basic earnings per share | (2,724,516) | (4,610,291) |

| | Half-year ended 31 Dec 2024 Number | Half-year ended 31 Dec 2023 Number |
|---|--|--|
| Weighted average number of ordinary shares used in calculating basic loss per share | 3,059,433,718 | 2,852,155,944 |

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

The issue of potential ordinary shares is antidilutive when their conversion to ordinary shares would increase earnings per share or decrease loss per share from continuing operations. The calculation of diluted earnings per share has therefore not assumed the conversion, exercise, or other issue of potential ordinary shares that would have an antidilutive effect on earnings per share.

NOTE 14: EVENTS SUBSEQUENT TO THE REPORTING DATE

No matters or circumstances have arisen since the end of the half year which significantly affect or may significantly affect the operations of the Group, the results of those operations, or the state of affairs in future years., except for:

On 28 February 2025 the Company announced a renounceable pro-rata offer to Eligible Shareholders of up to 874,123,919 New Shares on the basis of two New Shares for every seven Shares held on the Record Date (with one free attaching New Option for every two New Shares issued) at an issue price of \$0.006 per New Share to raise up to approximately \$5,244,744 (before costs). The Offer is underwritten to \$1,000,000 by Mahe Capital Pty Ltd ACN 634 087 684.

On 5 March 2025 the company's largest shareholder and long-term supporter, who holds 17% of the company, will subscribe for their entire entitlement as part of the current renounceable rights issue and Mahe Capital Pty Ltd (ACN 634 087 684) (AFSL 517246), the Lead Manager and Underwriter to the issue has agreed to increase their underwriting from \$1 million to \$2 million.

On 7 March 2025 the Company entered into an agreement to purchase from New Frontier Metals Ltd (ASX:NFM) its wholly owned subsidiary BHA No. 1 Pty Ltd ("BHA"), which holds the Broken Hill East Project comprising tenements EL8434 and EL8435. Under the terms of the agreement, in consideration for NFM transferring all of the shares in BHA to the Company, NFM will receive \$275,000 worth of the Company's shares (totalling 37,774,040 shares based on a 14-day VWAP as at March 7th 2025), of which the shares are subject to voluntary escrow arrangements for up to 6 months. This transaction was completed on 10 March 2025.

DIRECTORS' DECLARATION

The Directors of the Company declare that:

- a) The financial statements and notes of Impact Minerals Limited for the half-year ended 31 December 2024 are in accordance with the Corporations Act 2001, including:
 - i. complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*; and
 - ii. 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) In the Directors' option 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 signed in accordance with a resolution of the Board of Directors.



Peter Unsworth

Chairman

Perth, Western Australia

13 March 2025

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF IMPACT MINERALS LIMITED

Conclusion

We have reviewed the accompanying half-year financial report of Impact Minerals Limited ("the Company") and Controlled Entities ("the Consolidated Entity") 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, a summary of material accounting policies and 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 half-year financial report of Impact Minerals Limited and Controlled Entities does not comply with the *Corporations Act 2001* including:

- a. Giving a true and fair view of the Consolidated Entity's financial position as at 31 December 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* 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 the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Material Uncertainty Related to Going Concern

We draw attention to Note 1(c) in the financial report, which indicates that the Consolidated Entity incurred a net loss of \$2,724,516 during the half year ended 31 December 2024. As stated in Note 1(c), these events or conditions, along with other matters as set forth in Note 1(c), indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Responsibility of the Directors for the Financial Report

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

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Consolidated Entity's financial position as at 31 December 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.

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD



MARK DELAURENTIS CA
Director

Dated this 13th day of March 2025
Perth, Western Australia