



# HORSESHOE METALS

LIMITED

**A.B.N. 20 123 133 166**

**FINANCIAL REPORT FOR THE HALF-YEAR ENDED  
30 JUNE 2025**

## CORPORATE INFORMATION

### Board of Directors

Seldon Mart (Non-Executive Director)  
Kate Stoney (Non-Executive Director)  
Peter Walker (Non-Executive Director)

### Company Secretaries

Kate Stoney  
Josh Merriman

### Registered Office

2/50 Kings Park Road  
WEST PERTH WA 6005  
Telephone: +61 8 6241 1844

### Solicitors

Nova Legal  
2/50 Kings Park Road  
WEST PERTH WA 6005  
Telephone: +61 8 9466 3177

### Bankers

National Australia Bank  
Level 14, 100 St Georges Terrace  
Perth WA 6000

### Share Registry

Automic Group  
Level 5, 126 Phillip Street  
Sydney NSW 2000  
Telephone: 1300 288 664

### Auditors

In.Corp Audit & Assurance Pty Ltd  
Level 1 Lincoln House  
4 Ventnor Avenue  
West Perth WA 6005

### Securities Exchange Listing

The Company is listed on the Australian Securities Exchange  
ASX Code: HOR

### Website

[www.horseshoemetals.com.au](http://www.horseshoemetals.com.au)

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## DIRECTORS' REPORT

The Directors present their report on the consolidated entity comprising Horseshoe Metals Limited and its controlled entity ("Horseshoe", "the Company" or "the Group") for the half-year ended 30 June 2025 and the auditor's report thereon.

### 1. DIRECTORS

The names of the Directors of the Company in office during the half year and until the date of this report are noted below. Directors were in office for the entire period unless otherwise stated.

Kate Stoney	Non-Executive Director
Seldon Mart	Non-Executive Director
Peter Walker	Non-Executive Director

### 2. REVIEW OF OPERATIONS

During the half-year the Company continued to focus on the development of its flagship Horseshoe Lights Copper-Gold Project in Western Australia.

#### Horseshoe Lights Copper-Gold Project, Western Australia (HOR: 100%)

##### Project Summary

The Horseshoe Lights Copper-Gold Project is the original Cu/Au VMS discovery in the Bryah Basin and is located approx. 60 km west of the DeGrussa Copper Mine owned by Sandfire Resources (ASX: SFR) (refer Figure 1). Past production from Horseshoe Lights includes around **316,000 oz Au & 55 kt Cu metal** in two phases of mining and the deposit contains a current in situ resource **128 kt Cu metal @ 1.0% (0.5% cut-off) and 36,000 oz Au** (refer Table 1).

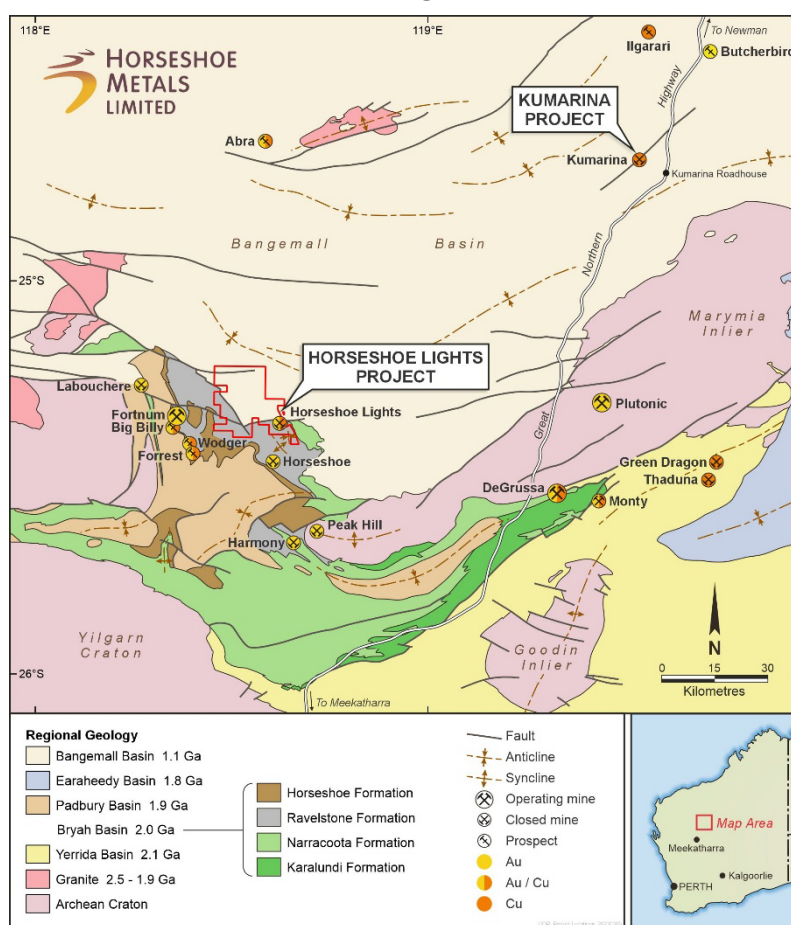


Figure 1: Location of Horseshoe Lights and Kumarina Projects, WA

## **Project development – DSO strategy**

During the half-year, the Company continued its work to capitalise on the high-grade direct shipping ore (DSO) copper surface stockpiles at Horseshoe Lights, which form part of significant copper-gold surface materials including tailings, stockpiles and dumps (refer Figure 2).

The DSO strategy envisages the following development sequence, subject to any statutory and regulatory approvals required (refer ASX release 23 April 2024):

1. Scavenging of remnant coarse DSO material, bagging and transport;
2. Heavy media separation of fine DSO material from select stockpiles.
3. Small-scale heap leach and/or vat leach of oxide material followed by cementation; and
4. Large-scale heap leach and/or vat leach of surface oxide material followed by cementation.

Regulatory approval for the commencement of the DSO mining activities at Horseshoe Lights was received from the Department of Mines, Petroleum and Exploration following the end of the reporting period (refer ASX release 2 July 2025).

Areas identified as having future DSO potential include the M15, Subgrade and C20 stockpiles, along with rehandle and surface pimple dumps located on the north waste dump gold tailings, and southern low-grade stockpile (refer Figure 2). The Company has previously confirmed the presence of significant oxide and gold copper mineralisation at the C20 and subgrade stockpiles and considers the below Exploration Targets to be appropriate given grade assessments of recoverable volumes within the stockpiles and preliminary investigations of the stockpile volumes and anticipated density:

- **C20 stockpile:** 41,000 to 50,000 tonnes grading between 0.85 to 0.94g/t Au and 0.28% Cu, containing metal of 1,100 to 1,500 oz Au
- **Subgrade stockpile:** 27,000 to 34,000 tonnes grading between 0.4% to 0.8% Cu, containing metal of 110 to 270 tonnes Cu

The Company has continued to progress discussions with domestic and international parties that have expressed interest in offtake of the DSO and potential future concentrates.

### **Sale of gold surface material processing rights**

In January 2025, the Company entered into an agreement with Melody Gold Pty Ltd (“Melody Gold”) for the right to process gold surface materials at Horseshoe Lights (refer ASX release 20 January 2025).

The Gold Surface Materials Rights Agreement (“Agreement”) between Melody Gold and the Company’s wholly owned subsidiary Murchison Copper Mines Pty Ltd (“MCM”) covers designated gold surface materials adjacent to the historic open pit at Horseshoe Lights, including four subgrade stockpiles; the rehandle stockpile, gold leach vats and perimeter; the gold ROM stockpile; and gold and flotation tailings.

Under the Agreement, MCM has granted a licence to Melody Gold for an initial period of three years, which may be extended for two further periods of three years.

The Company received total consideration of \$100,000 during the half-year in relation to the Agreement, comprising an initial option fee of \$75,000 and a further \$25,000 paid upon exercise of the option (refer ASX release 12 June 2025).

Following Melody Gold’s exercise of the option (subject to any required regulatory approvals), MCM is entitled to receive a monthly fee of \$25,000, increasing to \$75,000 from the commencement of processing. MCM will also receive a tonnage-based payment of 10 percent of the recovered gold equivalent value per tonne of gold surface materials processed. A payment of \$1.00 per dry metric tonne processed will be made by Melody Gold to be held in trust as a rehabilitation bond.

### **Refurbishment of Horseshoe Lights camp**

During the half-year, the Company progressed the recommissioning of the existing 20-person camp at Horseshoe Lights to support planned DSO operations and the gold surface materials processing operations to be undertaken by Melody Gold (refer ASX release 26 May 2025).



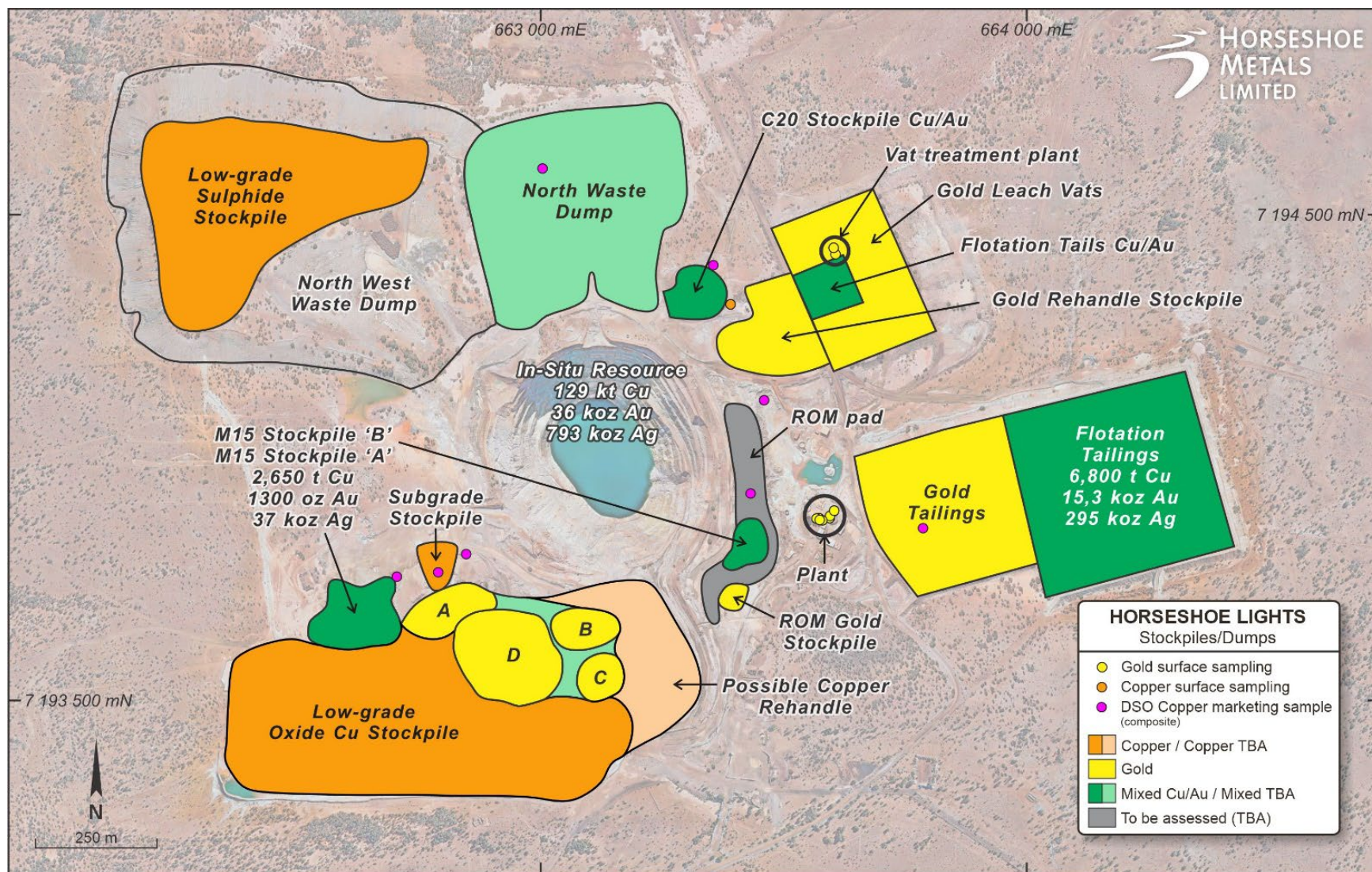


Figure 2: Horseshoe Lights gold and copper surface materials

**TABLE 1**  
**HORSESHOE LIGHTS PROJECT**  
**SUMMARY OF MINERAL RESOURCES**  
**as at 30 June 2025**

Location	Category	Tonnes (Mt)	Cu (%)	Au (g/t)	Ag (g/t)	Cu metal (tonnes)	Au metal (oz)	Ag metal (k oz)
<b>In-situ Deposit</b> (0.5% Cu cut-off grade)	<i>Measured</i>	1.73	1.04	0.0	0.5	18,000	1,900	28.8
	<i>Indicated</i>	2.43	0.95	0.0	0.7	23,200	3,400	52.2
	<i>Inferred</i>	8.69	1.01	0.1	2.6	87,400	30,700	712.4
	<b>Total</b>	<b>12.85</b>	<b>1.00</b>	<b>0.1</b>	<b>1.9</b>	<b>128,600</b>	<b>36,000</b>	<b>793.4</b>
<b>Flotation Tailings</b>	<b>Inferred</b>	<b>1.421</b>	<b>0.48</b>	<b>0.34</b>	<b>6.5</b>	<b>6,800</b>	<b>15,300</b>	<b>294.8</b>
<b>M15 Stockpiles</b>	<b>Inferred</b>	<b>0.243</b>	<b>1.10</b>	<b>0.17</b>	<b>4.7</b>	<b>2,650</b>	<b>1,300</b>	<b>36.7</b>
Note: At 0% Cu cut-off grade unless otherwise stated					<b>TOTAL</b>	<b>138,050</b>	<b>52,600</b>	<b>1,124.9</b>

The above Mineral Resource Estimates all meet the reporting requirements of the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".

### **Kumarina Copper Project, Western Australia** (HOR: 100%)

The Kumarina Project consists of a mining lease and mining lease application covering approximately 3.2 km<sup>2</sup>. The Project is located 95 km north of Sandfire Resources NL's DeGrussa copper-gold mine in the Gascoyne region of Western Australia. The Company has applied for a mining lease (MLA52/1078) to cover the Rinaldi resource, contiguous with M52/27. The Company continues to progress a Project Agreement as part of the application process with the Native Title Party and its lawyers. No active field work was undertaken during the half-year.

**TABLE 2**  
**KUMARINA PROJECT**  
**SUMMARY OF MINERAL RESOURCES**  
**as at 30 June 2025**

Location	Category	Tonnes (t)	Cu (%)	Cu metal (tonnes)
<b>Rinaldi Prospect</b> (0.5% Cu cut-off)	<i>Measured</i>	415,000	1.46	6,100
	<i>Indicated</i>	307,000	1.16	3,500
	<i>Inferred</i>	114,000	0.9	1,000
	<b>Total</b>	<b>835,000</b>	<b>1.3</b>	<b>10,600</b>

## Glenloth Gold Project, South Australia

(HOR: 100%)

The Glenloth Project is located in the Central Gawler Craton of South Australia. The project consists of a single exploration licence, EL 6301, which comprises two areas totalling 107 km<sup>2</sup>. The larger eastern block *Glenloth* covers 81 km<sup>2</sup> and includes the Glenloth goldfield and part of the Harris Greenstone Belt. The smaller western block *Old Well* takes in the northern trend of the 1.6M oz Tunkillia gold deposit located 6 km to the south, under development by Barton Gold Holdings Ltd (ASX:BGD).

During the half-year, the Company initiated a technical and strategic review of the *Old Well* block at Glenloth, including reviews of historic calcrete geochemistry and AC and RC geochemistry (refer ASX release 20 February 2025).

### 3. RESULTS OF OPERATIONS

The Group realised a net loss for the half year of \$425,792 (2024: \$533,082).

The net assets of the Group have decreased from a net asset deficiency of \$1,248,729 at 31 December 2024 to a net asset deficiency of \$1,613,271 at 30 June 2025.

### 4. CORPORATE ACTIVITIES

On 28 March 2025, the Company announced that it had entered into a secured convertible loan agreement with Obsidian Metals Group Pty Ltd ("Obsidian"). The agreement provides for a loan facility of up to \$4 million ("Loan Amount"), with monies of approximately \$1.5 million advanced under a previous short-term loan agreement deemed to form part of the Loan Amount. The loan accrues interest at 12 percent per annum, is repayable within three years of the date of execution, and is secured by a tenement mortgage over M 52/743. Subject to any required shareholder or regulatory approvals, the Loan Amount may be converted to fully paid ordinary shares in the Company at the higher of the 5-day VWAP of the Company's securities or \$0.02 per share.

The Annual General Meeting of the Company was held on 29 May 2025, with all resolutions put to shareholders being passed.

### 5. SUBSEQUENT EVENTS

On 2 July 2025, the Company announced that it had received approval from Western Australia's Department of Mines, Petroleum and Exploration for the commencement of DSO mining activities at the Horseshoe Lights project.

On 2 July 2025, the Company announced a share placement to raise \$851,000 via the issue of 40,523,810 fully paid ordinary shares at an issue price of \$0.021 per share ("Placement"). The issue of 1,000,000 shares to Ms Kate Stoney, a Director of the Company, is subject to shareholder approval. In conjunction with the Placement, key contractors of the Company agreed to subscribe for 12,000,000 fully paid ordinary shares in consideration for \$252,000 in future drilling services and for 18,928,571 fully paid ordinary shares in satisfaction of \$397,500 in trade payables.

On 1 September 2025, the Company announced that it had commenced an RC drill programme at the Horseshoe Lights project, with approximately 1,500m of drilling planned.

There has been no other matter or circumstance that has arisen since the end of the reporting period which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs in future financial years.



## AUDITOR'S INDEPENDENCE DECLARATION

The Company has obtained an independence declaration from its auditors In.Corp Audit & Assurance Pty Ltd, as per s.307(C) of the *Corporations Act 2001*, which forms part of this report. A copy of that declaration is included on the following page.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to s.306 (3) of the *Corporations Act 2001*.



**Kate Stoney**  
Non-Executive Director  
Perth  
12 September 2025

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

To the directors of Horseshoe Metals Limited:

As lead auditor of the review of Horseshoe Metals Limited for the half-year ended 30 June 2025, 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
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Horseshoe Metals Limited and the entity it controlled during the half-year.

**In.Corp Audit & Assurance Pty Ltd**



**Volha Romanchik**  
Director

**12 September 2025**

**In.Corp Audit & Assurance Pty Ltd**  
**ABN 14 129 769 151**

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME  
FOR THE HALF YEAR ENDED 30 JUNE 2025**

	Half year to 30 June 2025 \$	Half year to 30 June 2024 \$
<b>Revenue</b>		
Option fees for mineral processing rights	100,000	-
	<u>100,000</u>	<u>-</u>
<b>Operating expenses</b>		
Administrative and compliance expenses	(155,903)	(133,345)
Consulting and investor relations expenses	(130,400)	(124,850)
Exploration expense	(96,487)	(244,655)
Directors' remuneration	(54,000)	(80,064)
Directors' remuneration – adjustment for options forfeited	-	53,059
Share-based payment expense	-	(31,417)
	<u>(436,790)</u>	<u>(561,272)</u>
<b>Depreciation</b>		
Depreciation expense	(7,290)	(12,527)
	<u>(7,290)</u>	<u>(12,527)</u>
<b>Finance</b>		
Interest income	103	-
Interest expense	(81,815)	(2,403)
Interest expense – adjustment for interest written off	-	43,120
	<u>(81,712)</u>	<u>40,717</u>
<b>Loss before income tax</b>	<u>(425,792)</u>	<u>(533,082)</u>
Income tax expense	-	-
<b>Loss after tax</b>	<u>(425,792)</u>	<u>(533,082)</u>
Other comprehensive income	-	-
<b>Total comprehensive loss for the period</b>	<u>(425,792)</u>	<u>(533,082)</u>
<b>Loss per share:</b>		
Basic loss per share (cents per share)	<u>(0.064)</u>	<u>(0.082)</u>
Diluted loss per share (cents per share)	<u>(0.064)</u>	<u>(0.082)</u>

These financial statements should be read in conjunction with the accompanying notes

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

	NOTE	30 June 2025 \$	31 December 2024 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		206,066	399
Trade and other receivables	2	55,936	67,449
Other assets		60,843	60,765
<b>Total current assets</b>		<b>322,845</b>	<b>128,613</b>
<b>Non-current assets</b>			
Plant and equipment		17,346	16,737
Exploration and evaluation expenditure	3	8,987,277	8,714,607
<b>Total non-current assets</b>		<b>9,004,623</b>	<b>8,731,344</b>
<b>TOTAL ASSETS</b>		<b>9,327,468</b>	<b>8,859,957</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	5	3,479,947	3,101,024
Borrowings	6	1,647,902	1,194,772
<b>Total current liabilities</b>		<b>5,127,849</b>	<b>4,295,796</b>
<b>Non-current Liabilities</b>			
Provisions	4	5,812,890	5,812,890
<b>Total non-current liabilities</b>		<b>5,812,890</b>	<b>5,812,890</b>
<b>TOTAL LIABILITIES</b>		<b>10,940,739</b>	<b>10,108,686</b>
<b>NET ASSETS (DEFICIENCY)</b>		<b>(1,613,271)</b>	<b>(1,248,729)</b>
<b>EQUITY</b>			
Issued capital	7	26,242,132	26,109,914
Reserves		200,231	361,677
Accumulated losses		(28,055,634)	(27,720,320)
<b>TOTAL EQUITY</b>		<b>(1,613,271)</b>	<b>(1,248,729)</b>

These financial statements should be read in conjunction with the accompanying notes

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 30 JUNE 2025

	30 June 2025 \$	30 June 2024 \$
<b>CASH FROM OPERATING ACTIVITIES</b>		
Receipts from customers	102,500	-
Payments to suppliers and employees	(182,211)	(27,087)
Payments for exploration and evaluation expenditure	(280,539)	(46,874)
Other income	18,500	-
<b>Net cash used in operating activities</b>	<b>(341,750)</b>	<b>(73,961)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for plant & equipment	(7,899)	-
<b>Net cash used in investing activities</b>	<b>(7,899)</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from share application monies	184,000	-
Proceeds from borrowings	407,631	123,400
Repayment of borrowings	(36,315)	(50,000)
<b>Net cash provided by financing activities</b>	<b>555,316</b>	<b>73,400</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>205,667</b>	<b>(561)</b>
Cash and cash equivalents at the beginning of the period	399	2,474
<b>Cash and cash equivalents at the end of the period</b>	<b>206,066</b>	<b>1,913</b>

These financial statements should be read in conjunction with the accompanying notes



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 30 JUNE 2025

	Issued Capital \$	Accumulated Losses \$	Reserve \$	Total \$
Balance as at 1 Jan 2025	26,109,914	(27,720,320)	361,677	(1,248,729)
Loss for the period	-	(425,792)	-	(425,792)
Other comprehensive income	-	-	-	-
Total comprehensive loss	-	(425,792)	-	(425,792)
Options issued during the period	-	-	61,250	61,250
Options exercised during the period	132,218	-	(132,218)	-
Transfer upon expiry of options	-	90,478	(90,478)	-
Balance as at 30 June 2025	26,242,132	(28,055,634)	200,231	(1,613,271)

	Issued Capital \$	Accumulated Losses \$	Reserve \$	Total \$
Balance as at 1 Jan 2024	25,881,784	(26,919,790)	477,480	(560,526)
Loss for the period	-	(533,082)	-	(533,082)
Other comprehensive income	-	-	-	-
Total comprehensive loss	-	(533,082)	-	(533,082)
Options issued or vested during the period	-	-	57,481	57,481
Options exercised during the period	91,100	-	(91,100)	-
Transfer upon expiry of options	-	-	(53,059)	(53,059)
Balance as at 30 June 2024	25,972,884	(27,452,872)	390,802	(1,089,186)

These financial statements should be read in conjunction with the accompanying notes

## NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2025

### NOTE 1: MATERIAL ACCOUNTING POLICY INFORMATION

#### Statement of compliance

The interim financial statements are a general-purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard 134 'Interim Financial Reporting'.

This half-year report does not include full disclosures of the type normally included within the annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of Horseshoe Metals Limited and the consolidated entity ("the Group") as in the full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report of the Group for the year ended 31 December 2024 and any public announcements made by Horseshoe Metals Limited during the half-year in accordance with continuous disclosure requirements arising under the ASX Listing Rules.

#### Basis of preparation

The half-year report has been prepared on a historical cost basis modified, where applicable, by measurement at fair value of selected items. Cost is based on the fair values of the consideration given in exchange for assets.

For the purpose of preparing the interim report, the half-year has been treated as a discrete reporting period. The half-year report has been prepared on the going concern basis, which contemplates the continuation of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The accounting policies adopted are consistent with those applied and disclosed in the 31 December 2024 annual report. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

#### Going concern

The financial statements have been prepared on a going concern basis that contemplates normal business activities and the realisation of assets and extinguishment of liabilities in the ordinary course of business.

As disclosed in the financial statements, the Group had cash and cash equivalents on hand as at 30 June 2025 of \$206,066, total liabilities exceeded its total assets by \$1,613,271 and incurred a net loss of \$425,792 during the half-year then ended. This indicates a material uncertainty related to the Group continuing to trade on a going concern basis. The ability of the Group to pay its debts as and when they become due is dependent upon:

- the Group's ability to successfully implement its strategy for the development of the Horseshoe Lights project and to generate sufficient cash flows to cover ongoing operational costs;
- the Group's continued ability to call upon the undrawn portion of the loan facility entered into with Obsidian Metals Group Pty Ltd ("Obsidian"); and
- negotiating continued deferred terms of repayment with overdue third-party creditors and lenders.

The Directors believe it is reasonably foreseeable that the Group will be able to continue as a going concern after consideration of the following factors:

- the Group has received regulatory approval to implement the initial phase of DSO mining activities at Horseshoe Lights and has begun the process of mobilising personnel and equipment;
- the undrawn balance of the loan facility with Obsidian available to the Group at the date of this report was \$2,457,998;
- the Group completed a capital raising and debt-to-equity conversion after the end of the reporting period that improved its net asset position by a total of \$1,500,500; and
- the Group has a history of successful capital raisings and is confident it can raise further capital as required on terms favourable to the Group.

Should the Group not be able to achieve successful outcomes with the above matters, there is material uncertainty whether the Group will be able to continue as a going concern, and therefore it may be required to realise its assets to discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability or classification of recorded asset amounts, nor the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

## NOTE 2: TRADE AND OTHER RECEIVABLES

	Consolidated as at 30 June 2025 \$	Consolidated as at 31 December 2024 \$
Other receivables	4,357	21,531
Bonds	25,000	25,000
ATO receivables	26,579	20,918
	<b>55,936</b>	<b>67,449</b>

## NOTE 3: EXPLORATION AND EVALUATION ASSETS

The following table details the movement in deferred exploration and evaluation expenditure reported in the statement of financial position during the half year to 30 June 2025.

	Consolidated as at 30 June 2025 \$	Consolidated as at 31 December 2024 \$
Carrying amount at beginning of the period	8,714,607	8,370,508
Capitalised expenditure during the period	272,670	344,099
	<b>8,987,277</b>	<b>8,714,607</b>

The recoupment of deferred exploration and evaluation costs carried forward is dependent upon the successful development and commercialisation or sale of the areas of interests being explored and evaluated.

## NOTE 4: PROVISIONS

	Consolidated as at 30 June 2025 \$	Consolidated as at 31 December 2024 \$
<b>Non-current</b>		
Provision for rehabilitation – Horseshoe Lights	5,812,890	5,812,890
<b>Total non-current</b>	<b>5,812,890</b>	<b>5,812,890</b>

Rehabilitation obligations in relation to tenement M52/743 at the Company's Horseshoe Lights project, in particular the flotation tailings dam, the waste dumps, and the plant and camp site.

The Company participates in the Government of Western Australia's Mine Rehabilitation Fund ("MRF"), which is administered by the Department of Mines, Petroleum and Exploration (DMPE). Through this process an estimate for rehabilitation costs is calculated by DMPE, which is used to establish the Company's contribution amount to the MRF in respect of the Horseshoe Lights project.

The provision is measured at the management's best estimate of the costs required to settle the obligations. Actual costs incurred in future periods to settle these obligations could differ materially from these estimates. Additionally, future changes to environmental laws and regulations, life of mine estimates, and discount rates could affect the carrying amount of this provision.

## NOTE 5: TRADE AND OTHER PAYABLES

	Consolidated as at 30 June 2025 \$	Consolidated as at 31 December 2024 \$
Trade payables	1,818,823	1,407,354
Share application monies received in advance	184,000	-
Delta Resource Management Pty Ltd (In Liquidation) <sup>1</sup>	546,946	911,578
Investmet Ltd (In Liquidation) <sup>2</sup>	740,748	740,748
Other payables	189,430	41,344
	<b>3,479,947</b>	<b>3,101,024</b>

1. A deed of settlement between the Company and Delta Resource Management Pty Ltd (In Liquidation) ("Delta Deed of Settlement") was approved by the Supreme Court of Western Australia in July 2024. The Delta Deed of Settlement provided for the repayment via instalments of a total of \$1,873,155 ("Delta Settlement Amount"), comprising trade payables, funds previously advanced by Delta under various loan agreements, and accrued interest. The balance of the Delta Settlement Amount remaining at 30 June 2025 was repaid in full following the end of the reporting period.
2. A deed of settlement between the Company and Investmet Ltd (In Liquidation) ("Investmet Deed of Settlement") was approved by Investmet's creditors in February 2025. The Investmet Deed of Settlement provides for the repayment via instalments of a total of \$770,748 ("Investmet Settlement Amount"), comprising funds previously advanced by Investmet under various loan agreements and accrued interest. Repayments towards the Investmet Settlement Amount commenced after the end of the reporting period.

## NOTE 6: BORROWINGS

	Consolidated as at 30 June 2025 \$	Consolidated as at 31 December 2024 \$
<b>Current</b>		
Loan – Azurite Corporation Pty Ltd	28,879	27,820
Loan – Obsidian Metals Group Pty Ltd	1,619,023	1,166,952
	<b>1,647,902</b>	<b>1,194,772</b>

The loan from Azurite Corporation Pty Ltd (inclusive of accrued interest) was repaid in full following the end of the reporting period.

	Opening balance \$	Drawdown \$	Repayments \$	Interest accrued \$	Closing balance \$
<b>Movements in borrowings</b>					
Azurite Corporation Pty Ltd	27,820	-	-	1,059	28,879
Obsidian Metals Group Pty Ltd	1,166,952	407,631	(36,315)	80,755	1,619,023
	<b>1,194,772</b>	<b>407,631</b>	<b>(36,315)</b>	<b>81,814</b>	<b>1,647,902</b>

### Convertible loan agreement

In March 2025, the Company entered into a secured convertible loan agreement with Obsidian Metals Group Pty Ltd ("Obsidian"). The agreement provides for a loan facility of up to \$4 million ("Loan Amount"), with monies of approximately \$1.5 million advanced under a previous short-term loan agreement deemed to form part of the Loan Amount. The loan accrues interest at 12 percent per annum, is repayable within three years of the date of execution, and is secured by a tenement mortgage over M 52/743. Subject to any required shareholder or regulatory approvals, the Loan Amount may be converted to fully paid ordinary shares in the Company at the higher of the 5-day VWAP of the Company's securities or \$0.02 per share.

	\$
Total facility amount	4,000,000
Loan balance at 31 December 2024	(1,166,952)
Interest accrued to 31 December 2024 (not counted towards drawdown)	32,581
Drawdown 1 January to 28 March 2025	(379,631)
Total of previously advanced monies incorporated into new facility	(1,514,002)
Drawdown 28 March to 30 June 2025	(28,000)
Remaining drawdown available at 30 June 2025	<b>2,457,998</b>



## NOTE 7: ISSUED CAPITAL

	Consolidated as at 30 June 2025 \$	Consolidated as at 31 December 2024 \$
<b>Issued capital</b>		
Fully paid ordinary shares	27,912,974	27,780,756
Share issue costs written off against issued capital	(1,670,842)	(1,670,842)
	<u>26,242,132</u>	<u>26,109,914</u>
<b>Movement</b>		
	<b>No.</b>	<b>\$</b>
Balance at 1 January 2025	663,281,694	26,109,914
Shares issued upon exercise of options	6,725,000	132,218
Balance at 30 June 2025	<u>670,006,694</u>	<u>26,242,132</u>

## NOTE 8: SEGMENT REPORTING

For management purposes, the Group is organised into one main operating segment, which involves the exploration of minerals and evaluation of investment opportunities for its investors, presently solely in Australia. All of the Group's activities are inter-related, and discrete financial information is reported to the Board (the chief operating decision maker) as a single segment. Accordingly, all significant operating decisions are based upon analysis of the Group as one segment.

The financial results from this segment are equivalent to the financial statements of the Group as a whole. The accounting policies applied for internal reporting purposes are consistent with those applied in the preparation of these financial statements.

## NOTE 9: RELATED PARTY TRANSACTIONS

There have been no changes to the contractual entitlements of the Company's key management personnel from those disclosed in the remuneration report for the year ended 31 December 2024. There were no other transactions between the Company and key management personnel or associates in the period ended 30 June 2025.

## NOTE 10: EVENTS SUBSEQUENT TO REPORTING DATE

On 2 July 2025, the Company announced that it had received approval from Western Australia's Department of Mines, Petroleum and Exploration for the commencement of DSO mining activities at the Horseshoe Lights project.

On 2 July 2025, the Company announced a share placement to raise \$851,000 via the issue of 40,523,810 fully paid ordinary shares at an issue price of \$0.021 per share ("Placement"). The issue of 1,000,000 shares to Ms Kate Stoney, a Director of the Company, is subject to shareholder approval. In conjunction with the Placement, key contractors of the Company agreed to subscribe for 12,000,000 fully paid ordinary shares in consideration for \$252,000 in future drilling services and for 18,928,571 fully paid ordinary shares in satisfaction of \$397,500 in trade payables.

On 1 September 2025, the Company announced that it had commenced an RC drill programme at the Horseshoe Lights project, with approximately 1,500m of drilling planned.

There has been no other matter or circumstance that has arisen since the end of the reporting period which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs in future financial years.

## DIRECTORS' DECLARATION

In the Directors' opinion:

1. The attached financial statements and notes thereto are in accordance with the *Corporations Act 2001* including:
  - a. complying with AASB 134 *Interim Financial Reporting*, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
  - b. giving a true and correct view of the Group's financial position as at 30 June 2025 and of its performance for the financial half-year ended on that date; and
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.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the *Corporations Act 2001*.

On behalf of the Directors



**Kate Stoney**  
Non-Executive Director  
Perth WA  
12 September 2025

## HORSESHOE METALS LIMITED INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Horseshoe Metals Limited

### Conclusion

We have reviewed the accompanying half-year consolidated financial report of Horseshoe Metals Limited ("the Company") and its controlled entity ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2025, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date and notes to the financial statements, including material accounting policy information, 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 Horseshoe Metals Limited is not in accordance with the *Corporations Act 2001* including:

- a) giving a true and fair view of the Group's financial position as at 30 June 2025 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 Group 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 financial report in Australia. We have also fulfilled our other ethical requirements 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 Horseshoe Metals Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

**In.Corp Audit & Assurance Pty Ltd**  
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## HORSESHOE METALS LIMITED

### INDEPENDENT AUDITOR'S REVIEW REPORT (continued)

#### Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report, which indicates that the Group incurred a net loss of \$425,792 during the half-year ended 30 June 2025 and, as of that date, the Group's total liabilities exceeded its total assets by \$1,613,271. Note 1 sets forth events and conditions, along with other matters that indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

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

The directors of the Company are responsible for the preparation of the consolidated 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 Responsibilities 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 Group's financial position as at 30 June 2025 and its performance for the half-year ended on that date, and complying with 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.

**In.Corp Audit & Assurance Pty Ltd**



**Volha Romanchik**  
Director

12 September 2025