



CYCLONE METALS LIMITED

ABN 71 095 047 920

AND ITS CONTROLLED ENTITIES

Annual Report
For the Year Ended
30 June 2024

Contents

Corporate Directory	1
Principal Activities and Review of Operations	2
Directors' Report	19
Auditor's Independence Declaration	32
Corporate Governance Statement	33
Consolidated Statement of Profit or Loss and Other Comprehensive Income	34
Consolidated Statement of Financial Position	35
Consolidated Statement of Changes in Equity	36
Consolidated Statement of Cash Flows	38
Notes to the Consolidated Financial Statements	39
Consolidated Entity Disclosure Statement	68
Directors' Declaration	69
Independent Auditor's Report	70
Additional Stock Exchange Information	74



Corporate Directory

Directors

Mr Tony Sage - Executive Chairman
Mr Paul Berend – CEO and Executive Director
Mr Tim Turner - Non-Executive Director
Mr David Sanders – Non-Executive Director
Mr Luke Martino – Non-Executive Director

Company Secretary

Ms Melissa Chapman
Ms Catherine Grant-Edwards

Stock Exchange Listing

Australian Securities Exchange
ASX code: CLE
Frankfurt Stock Exchange
FRA: HM5

Website

www.cyclonemetals.com

Country of Incorporation

Australia

Registered Address

32 Harrogate Street
West Leederville, WA 6007
Australia
Tel: +61 8 9380 9555

Bankers

National Australia Bank
100 St George's Terrace
Perth, WA 6000

Auditors

BDO Audit Pty Ltd
Level 9, Mia Yellagonga Tower 2, 5 Spring Street
Perth, WA 6000
Tel: +61 8 6382,4600
Fax: +61 8 6382 4601

Share Registry

Computershare Investor Services Limited
Level 17, 221 St Georges Terrace
Perth WA 6000
AUSTRALIA
Tel: 1300 850 505 (Australia)
+61 3 9415 4000 (Overseas)

Principal Activities and Review of Operations

Strategy

Cyclone Metals Limited (**Cyclone** or **the Company**) is focussed on developing its flagship iron ore project, Iron Bear located in the Labrador Trough in Canada. The Company also has interests in several exploration and mining projects and companies, providing exposure to lithium, iron ore, copper and gold, assets globally. The interests include shares in listed ASX entities valued at \$5.3 million as of 30 June 2024. These secondary assets are being actively managed to maximise value for existing shareholders. In addition, and subject to the year end, the Company has secured a financing solution (refer to ASX announcement dated 19th July 2024, Cyclone Secures Funding to Progress Iron Bear Project) to ensure that Cyclone can progress the Iron Bear project and extinguish existing debt.

Flagship Project

Iron Bear

The Iron Bear iron ore project (previous referred to as Block 103 project) is located in the Labrador Trough in Canada, near the iron ore mining town of Schefferville and is located less than 25km from an open access heavy haul railway directly connected to the Port Sept Isles iron ore export facilities (refer Figure 1).

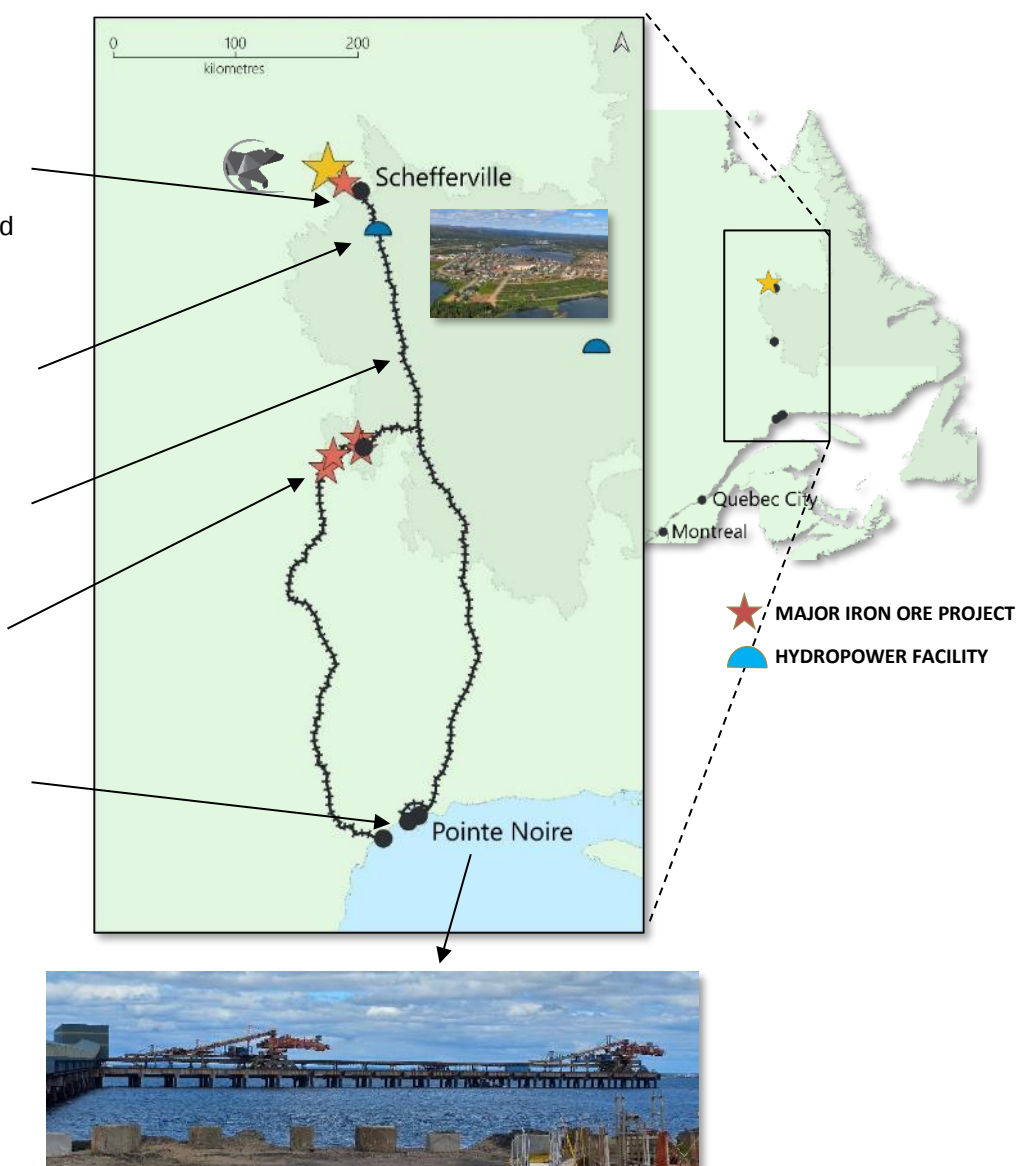


Figure 1: Location of Project Iron Bear

Iron Bear Project Highlights (as of the date of this report)

- 1 **Asset located in Canada**, less than 25km from an **open access heavy haul railway** connected to an **open access iron ore export port**
- 2 **World class 100% owned** Iron ore mineral resource of **16.6 billion tonnes (Gt) @ 29.3 Fe%** (Inferred 14.51 Gt and Indicated 2.15Gt, reported in accordance with the guidelines of the 2012 JORC code) (refer to ASX announcement 11 April 2024)
- 3 **Pilot Plant** production of **high quality DR¹ grade concentrate** grading **71,3% Fe and 1.1% SiO₂** with high yields due to an exceptional low impurity ore body.
- 4 Rapid project development plan with **bulk samples of DR and BF concentrates** available for steel mill clients in Q3 2024 and **DR and BF pellets** in Q1 2025
- 5 Cyclone's development plan is **focused on establishing an asset-based JV** with a Tier 1 miner or steel producer, in order to bring the Iron Bear project to Decision to Mine and provide the CAPEX

- ✓ Schefferville is located 25km away south-east of Iron Bear with good infrastructure including direct flights to Sept Isles and connected by road to the Iron Bear.
- ✓ Access to low-cost hydropower from Menihek located 70km from Project Iron Bear
- ✓ Open access heavy haul rail is available 25km from Iron Bear Project
- ✓ Champion Iron, IOC (Rio Tinto) and Arcelor Mittal local iron ore producers
- ✓ Open access Pointe Noire Port is accessible with extensive Iron Ore Export Facilities for capesize vessels

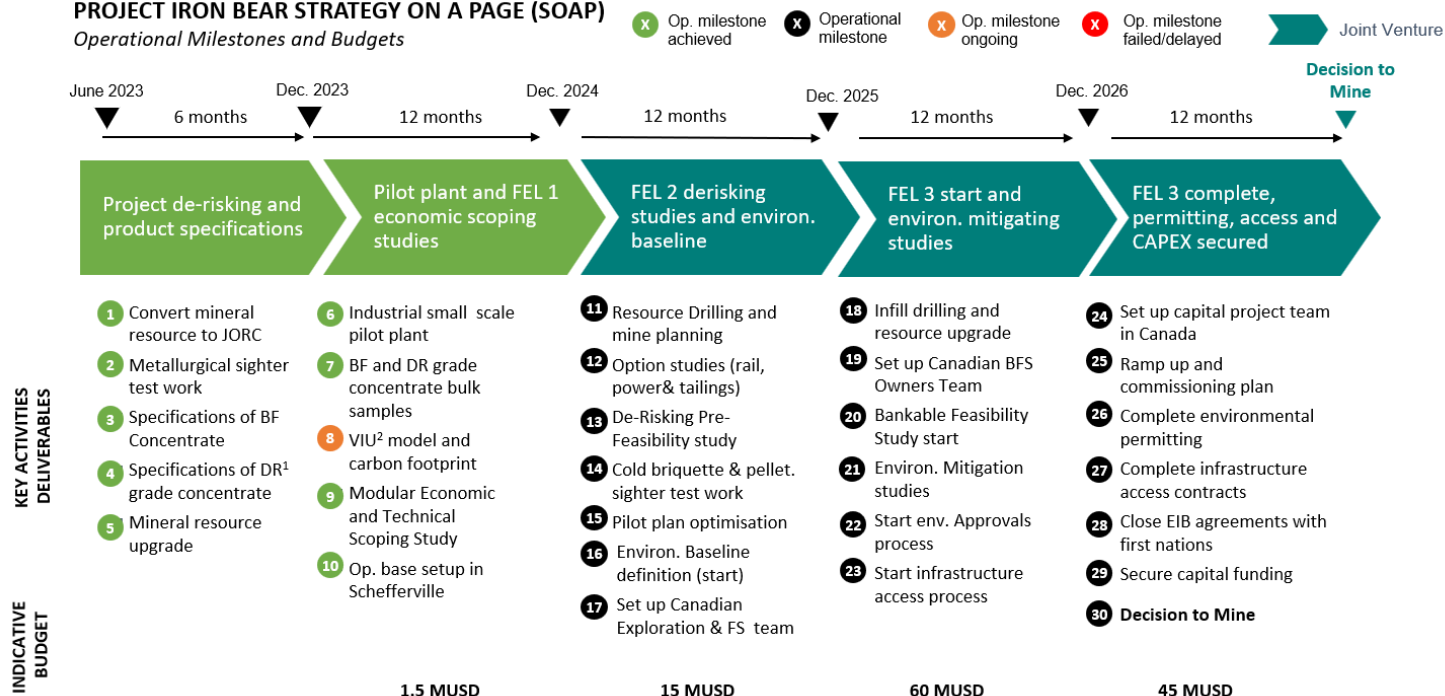


Iron Bear Strategic Development Plan

The chart below summarises the Company's current strategic development plan. Cyclone is pleased to report that its operational activities are on track aligned with the operational plan disclosed in July 2023:

PROJECT IRON BEAR STRATEGY ON A PAGE (SOAP)

Operational Milestones and Budgets



1: DR = Direct Reduction refers to the production of high purity magnetite concentrates necessary for Direct Reduction steel processing critical for low carbon steel production

2: VIU = Value in Use which corresponds to modelling economic value of concentrate / pellet for steel mill including carbon footprint

3: Decision to Mine

The Iron Bear Strategy was communicated to shareholders in July 2023. Subsequently, key operational milestones have been delivered within the announced timeframes and budgets. One key highlight was achieving the production of bulk samples of ultra-high-quality magnetite concentrates with high yields. These bulk samples are a key enabler for Cyclone to start negotiating high value offtake agreements with steel mills and/or trading houses.

Moving forward, the next key milestone is to establish a Joint Venture and/or Offtake Agreements with a Tier 1 miner or steel mill. The purpose of this JV will be to fund and develop the Iron Bear Project to Decision To Mine and then provide the resources to support the CAPEX of a large scale, world class mining operation.

Key Operational Achievements for Year Ending 30 June 2024

The key activities relating directly to Iron Bear carried out during the year ended 30 June 2024 included:

1. Audit of Cores

The mobilisation of Cyclone's technical team to Schefferville, Canada in July and August 2023 to locate, secure and audit Block 103 drill cores which have been in 'deep storage' since 2013.



Figure 2: Three sea containers containing Block 103 drill cores found near Schefferville Railway Station



Figure 3: View of inside of sea container – with the drill core stored in trays.



Figure 4: Drill cores were selected and packaged for shipping to metallurgical laboratory



Figure 5: Local black bear reviews drill cores and discusses next steps with Chief Geologist

2. Core Sampling

The selection, bagging and shipping to a metallurgical laboratory of 1.6 tonnes of drill core which provided the source material to complete the metallurgical test work program. The material was carefully selected such that it correctly represents the type of sediment which would be mined over the initial 20 years of mine life.

3. Metallurgical Test Program Design

The design and planning of a metallurgical test program to (a) identify the optimum design of the flow sheet for the magnetite beneficiation plant and (b) determine the specifications of magnetite concentrate products which can be achieved consistently during the proposed full life of mine. This test program will feed directly into the updated economic studies (refer Milestone 9 in the diagram above) and also form the basis of the pilot test plant (refer Milestone 6 in the diagram above) which will be used to produce bulk samples of blast furnace and direct reduction grade concentrate (refer Milestone 7 in the diagram above).

A four-phase metallurgical program to perform the laboratory and pilot testing to develop and validate the process design and flowsheet of Block 103, and produce bulk samples of magnetite concentrate and DR grade pellets will be carried out:

- a. Phase 1 (Q1 2024): Aim to characterize the deposit and develop the mineral processing flowsheet with laboratory scale testing of an initial 1.6-ton sample and the generation of initial concentrate
- b. Phase 2 (Q2 2024): Aim to validate Phase 1 mineral processing flowsheet by building a pilot scale plant and feeding 9-tons of drill core to produce bulk samples of a BF concentrate grading 3% to 4% SiO_2 and a DR concentrate grading less than 1.5% SiO_2 ;
- c. Phase 3 (Q3 2024): Aim to validate the potential pellets quality produced with the concentrate produced in Phase 2 and determine the preliminary pellet furnace design data; *and*
- d. Phase 4 (Q1 2025): Aim to assess the ore variability impact on the process as well as measure required engineering parameters using a second larger drill core sample. This is required for detailed engineering design (DFS).

Cyclone has selected a reputable metallurgical laboratory, COREM, based in Quebec City to physically execute the metallurgical test work program. Specifically, COREM has been commissioned to (a) perform the metallurgical test work, (b) build a small-scale pilot plant, (c) produce bulk magnetite concentrate samples and, (d) finally in Q2-Q3 2024, to produce bulk samples of BF and DR pellets.

4. Metallurgical Sample Collection

The mobilisation of a Cyclone team to Schefferville in November 2023 to select 9 tonnes of sediment samples of the Iron Bear deposit for Phase 2 of the metallurgical test work program. The expedition was led by Mr Jeremy Peters, our consultant geologist and mining engineer, who was assisted by three local technicians.

In spite of challenging logistics and weather in Schefferville, the Cyclone team accessed four 40-foot sea containers containing approximately 100t of drill core from previous drilling campaigns. An additional 20-foot sea container was discovered, containing an estimated 10t of additional core. Approximately 7.6t from these cores were logged, selected and packaged before being shipped to COREM.



Figure 6: View of packaged 1m3 bulk bags being trucked to the railway station

5. Characterisation and Flow Sheet Design

COREM completed the metallurgical sighter test work for Iron Bear enabling the Company to:

a. Define the characteristics of the blast furnace and direct reduction magnetite concentrates

The test work completed by COREM demonstrates that the following direct reduction and blast furnace magnetite concentrates can be achieved using standard industrial processes:

% by weight	Fe	SiO ₂	Al ₂ O ₃	CaO	MgO	MnO	P ₂ O ₅	S _{total}	TiO ₂
DR conc.	70.6	1.2	< 0.1	0.08	0.09	0.06	< 0.01	0.005	< 0.01
BF conc.	68.7	3.4	< 0.1	0.15	0.18	0.08	< 0.01	0.005	0.01

% by weight	K ₂ O	Na ₂ O	V ₂ O ₅	ZrO ₂	ZnO	FeO	LOI	Other	Sum
DR conc.	<0.01	<0.1	<0.01	<0.02	<0.01	33.4	-3.23	0.28	99.8
BF conc.	<0.01	<0.1	<0.01	<0.02	<0.01	31.6	-3.11	0.32	99.5

< = below detection limit.

- The BF concentrate is achieved at P80 @ 32 microns with an 97% recovery of magnetic Fe.
- The DR concentrate is achieved at P80 @ 32 microns with an 80% recovery of magnetic Fe.

b. Define the flow sheet and design/build an industrial scale pilot plant

Based on the metallurgical test work of Phase 1, Cyclone has completed the design of an optimised process flow sheet. The associated mass and energy balances have been defined and calibrated to reflect a full-scale process plant and this information is being integrated into an updated economic study (refer Milestone 9 in the diagram above).

This design needs to be further refined and calibrated based on industrial scale test work. Cyclone has commissioned COREM to build an industrial pilot at its facilities in Quebec City which replicates the optimised process flow sheet. In addition, Cyclone has conditioned and shipped to COREM an additional seven tonnes of Iron Bear sediment to feed this pilot plant (refer to Field operations in Schefferville, Canada, November 2023). The pilot plant will produce bulk samples of blast furnace grade and direct reduction concentrate. These concentrate samples will be used for pelletizing test work planned to start in May 2024 (milestone 8) and to provide bulk samples of Iron Bear concentrates and pellets to steel mills for validation and metallurgical test work.

Cyclone is committed to successfully demonstrate our capabilities to sustainably produce iron ore concentrate for supply to steel mills, enabling them to produce low carbon emission steel.



Figure 7: Iron Bear pilot plant setup at COREM facilities

6. Scoping Study on Supply of Renewable Hydropower

Cyclone has initiated an internal scoping study on the supply of renewable hydropower to the Iron Bear Project. This is a key component as the access to cheap hydropower is one of the biggest cost drivers for the production of magnetite concentrate. Our initial findings suggest that Iron Bear should be able to access sufficient hydropower from the Menihek hydropower facilities located approximately 68km from Schefferville. Future work will be outsourced to build on and confirm the initial innovative ideas.

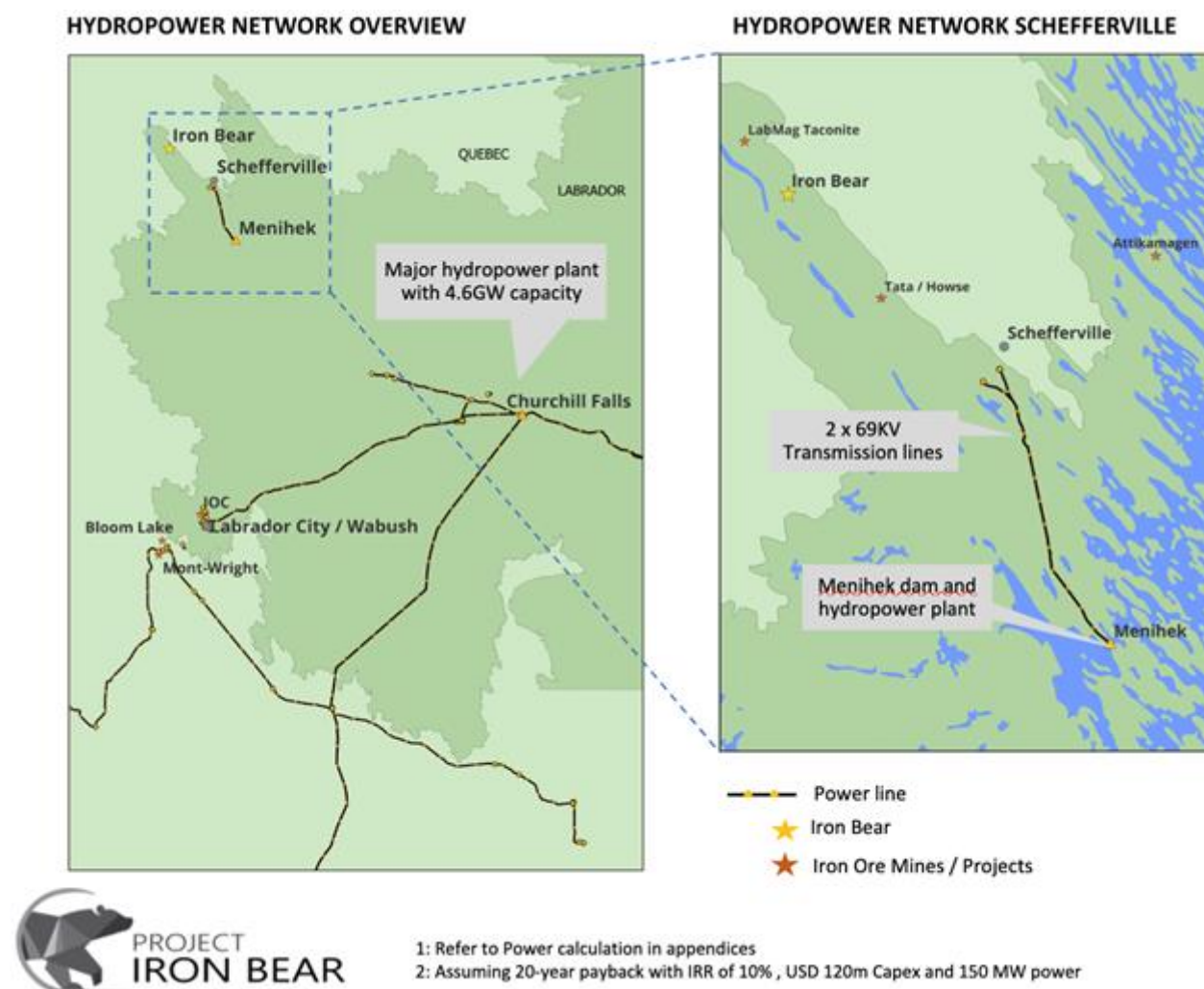


Figure 8: Menihek hydropower and dam location

7. Upgrade of the Iron Bear Mineral Resource

During Q1 2024, Cyclone commissioned Resource Potentials Pty Ltd, consulting geophysicists, (**ResPot**), to validate, compile and reinterpret the existing database of historic geological mapping and geophysics and more modern geophysical data, including detailed aerial magnetic surveys, down hole geophysics and gravity surveys. Despite the large volume of geological and geophysical data, this exercise had not been previously undertaken.

Cyclone simultaneously commissioned the development of an inversion model, which demonstrated a strong correlation between a high-definition aerial magnetic survey over the area and the drilling results (Figure 1 below)

Cyclone then commissioned Haren Consulting (**Haren**), of Perth, to undertake a geostatistical analysis, and interpolation of this data, and subsequently build a volumetric mineral resource model constrained both by the geology, the geophysics, and the drilling results.

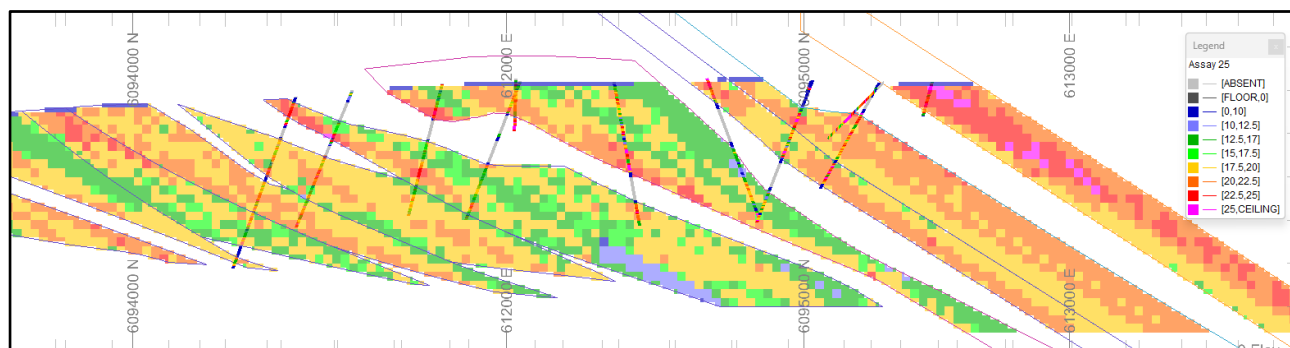


Figure 9: Constrained mineral resource model versus drilling. Source: CLE ASX Announcement, 11 April 2024

A consulting firm, specialising in geology and mining engineering, Burnt Shirt Pty Ltd (**Burnt Shirt**) was requested by Cyclone to integrate the work done by ResPot and Haren and independently update the previous 2023 Mineral Resource estimate (MRE) for the Iron Bear Project.

The result of this work is summarised in the Mineral Resource Estimate below which was announced on 11 April 2024:

Mineral Resource Estimate¹

CATEGORY	Tonnes (Billion)	Total Fe%	Mag Fe%
Indicated	2.15	26.68	18.97
Inferred	14.51	29.44	18.13
TOTAL	16.66	29.34	18.24

1: This mineral resource estimate has been classified in accordance with the provisions of the Joint Australian Joint Ore Reserves Committee (**JORC**) Code.

8. Metallurgical Test Work Operations

During Q1 2024, Cyclone successfully completed Phase 1 of its metallurgical test work program (summarised below) and produced 68 kg of DR grade concentrate. The metallurgical test work program is broken down into four phases and is anticipated to be completed by end of Q1 2025

In order to complete phase one of the metallurgical test work, Cyclone commissioned COREM to build an industrial pilot plant at its facilities in Quebec City which replicates the process flow sheet announced on the 14th of December 2023. The pilot plant is based on small scale industrial equipment including screens, ball mills, magnetic separation units, settling tanks, and reverse flotation cells which closely replicate larger industrial units. This is key as Cyclones strategy is based on demonstrating to potential Clients that Iron Bear can produce large scale ultra-high quality, low carbon magnetite concentrates with high yields and low costs.



Figure 10: COREM Pilot Plant in Operation under Cyclone team observation, March 2024

In anticipation of Phase 2, Cyclone provided to an additional seven tonnes of Iron Bear core (refer to Field operations in Schefferville, Canada, November 2023). During phase 2, the pilot plant will produce approximately 500 kg bulk samples of blast furnace grade and direct reduction concentrate. These concentrate samples will be used for pelletizing test work planned to start in May 2024 and to provide bulk samples of Iron Bear concentrates to steel mills and trading houses (milestone 13).

Phase 1 of the metallurgical test work delivered encouraging results which are summarised below and were announced on the 23rd of April 2024. Specifically, the pilot plant produced an excellent quality DR concentrate grading 71.3% Fe and 1.1% silica as well as a good quality BF (blast furnace) grade concentrate and a RF (Reverse Flotation) concentrate. The overall magnetic Fe recovery was very high which greatly increases the likelihood that the Iron Bear project could be technically and economically viable.

These high-quality magnetite concentrates, successfully produced by Cyclone, are critical for the steel industry to reduce its carbon emissions footprint and are expected to replace less fuel-efficient Direct Shipping Ores (DSO), currently primarily produced in Australia and Brazil. Access to a large and reliable source of Direct Reduction (DR) grade magnetite concentrate could enable steel mills to substantially reduce their carbon footprint. The imposition of carbon taxes on steel imported or produced in the EU (CBAM) will be phased in between 2026 and 2035, which should provide a powerful incentive for potential European customers to secure our future production.

Phase 2 Metallurgical Test Work Results

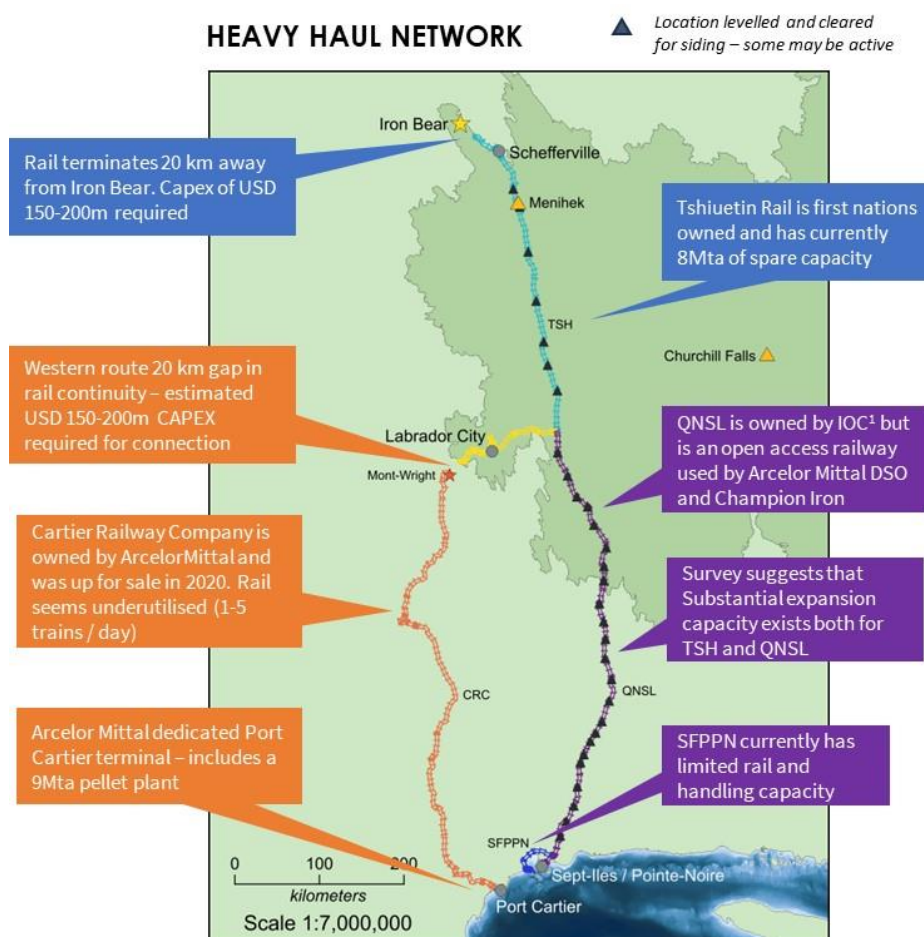
% by weight	Fe	SiO ₂	Al ₂ O ₃	CaO	MgO	MnO	P ₂ O ₅	S _{total}	TiO ₂
DR concentrate	71.3	1.1	< 0.1	0.07	0.07	0.03	< 0.01	0.005	< 0.01
BF concentrate	69.8	3.4	< 0.1	0.14	0.18	0.06	< 0.01	0.005	0.01
RF concentrate	68.3	4.0	< 0.1	0.24	0.28	0.10	< 0.01	0.009	NA
% by weight	K ₂ O	Na ₂ O	V ₂ O ₅	ZrO ₂	ZnO	FeO	LOI	Other	Sum
DR concentrate	<0.01	<0.1	<0.01	<0.02	<0.01	29.8	-2.99	0.04	100.6
BF concentrate	<0.01	<0.1	<0.01	<0.02	<0.01	29.8	-2.77	0.05	100.4

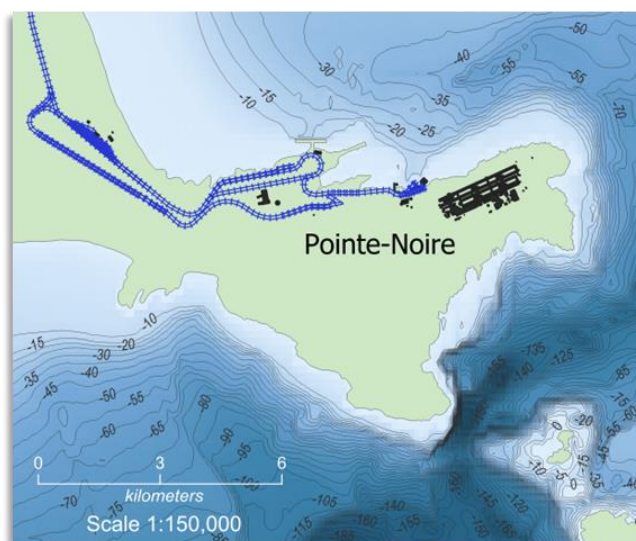
- Blast Furnace concentrate was achieved at P80 @ 32 microns with a 97.6% recovery of magnetite Fe
- Direct Reduction concentrate was achieved at P80 @ 32 microns with an 80.7% recovery of magnetite Fe
- Reverse Flotation concentrate is a saleable waste recovery stream. Recovery is 4.4% of magnetite Fe when reverse flotation is active

For additional information, please refer to Cyclone ASX release dated 23 April 2024.

9. Scoping Study for Rail and Port

During Q1 2024, Cyclone has also been actively progressing an updated technical and economic scoping study. Various production and infrastructure scenarios are being considered, quantified and risk assessed. The main focus of the scoping study in Q1 2024, has been rail and port infrastructure studies which are still works in progress:

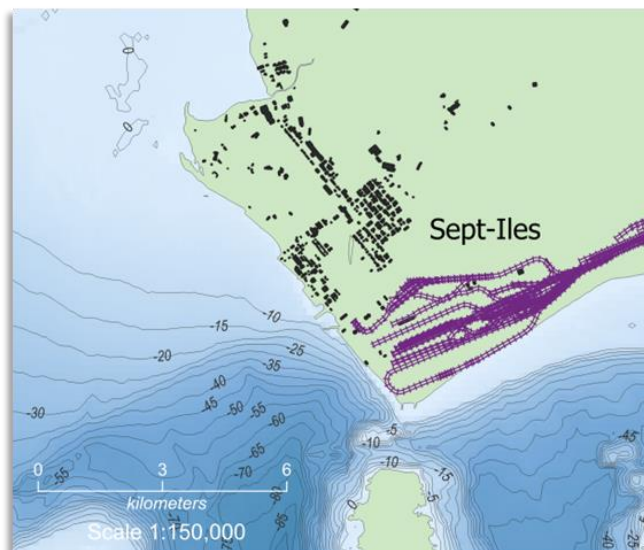


POINTE NOIRE – MULTI-USER OPERATED BY SPPFN¹


- 50 Mta multiuser dock with two ship loaders with loading capacity 8000 tph
- Berth 20m suitable for Capesize bulk carriers. Potential expansion
- Connected by 32 km rail to Sept Isles
- Rail, unloading, storage and ship loading operated by SPPFN¹
- Potential bottlenecks could exist

1: Private / Public partnership to serve iron ore producers

2: Iron Bear is targeting up to 21 Mta of production in three stages. Pointe Noire could simultaneously integrate planned expansions from Champion Iron

SEPT ISLES – OPERATED BY IOC


- 30 Mta single user-docks dedicated to IOC
- Berth 20m suitable for Capesize vessels
- Connected to the Eastern Route and the QNSL network
- New industrial berths possible subject to investment

10. Audit of Key Iron Bear Infrastructure

In Q2 2024, Cyclone conducted a comprehensive site visit to all key infrastructure facilities critical to Iron Bear's future iron ore mining, processing and logistic operations. This visit included the Pointe Noire Iron Ore Export Port, the Menihék Hydropower Plant, and a full rail overview with discussions with the Tshiuetin Rail operator.

At the Pointe-Noire Iron Ore Export Port in Sept-Îles, Quebec, Cyclone's management team examined the open access iron ore port, a crucial facility for future operations. This facility has a deep-sea port, an iron ore loading wharf and advanced infrastructure, capable of handling over 50 million tonnes of iron ore annually.

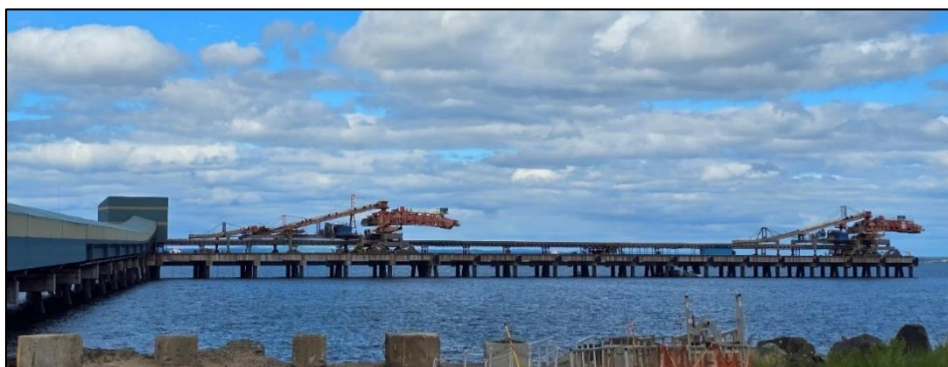


Figure 11: Pointe Noire Iron Ore Export Wharf

A series of meetings were held with port operators to explore the potential for the existing facilities to meet Iron Bear's needs and to discuss future upgrades that could improve efficiency and throughput. This visit has reinforced the management team's confidence in the port's capacity to support Iron Bear handling storage and shipping requirements for export



Figure 12: Iron Ore Stacker

Cyclone's management team visited the Menihek Hydropower Plant, originally built to supply power to the Iron Ore Company of Canada's operations, currently operated by Newfoundland and Labrador Hydro. The plant's infrastructure includes a concrete gravity dam, a powerhouse equipped with multiple generators and an associated spillway.



Figure 13: Menihek Hydropower Plant

The rail infrastructure connecting Pointe-Noire to Schefferville is a key component of the Iron Bear logistics chain. The rail line spans approximately 500 kilometres, providing a vital link between our mining operations and the export port. During the site visit, management assessed the current condition of the rail infrastructure, noting areas requiring maintenance and potential improvements to handle increased ore transportation volumes efficiently. There are two major bridges and two tunnels on the logistic route which suggests that capacity upgrades should be relatively easy to deliver.

Cyclone has met with the northern rail operator, Tshiuetin Rail Transportation (TSH), to discuss the rail line's reliability and capacity to support an increase in iron ore throughput.



Figure 14: Schefferville Iron Ore Rail

In addition to evaluating existing infrastructure, Cyclone's technical team, led by CEO Mr. Paul Berend, has been actively scoping new drill targets based on the magnetic inversion model provided by ResPot. The technical team has identified several high-potential sites that warrant further exploration with upcoming drilling campaigns focusing on these identified areas, aiming to uncover additional mineral resources and further strengthen the Iron Bear project.

These site visits are involved in advancing the technical and economic scoping studies and ensuring that Cyclone is well-prepared to meet its operational milestones.



Figure 15: Iron Bear Technical Team Members, Paul Berend and Jeremy Peters

Secondary Assets and Interests

Grand Port

Grand Port Resources Pty Ltd (**Grand Port**) and its wholly owned subsidiaries holds 6 projects over a diversified portfolio of gold, copper, nickel and PGE assets in New Zealand, with locations shown in Figure 16:



Figure 16: Location of Grant Port Projects

During the year, Cyclone undertook a comprehensive sampling program across the Grand Port gold projects, focusing on the Drybread (PP 60707) and Waikerikeri (PP 60708) permits located in Otago, South Island. These projects aim to evaluate the gold potential in regions with historically limited exploration.

<i>Project</i>	<i>Soil Samples Taken</i>	<i>Stream Sediment Samples Taken</i>	<i>Rock Samples Taken</i>
<i>Drybread</i>	367	17	22
<i>Waikerikeri</i>	382	14	18
<i>Muir Extended</i>	409		

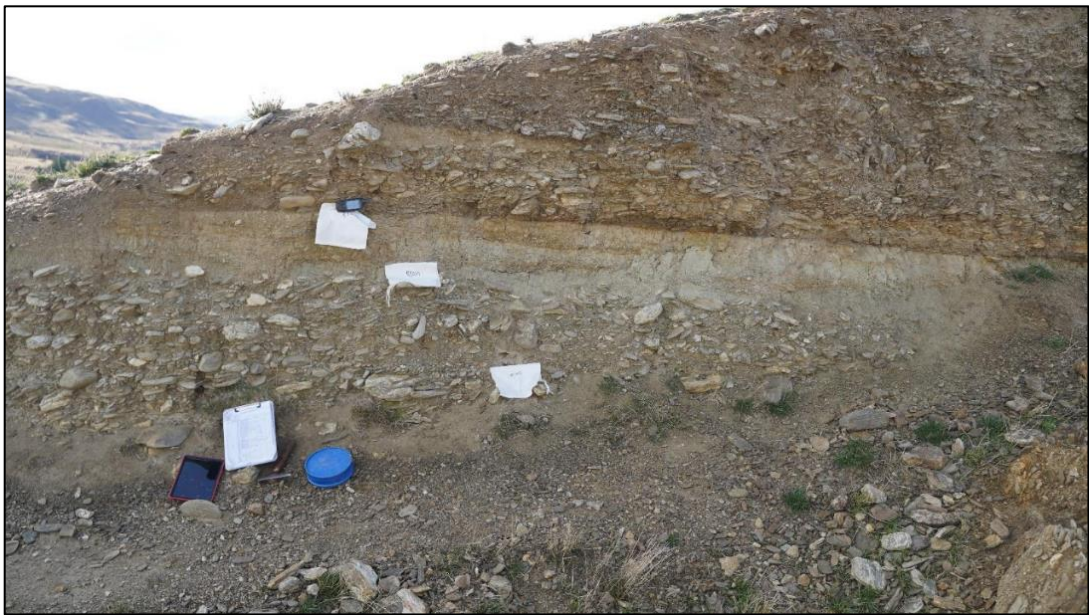


Figure 17: Drybread Sampling Program



Figure 18: Waikerikeri Sampling Program

The Drybread and Waikerikeri projects have shown evidence supporting the Dunstan Fault as a significant source of gold. The observed gold particles with varying sizes and the alignment of alluvial workings along the fault suggest that additional, yet unidentified, gold sources may be present.

The Muirs Extended project exploration was to identify possible extension to the Muir's Reef mineralised system or related vein occurrences.

The Company continues to remain committed to maintaining Grand Port in good standing whilst actively exploring strategic opportunities to maximise the value of these high-potential assets through a joint venture or spin off.

Nickol River Gold Project

The Nickol River Project (**NRP**) comprises seven granted Mining Leases (M47/87, M47/127, M47/401, M47/421, M47/435, M47/455, M47/577), two Prospecting Licences (P47/1524, P47/1812), one Exploration License E47/3176, five Miscellaneous Licences (L47/686, L47/687, L47/688, L47/689, L47/565 (application)) (refer Figure 19).

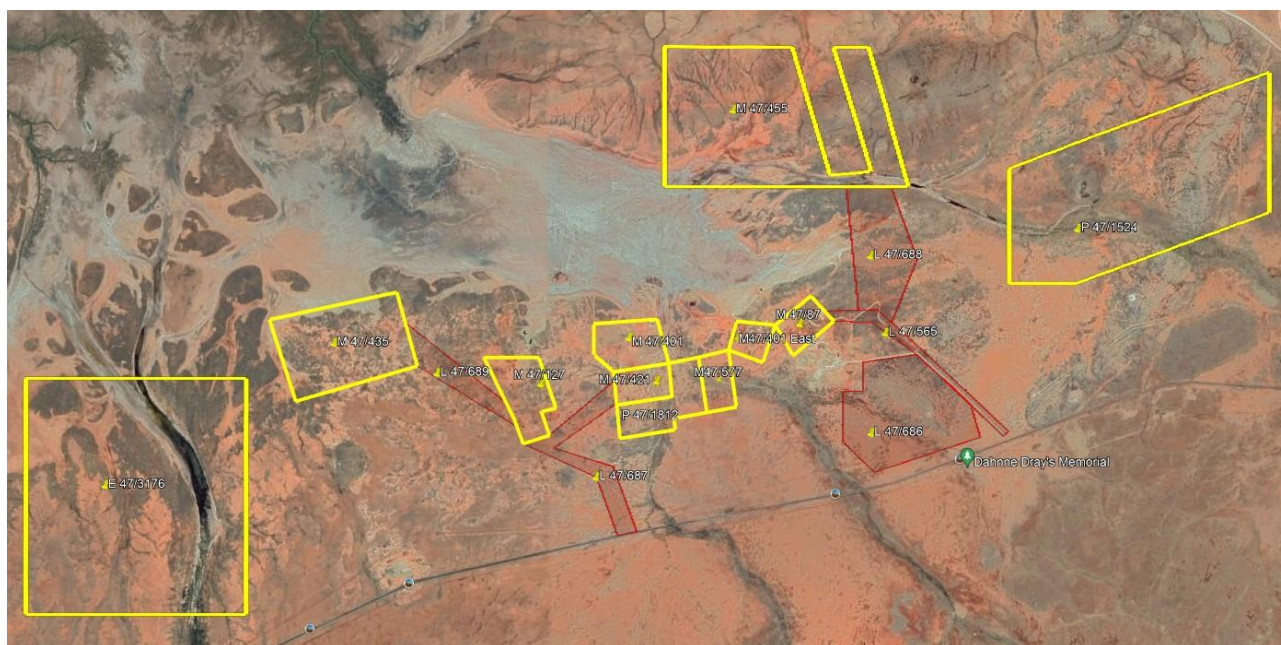


Figure 19: Nickol River Project location and tenements, located 10km east of Karratha in the West Pilbara of Western Australia

The Company continues to investigate options regarding the divestment or joint venture of this project.

Wee MacGregor Project

Cyclone holds a 20% interest in the Wee MacGregor project which comprises three granted mining licences, ML 2504, ML 2773 and ML 90098. These licences are located approximately 60km southeast of Mt Isa. The Wee Macgregor project (licence ML 2504) has an Inferred Resource of 1.65Mt @ 1.6% Copper and an Exploration Target of between 1.0 – 1.5Mt @ 2.3 – 3.7% Cu (refer ASX announcement 9 December 2015, Argosy Minerals Limited).

Cohiba Minerals Limited (Cohiba), through wholly owned subsidiary Cobalt X Pty Ltd, has earned an 80% interest in mining licences ML 2504, ML 2773 and ML 90098 under a Farm-in agreement with Cyclone. The Company retains a 20% interest in the mining licences and a pre-emptive right over the remaining 80%.

The Lady Ethleen tenement (ML 2771) has been 100% retained by Cyclone (**Lady Ethleen**). The Lady Ethleen tenement has been utilized for a trial mining and processing exercise using a newly developed green leach process known as GlyLeach TM (refer ASX announcement 4 October 2020).

Key Risks

The business, assets and operations of the Company are subject to certain risk factors that have the potential to influence the operating and financial performance of the Company in the future. The Board aims to manage these risks by carefully planning its activities and implementing risk control measures. Some of these risks are, however, highly unpredictable and the extent to which the Board can effectively manage them is limited.

A summary of the key risk areas of the Company are listed below:

- Future capital requirements and associated dilution risk
- Exploration and development risk including no defined resources, resource estimates, results of studies, metallurgy consideration
- Operational risks including loss of key personnel, reliance on agents and contractors, environmental risks, regulatory compliance
- Macro risks including climate risk, downturn in the resources industry, commodity prices and demand, Ukraine conflict

FORWARD LOOKING STATEMENTS

This Financial Report includes certain forward-looking statements that have been based on current expectations about future acts, events and circumstances. These forward-looking statements are, however, subject to risks, uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in such forward-looking statements. These factors include, among other things, commercial and other risks associated with the meeting of objectives and other investment considerations, as well as other matters not yet known to the Group or not currently considered material by the Group.

COMPETENT PERSONS STATEMENT

Metallurgy and processing information has been reviewed and compiled by Paul Vermeulen MAusIMM, MAIST, a Director of Vulcan Technologies Pty Ltd, who has sufficient experience which is relevant to the method of processing under consideration to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Vermeulen consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears.

The Competent Person for the 2024 Mineral Resource estimate is Mr Jeremy Peters FAusIMM CP (Geo, Min), a Director of Burnt Shirt Pty Ltd. The Mineral Resource estimate is stated in accordance with the provisions of the JORC Code (2012). Mr Peters has more than five years' experience in the estimation and reporting of Mineral Resources for iron mineralisation in Australia and overseas, to qualify as a Competent Person as defined in the JORC Code. Mr Peters consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears.

Burnt Shirt has assisted CLE in its development of the Iron Bear Project and neither Burnt Shirt nor Mr Peters hold an interest in the Project or CLE. Mr Peters has assumed Competent Person responsibility due to his familiarity with the Project.

The Information in this report that relates to New Zealand Exploration Results is based on information compiled by Mr Allan Younger, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Younger is a consultant to the company and holds shares in Cyclone Metals Ltd. Mr Younger has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code). Mr Younger consents to the inclusion of this information in the form and context in which it appears in this report.

Directors' Report

Your Directors submit the financial report of Cyclone Metals Limited (**Cyclone** or the **Company**) and its controlled entities (collectively referred to as the **Group**) for the year ended 30 June 2024.

Directors

In order to comply with the provisions of the *Corporations Act 2001*, the Directors' report as follows:

The names and details of the Company's directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Tony Sage
 Paul Berend
 Tim Turner
 Will Scott (resigned 23 November 2023)
 David Sanders (appointed 19 July 2024)
 Luke Martino (appointed 23 July 2024)

Tony Sage **Executive Chairman**

Qualifications B.Com, FCPA, CA, FTIA

Experience Mr Sage has more than 35 years' experience in the fields of corporate advisory services, funds management and capital raising. Mr Sage is based in Western Australia and has been involved in the management and financing of listed mining and exploration companies for the last 22 years.

Directorships of listed companies held within the last three years	CuFe Limited	August 2009 to Present
	European Lithium Limited	September 2016 to Present
	Critical Metals Corp (NASDAQ)	February 2024 to Present

Interest in securities at the date of this report	Fully Paid Ordinary Shares	760,292,498
	Unlisted Options (\$0.003 expiring 5 December 2024)	100,000,000
	Unlisted Options (\$0.005 expiring 5 December 2025)	50,000,000
	Unlisted Options (\$0.01 expiring 5 December 2026)	50,000,000

Paul Berend **Executive Director and CEO**

Qualifications Paul has a MBA from HEC (Paris, France), a MSc and DEA (~PhD) in chemical process design and chemistry from ENSIC (Nancy, France), a bachelor's in applied mathematics and algebra from Harvard University and is a Graduate of the Australian Institute of Company Directors

Experience Paul brings over 20 years of experience in the iron ore and steel industry acquired in blue chip as well as junior mining companies worldwide. His previous corporate roles include GM Business Development for Rio Tinto Iron Ore and GM Corporate Strategy for ArcelorMittal, the world's largest steel producer. He has also worked for Hatch (director advisory services for Australasia), McKinsey & Company and Partners In Performance.

Paul has a successful track record in identifying and developing early-stage mining projects and is the founder and historic CEO of Trans-Tasman Resources Ltd (a titanomagnetite project in New Zealand ASX: MKR). He has

worked extensively with private equity and specialised funds to identify and develop early-stage mining projects and turn around undervalued producing mineral assets. Paul's successful track record in the iron ore industry, and specifically in the development of early-stage magnetite deposits, will be a key success driver for the development of Block 103.

Directorships of listed companies held within the last three years

None

Interest in securities at the date of this report

Fully Paid Ordinary Shares	64,916,665
Unlisted Options (\$0.003 expiring 5 December 2024)	200,000,000
Unlisted Options (\$0.005 expiring 5 December 2025)	100,000,000
Unlisted Options (\$0.01 expiring 5 December 2026)	100,000,000

Tim Turner

Non-Executive Director

Qualifications

B.Bus, FCPA, FTIA, Registered Company Auditor

Experience

Timothy Turner is the senior partner of accounting and advisory firm, HTG Partners. Mr Turner heads the audit and assurance division and is responsible for the issue of audit opinions for self-managed superannuation funds through to full reporting entities. He also has more than 30 years' experience in business development, structuring and general business consultancy.

Timothy has a Bachelor of Business (Accounting), is a Registered Company, SMSF and Organisation Auditor, is a Fellow of CPA Australia and a Fellow of the Tax Institute of Australia.

With over 15 years' experience on listed company boards and 30 years' experience in the Australian accounting, taxation and business fields, Mr Turner brings a wealth of experience and knowledge in corporate compliance, governance and corporate manoeuvring

Directorships of listed companies held within the last three years

None

Interest in securities at the date of this report

Fully Paid Ordinary Shares	42,389,667
Unlisted Options (\$0.003 expiring 5 December 2024)	20,000,000
Unlisted Options (\$0.005 expiring 5 December 2025)	20,000,000
Unlisted Options (\$0.01 expiring 5 December 2026)	10,000,000

David Sanders

Non-Executive Director

Qualifications

Bachelor of Commerce and Graduate Diploma of Applied Finance and Investments

Experience

David Sanders is a Principal of the Western Australian based corporate and commercial legal firm Bennett & Co and is a lawyer with over 25 years of experience in corporate and resources law. He advises numerous ASX listed companies, including in the mining sector on capital raising, mergers and acquisitions, joint ventures, corporate governance and Corporations Act and

ASX listing rules compliance, as well as commercial transactions across a range of jurisdictions.

David is the Chairman of Murlpirrmarra Connection Limited, which focuses on education and training for indigenous youth in the Yilgarn Region of Western Australia.

Directorships of listed companies held within the last three years	SQX Resources Limited	August 2023 to Present
--	-----------------------	------------------------

Interest in securities at the date of this report	None
---	------

Luke Martino Non-Executive Director

Qualifications	Bachelor of Commerce (BCom) is a Fellow of the Institute of Chartered Accountant Australia and New Zealand (FCA) and a member of the Institute of Company Directors (FAICD).
----------------	--

Experience	Luke Martino is a prominent figure in the corporate world of Western Australia, with over 30 years experience at partner and board level with major accounting firms and is a Director of several public & private companies. He has gained significant experience and established credibility in the mining & resources, property and hospitality industries. Luke has an entrepreneurial passion for nurturing businesses and specializes in corporate & growth consulting.
------------	---

A chartered accountant, Luke was the lead partner of Deloitte growth solutions. His success as a lead partner of Deloitte also saw him appointed to national executive roles and a Board member for the national Australian firm.

Luke is Executive Director of Indian Ocean Consulting Group, a boutique corporate & investment banking services firm in Perth & Sydney, Australia, with joint interests in Mainland China.

Directorships of listed companies held within the last three years	EV Resources Limited Magnum Mining & Exploration Limited	December 2017 to Present April 2024 to Present
--	---	---

Interest in securities at the date of this report	Fully Paid Ordinary Shares	12,405,882
---	----------------------------	------------

Company Secretary

Ms Chapman is a certified practising accountant with over 20 years of experience in the mining industry. She has worked extensively in Australia and the United Kingdom. Ms Chapman has a Bachelor of Accounting from Murdoch University and has been a member of CPA Australia since 2000. Ms Chapman has completed a Graduate Diploma of Corporate Governance with the Governance Institute of Australia, and the company directors course with the Australian Institute of Company Directors.

Catherine Grant-Edwards has over 20 years' experience in the accounting and company secretarial professions with ASX/LSE-listed and private companies as well as practicing at Ernst & Young. Ms Grant-Edwards has a Bachelor of Commerce from the University of Western Australia, majoring in Accounting and Finance, and qualified as an accountant with the Institute of Chartered Accountants Australia (ICAA) in 2006.

Ms Chapman and Ms Grant-Edwards are co-founders and Executive Directors of Bellatrix Corporate Pty Ltd, a company that provides company secretarial and accounting services to several ASX Listed companies.

Dividend and Return of Capital

No dividend was declared or paid during the current or prior year.

Review of Results and Operations

Principal Activity

The principal activity of the Group during the year was mineral investment, exploration and evaluation.

There were no significant changes in the nature of the principal activity during the year.

Review of Operations

A summary of the most significant transactions during the year ended 30 June 2024 is set out below:

Funding

On 14 September 2023, the Company entered into a loan agreement and received funds of \$200,000 from European Lithium Ltd (ASX: EUR). The loan is secured over 25,000,000 unencumbered shares held by the Company in CuFe Limited (ASX: CUF).

On 19 October 2023, the Company entered into a further loan agreement with EUR and was advanced funds of \$90,000. On 16 November 2023, the Company repaid this loan, including accrued interest of \$518.

On 14 November 2023, the Company announced that it received an investment of \$1,340,000 (before expenses) via the issue of secured notes brokered by CPS Capital Group Pty Ltd to fund its flagship Block 103 Project and for general working capital purposes (**CPS Facility**). The notes carry a face value of \$1.25 and are repayable via the Company's shareholding in European Lithium Ltd (ASX: EUR) securities at the discretion of the note holder after a 90 day standstill period.

On 12 March 2024, the Company announced that it received funding via a short-term cash loan of \$2,000,000 from European Lithium Ltd (ASX: EUR) (Loan). The Loan is secured over the Company's Iron Bear Iron Ore Project, accrues interest of 10.0% per annum and is repayable on 31 December 2024. Proceeds from the Loan were used to repay in cash the CPS Facility and to fund operational expenditure at its flagship Iron Bear Iron Ore Project. Cyclone's shares in EUR which were previously held as security against the CPS Facility were released and are now unencumbered assets of the Company.

Board Changes

On 27 November 2023, the Company announced the resignation of Mr Will Scott as Non-Executive Director of the Company with effect from 23 November 2023.

Shareholder Meetings

On 29 November 2023, the Company held its annual general meeting (AGM) of shareholders. All resolutions were carried at the AGM.

Conversion of Debt

On 16 October 2023, the Company advised that it had come to an agreement with Okewood Pty Ltd (Okewood), a related party to Tony Sage, to convert \$146,666 of debt into equity. Shareholder approval for this transaction was received at the AGM and the Company subsequently issued 146,666,640 shares to Okewood on 5 December 2023.

Other Security Movements

On 18 October 2023, the Company issued 100,000,000 unlisted options (\$0.002 each expiring 18/10/2024) to a consultant of the Company for the provision of marketing and promotional services.

On 5 December 2023, the Company issued 60,000,000 shares in respect to the conversion of debt in relation to the Block 103 acquisition.

On 5 December 2023, following receipt of approval at the AGM, the Company issued the following unlisted options to Directors and consultants of the Company:

- 500,000,000 unlisted options (\$0.003 each expiring 5/12/2024)
- 240,000,000 unlisted options (\$0.005 each expiring 5/12/2025)
- 210,000,000 unlisted options (\$0.010 each expiring 5/12/2026)

On 19 January 2024 the Company issued the following unlisted options to consultants of the Company for the provision of services:

- 20,000,000 unlisted options (\$0.003 each expiring 5/12/2024)
- 20,000,000 unlisted options (\$0.005 each expiring 5/12/2025)
- 100,000,000 unlisted options (\$0.002 each expiring 19/1/2027)

On 12 March 2024, the Company issued 60,000,000 unlisted options (\$0.002 each expiring 12 March 2026) pursuant to an option subscription agreement.

On 31 March 2024, a total of 25,000,000 unlisted options exercisable at \$0.006 each expired.

On 30 June 2024, a total of 6,250,000 unlisted options exercisable at \$0.005 each expired.

Results

The Group made a loss after income tax for the year ended 30 June 2024 of \$5,262,018 (2023: loss of \$5,491,561). Included in this amount is:

- a loss of \$2,550,471 (2023: gain of \$2,460,904) on fair value of financial assets through profit and loss (refer to note 3(c) in the notes to the consolidated financial statements for further details)
- a loss of \$264,755 (2023: \$6,279,048) for the impairment of capitalised exploration spend (refer to note 10(b) in the notes to the consolidated financial statements for further details)

Changes in State of Affairs

During the financial year there was no significant change in the state of affairs of the Group other than those referred to in the Review of Operations.

Events Subsequent to Reporting Date

On 4 July 2024, the Company advised that it had entered into a convertible note agreement with its largest shareholder European Lithium Ltd (ASX: EUR) for \$350,000.

On 4 July 2024, the Company announced that it had come to an agreement with Okewood Pty Ltd to convert \$236,500 of current debt into equity (subject to shareholder approval).

On 19 July 2024, the Company announced that it had completed a placement to raise funds of \$1.8 million. The Company subsequently completed the placement on 30 July 2024 by the way of issue of 2,267,792,891 fully paid ordinary shares in the Company. On the same day, the Company announced that it is planning to undertake a share consolidation of twenty (20) existing shares for one (1) new share subject to receipt of shareholder approval. Subject to receipt of approval of the share consolidation, the Company announced that

it is intending to undertake a pro-rate non-renounceable entitlement offer to eligible shareholders to raise up to \$5.4 million (before expenses).

On 19 July 2024, the Company confirmed the appointment of Mr David Sanders as Non-Executive Director of the Company.

On 23 July 2024, the Company confirmed the appointment of Mr Luke Martino as Non-Executive Director of the Company.

On 4 September 2024, the Company provided an operational update on its Iron Bear Project.

On 5 September 2024, the Company confirmed that Mr Tony Sage will transition to the role of Non-Executive Chairman effective immediately following the Annual General Meeting (AGM) of shareholders which is currently scheduled to be held on 31 October 2024.

There have been no other events subsequent to 30 June 2024 up to the date of this report that would materially affect the operations of the Group or its state of affairs which have not otherwise been disclosed in this financial report.

Likely Developments and Expected Results of Operations

The Board intends to continue to follow its strategy of acquiring and investing in undervalued assets and adding value through a hands-on approach to management, exploration and evaluation.

Environmental Regulation and Performance

The Group is aware of its environmental obligations with regards to its exploration activities and ensures that it complies with all regulations when carrying out any exploration work. There have been no significant known breaches of the Group's environmental regulations to which it is subject.

The Group is also subject to the reporting requirements of the *National Greenhouse and Energy Reporting Act 2007*. The *National Greenhouse and Energy Reporting Act 2007* requires the Group to report its annual greenhouse gas emissions and energy use.

For the year ended 30 June 2024 the Group was below the reported threshold for legislative reporting requirements, therefore, is not required to register or report. The Group will continue to monitor its registration and reporting requirements however it does not expect to have future reporting requirements.

Indemnification of Officers

In accordance with the Company's constitution, except as may be prohibited by the *Corporations Act 2001*, every officer or agent of the Company shall be indemnified out of the property of the Company against any liability incurred by him in his capacity as officer or agent of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal.

During the financial year, the Company has paid insurance premiums in respect of directors' and officers' liability insurance. The insurance premiums relate to:

- Costs and expenses incurred by the relevant officers in defending legal proceedings, whether civil or criminal and whatever their outcome; and
- Other liabilities that may arise from their position, with the exception of conduct involving wilful breach of duty or improper use of information to gain a personal advantage.

In accordance with a confidentiality clause under the insurance policy, the amount of the premium paid to insurers has not been disclosed. This is permitted under section 300(9) of the *Corporations Act 2001*.

Indemnification of Auditors

To the extent permitted by law, the Company has agreed to indemnify its auditors, BDO, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify BDO during or since the financial year.

Directors' Meetings

The following table sets out the number of directors' meetings (including meetings of committees of directors) held during the financial year and the number of meetings attended by each director (while they were a director or committee member).

Directors	Board of Directors	
	Eligible to Attend	Attended
Tony Sage	10	9
Paul Berend	10	10
Tim Turner	10	10
Will Scott	1	-

Remuneration Report (Audited)

This remuneration report for the year ended 30 June 2024 outlines the remuneration arrangements of the Company and the Group in accordance with the requirements of the *Corporations Act 2001* and its regulations. The information provided in this remuneration report has been audited as required by section 308(3C) of the *Corporations Act 2001*.

Remuneration Policy for Directors and Other Key Management Personnel

The remuneration report details the remuneration arrangements for key management personnel (**KMP**), defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Details of Directors and Other Key Management Personnel

Directors

T Sage – Executive Chairman

P Berend – Executive Director and Chief Executive Office

T Turner – Non-Executive Director

W Scott – Non-Executive Director (resigned 23 November 2023)

Principles used to determine the nature and amount of remuneration

The remuneration policy of the Company has been designed to align director objectives with shareholder and business objectives by providing a fixed remuneration component which is assessed sporadically in line with market rates. The Board of the Company believes the remuneration policy to be appropriate and effective in its ability to attract and retain appropriately skilled directors to run and manage the Company.

The Board's policy for determining the nature and amount of remuneration for Board members and other key management personnel is as follows:

All executives receive a base salary (which is based on factors such as length of service and experience).

The Group is an exploration entity, and therefore speculative in terms of performance. Consistent with attracting and retaining talented individuals, directors and senior executives are paid market rates associated

with individuals in similar positions within the same industry. The Board endorses the use of incentive and bonus payments for directors and senior executives.

Options and performance incentives may also be issued as the Group invests in projects which are subsequently successfully monetised, and key performance indicators such as market capitalisation and growth can be used as measurements for assessing Board performance.

Shares awarded to directors and executives are valued as the difference between the market price of those shares and the amount paid by the director or executive. Options are valued using the Black-Scholes option pricing model. Performance rights are valued using the Black & Scholes or trinomial option pricing model.

The Board's policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The Executive Chairman determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. The maximum aggregate amount of fees that can be paid to non-executive directors as approved at the 2021 Annual General Meeting is \$1,000,000. Any modifications to this amount is subject to approval by shareholders at the Company's Annual General Meeting. To align directors' interests with shareholder interests, the directors are encouraged to hold shares in the Company. The Company did not engage external remuneration consultants to advise the Board on remuneration matters during the year.

Company Performance, Shareholder Wealth and Directors' and Executives' Remuneration

The remuneration policy aims to increase goal congruence between shareholders and directors via the issue of options and performance rights to directors to encourage the alignment of personal and shareholder interests. During the financial year, the Company's share price traded between a low of \$0.001 and a high of \$0.002. The price volatility is a concern to the Board but is not considered abnormal for medium sized exploration entities and in the context of volatile global equity markets. In order to keep all investors fully informed and minimise market fluctuations, the Board is determined to maintain promotional activity amongst the investment community so as to increase awareness of the Company and to stabilise the Company's share price in line with a consistent and stable financial position and base value of assets.

	2020	2021	2022	2023	2024
Closing Share Price 30 June	\$0.002	\$0.009 ¹	\$0.003	\$0.001	\$0.001
(Loss) for the year attributable to members of Cyclone Metals Limited	(\$1,534,482)	(\$5,412,150)	(\$5,620,000)	(\$5,491,561)	(\$5,262,018)
Basic EPS	(\$0.13)	(\$0.14)	(\$0.10)	(\$0.08)	(\$0.05)

¹ Based on closing share price prior the suspension of trading of shares on 16 October 2020 and reinstated for trading on the ASX on 3 August 2021 .

Details of Remuneration

Remuneration packages contain the key elements incorporated in the Company's Remuneration Policy as detailed above. The following table discloses the remuneration of the directors and key management personnel of the Company:

	Short-Term Benefits Cash Salary & Fees \$	Post- employ ment benefits \$	Long- Term benefit Leave \$	Share- based Payments – Equity \$	% of Total Remuneration			
					Total \$	Fixed %	At Risk Short- Term Incentive %	At Risk Long- Term Incentive (Options) %
30 June 2024								
<i>Directors</i>								
T Sage	400,000	-	-	69,700	469,700	85%	0%	15%
P Berend	275,000	-	-	139,401	414,401	66%	0%	34%
T Turner	60,000	-	-	17,866	77,866	77%	0%	23%
W Scott ¹	23,833	-	-	-	23,833	100%	0%	0%
Total	758,833	-	-	226,967	985,800	77%	0%	23%

¹ Remuneration of Will Scott until his resignation as Director on 23 November 2023

	Short-Term Benefits Cash Salary & Fees \$	Post- employ ment benefits \$	Long- Term benefit Leave \$	Share- based Payments – Equity \$	% of Total Remuneration			
					Total \$	Fixed %	At Risk Short- Term Incentive %	At Risk Long- Term Incentive (Options) %
30 June 2023								
<i>Directors</i>								
T Sage	400,000	-	-	163,556	563,556	71%	0%	29%
P Berend	45,833	-	-	-	45,833	100%	0%	0%
T Turner	60,000	-	-	-	60,000	100%	0%	0%
T Donnelly	94,333	-	-	41,667	136,000	69%	0%	31%
W Scott	60,000	-	-	56,250	116,250	52%	0%	48%
S Ross	40,000	-	-	-	40,000	100%	0%	0%
Total	700,166	-	-	261,473	961,640	73%	0%	27%

For executives who were appointed or resigned during the year, the remuneration reflected above is that from date of appointment or to date of resignation.

Shareholdings of directors and key management personnel

Details of fully paid ordinary shares of Cyclone held by directors and key management personnel are set out below:

	Balance 1-Jul-23 No.	On-market Purchase No.	Conversion of Debt into Equity No.	Other No.	Balance 30-Jun-24 No.
<i>Directors</i>					
T Sage	423,625,858	30,000,000	146,666,640 ¹	160,000,000 ²	760,292,498
P Berend	56,516,665	8,400,000	-	-	64,916,665
T Turner	42,389,667	-	-	-	42,389,667
W Scott	80,401,556	-	-	(80,401,556) ³	-
	602,933,746	38,400,000	146,666,640	79,598,444	867,598,830

¹ On 16 October 2023, the Company issued 146,666,640 shares to Okewood Pty Ltd, an entity owned by Mr Sage, to settle liabilities of \$146,666 following receipt of shareholder approval on 29 November 2023.

² Off market transfer of shares

³ Balance of shareholding held by Mr Scott on 23 November 2023 upon his resignation as Director

Options of directors and key management personnel

Details of options of Cyclone held by directors and key management personnel are set out below:

	Balance 1-Jul-23 No.	Granted as Remunerati on No.	Conversion of Debt into Equity No.	Other No.	Balance 30-Jun-24 No.	Options Vested 30- Jun-24 No.
<i>Directors</i>						
T Sage	-	200,000,000	-	-	200,000,000	200,000,000
P Berend	-	400,000,000	-	-	400,000,000	400,000,000
T Turner	-	50,000,000	-	-	50,000,000	50,000,000
W Scott	2,500,000	-	-	(2,500,000) ²	-	-
	2,500,000	650,000,000 ¹	-	(2,500,000)	650,000,000	650,000,000

¹ On 5 December 2023, the Company issued 650,000,000 incentive options to Directors of the Company as incentive based remuneration as approved by shareholders at the Company's AGM held 29 November 2023 as follows:

- 320,000,000 Class A incentive options with an exercise price of \$0.003 expiring 5 December 2024
- 170,000,000 Class B incentive options with an exercise price of \$0.005 expiring 5 December 2025
- 160,000,000 Class C incentive options with an exercise price of \$0.01 expiring 5 December 2026

the fair value of the options was determined using the Black Scholes model.

² Balance of shareholding held by Mr Scott on 23 November 2023 upon his resignation as Director

Other transactions with director related entities

Loans with related parties

On 14 September 2023, the Company entered into a loan agreement and received funds of \$200,000 from European Lithium Ltd (ASX: EUR). The loan is secured over 25,000,000 unencumbered shares held by the Company in CuFe Limited (ASX: CUF). This loan is repayable on 31 December 2024 and accrues interest of 7.5% per annum. On 19 October 2023, the Company entered into a further loan agreement with EUR and was advanced funds of \$90,000. On 16 November 2023, the Company repaid this loan, including accrued interest of \$518. On 12 March 2024, the Company entered into a further loan agreement with EUR and was advanced funds of \$2,000,000. The loan is secured over the Company's Iron Bear Project. This loan is repayable on 31 December 2024 and accrues interest of 10.0% per annum (refer note 13). Mr Antony Sage is a director of EUR.

Agreements entered into with related parties

Office lease agreement with Okewood Pty Ltd

Effective 1 February 2021, the Company entered into a lease agreement with Okewood Pty Ltd, a company owned by Tony Sage, for the part-lease of 32 Harrogate Street, West Leederville WA 6007 (**Lease Agreement**). The term of the Lease Agreement is ongoing commencing 1 February 2021 for a rent of \$2,500 per month. The lease covers the rental, outgoings and parking charges under agreements made on commercial terms and conditions at market rates.

Investments in related parties

During the year ended 30 June 2024, the Company sold 750,000 shares in European Lithium Ltd (ASX: EUR) (refer to note 8). Mr Tony Sage is a director of EUR.

During the year ended 30 June 2024, the Company sold 13,466,667 shares in CuFe Ltd (ASX: CUF) (refer to note 8). Mr Tony Sage is a director of CUF.

Transactions with related parties

Transactions between related parties are on commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following table provides the total amount of transactions (excluding loans with related parties and remuneration) that have been entered into with related parties for the relevant financial year.

		Sales to related parties	Purchases from related parties	Amounts owed by related parties	Amounts owed to related parties
<i>Director related entities:</i>					
CuFe Limited	2024	29,262	-	7,316	-
CuFe Limited	2023	81,289	-	37,031	-
European Lithium Limited	2024	600	-	150	-
European Lithium Limited	2023	32,510	1,000	4,559	-
Okewood Pty Ltd	2024	-	30,000	-	15,000
Okewood Pty Ltd	2023	-	30,000	-	10,000
Gambosch Consulting Pty Ltd	2024	-	-	-	-
Gambosch Consulting Pty Ltd	2023	-	77,415	-	9,082

Sales to and purchases from director related entities for the year ended 30 June 2024 relates to the reimbursement of occupancy, investor relations, travel, capital raising and other costs.

Related party entities comprise:

- Tony Sage is a director of European Lithium Limited and CuFe Limited
- Okewood Pty Ltd is an entity controlled by Tony Sage

Equity instrument disclosures relating to key management personnel

On 16 October 2023, the Company announced that it had come to an agreement with a Director of the Company to convert \$146,666 of debt into equity (subject to shareholder approval, which was subsequently received on 29 November 2023). On 5 December 2023, the Company issued 146,666,640 shares to a Director of the Company to settle liabilities of \$146,666 at a deemed issue price of \$0.001 per share

Service Agreements

Executive Chairman

Following receipt of shareholder approval at the general meeting held on 6 April 2023, the Company entered into a three-year term (effective from 1 April 2023) consultancy agreement with Okewood Pty Ltd (**Okewood**) to provide Director services to Cyclone including specific responsibilities for all negotiations and strategic networking to facilitate the acquisition and disposal of assets of the Company based on a set fee of \$400,000 (plus GST) per annum. In addition, Okewood (or its nominee) is entitled to receive incentive payments subject to the achievement of certain criteria including \$100,000 payable to Okewood on the sale by the Company of 75% or more of its shareholding in European Lithium Limited (ASX: EUR) at a share price at or above \$0.25 per share, \$100,000 payable to Okewood if the Company completes a priority capital raising of not less than \$2,500,000 and \$100,000 payable to Okewood upon the successful completion of an acquisition of a major project that significantly enhances the share price of the Company to exceed \$0.015 continuously for more than 20 consecutive trading days during the term of the consultancy contract. The consultancy contract has a 3-month termination notice (or payment in lieu of notice, subject to the *Corporations Act 2001* and Listing Rules), without cause, for either party.

Executive Director

The Company entered into an ongoing consultancy contract effective from 1 May 2023 with Gambosch Consulting Pty Ltd to provide Executive Director and Chief Executive Officer services to Cyclone based on a set fee of \$275,000 (plus GST) per annum. The consultancy contract has a 3-month termination notice (or

payment in lieu of notice, subject to the Corporations Act 2001 and Listing Rules), without cause, for either party.

Non-Executive Directors

The engagement conditions of non-executive director Tim Turner were approved by the Board on 30 November 2007. A fee of \$60,000 per annum plus GST was subsequently approved by the Board on 28 August 2009

Director Loans

There were no Director loans at 30 June 2024.

2023 Annual General Meeting

The Company received 98.39% of 'yes' votes and 1.28% 'no' votes on its remuneration report for the year ended 30 June 2023.

This is the end of the audited remuneration report

Proceedings on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings. The Group was not a party to any such proceedings during the year.

Non-Audit Services

The Board of Directors is satisfied that the provision of any non-audit services by the Company's auditors is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001* because:

- All non-audit services are reviewed and approved by the Board of Directors prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- The nature of the services provided is reviewed to ensure that they do not compromise the general principles relating to auditor independence in accordance with *APES 110: Code of Ethics for Professional Accountants* set by the Accounting Professional and Ethical Standards Board.

During the year \$Nil was paid or payable (2023: \$Nil) to the auditor or its related practices for non-audit services.

Share Options on Issue at Year End

Unissued ordinary shares of Cyclone Metals under option at the date of this report are as follows:

Grant Date	Exercise Price	Number of Options	Expiry Date	Listed/Unlisted
6 December 2023	\$0.002	100,000,000	19/01/2027	Unlisted
18 January 2024	\$0.002	60,000,000	12/03/2026	Unlisted
22 February 2023	\$0.003	30,000,000	22/02/2025	Unlisted
18 October 2023	\$0.002	100,000,000	18/10/2024	Unlisted
29 November 2023	\$0.003	500,000,000	05/12/2024	Unlisted
8 January 2024	\$0.003	20,000,000	05/12/2024	Unlisted
29 November 2023	\$0.005	240,000,000	05/12/2025	Unlisted
8 January 2024	\$0.005	20,000,000	05/12/2025	Unlisted
29 November 2023	\$0.010	210,000,000	05/12/2026	Unlisted
		<u>1,280,000,000</u>		

No option holder has any right under the options to participate in any other share issue of the Company or any other entity.

Auditor's Independence Declaration

The auditor's independence declaration under *section 307C* of the *Corporations Act 2001* is set out on page 32 for the year ended 30 June 2024.

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



Tony Sage
Executive Chairman
Dated this 25th day of September 2024

DECLARATION OF INDEPENDENCE BY NEIL SMITH TO THE DIRECTORS OF CYCLONE METALS LIMITED

As lead auditor of Cyclone Metals Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Cyclone Metals Limited and the entities it controlled during the period.



Neil Smith

Director

BDO Audit Pty Ltd

Perth

25 September 2024

Corporate Governance Statement

The Company's Corporate Governance Statement for the year ended 30 June 2024 (which reports against these ASX Principles) may be accessed from the Company's website at www.cyclonemetals.com.

	Note	2024 \$	2023 \$
Revenue	3(a)	1,741	64
Gain/(loss) on extinguishment of liabilities	15	90,000	(54,855)
Other income	3(b)	14,709	126,624
Share-based payments	18(d)	(427,621)	(261,473)
Directors remuneration and employee benefits expenses		(511,333)	(722,667)
Consulting and professional services		(573,409)	(502,590)
Occupancy expenses		(26,050)	(30,919)
Compliance and regulatory expenses		(74,769)	(141,368)
Travel and accommodation		(63,690)	(7,572)
Depreciation and amortisation expense	9	(1,342)	(1,107)
(Loss)/Gain on fair value of financial assets through profit & loss	3(c)	(2,550,471)	2,460,904
Finance expenses	3(d)	(545,874)	160,914
Bad debts written off		(156,229)	-
Other administration expenses		(169,765)	(132,991)
Exploration expenditure expensed		(3,160)	(105,477)
Impairment of capitalised exploration	10(b)	(264,755)	(6,279,048)
Loss before income tax		(5,262,018)	(5,491,561)
Income tax (expense)/benefit	4	-	-
Net loss for the year		(5,262,018)	(5,491,561)
Other comprehensive income/(expenditure) net of tax			
<i>Items that may be reclassified subsequently to profit and loss</i>			
Foreign exchange differences arising on translation of foreign operations		3,643	4,567
Other comprehensive (loss)/income for the year		3,643	4,567
Total comprehensive loss for the year		(5,258,375)	(5,486,994)
Loss per share for the year:			
Basic loss per share (cents per share)	20	(0.05)	(0.08)
Diluted loss per share (cents per share)	20	(0.05)	(0.08)

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

	Note	2024 \$	2023 \$
CURRENT ASSETS			
Cash and cash equivalents	6	98,024	128,082
Restricted cash		17,500	17,500
Trade and other receivables	7	136,525	321,146
Financial assets at fair value through profit or loss	8(a)	5,285,610	8,627,778
TOTAL CURRENT ASSETS		5,537,659	9,094,506
NON-CURRENT ASSETS			
Other financial assets	8(b)	53,843	53,843
Plant and equipment	9	80,030	76,084
Exploration and evaluation expenditure	10	6,440,444	4,478,637
TOTAL NON-CURRENT ASSETS		6,574,317	4,608,564
TOTAL ASSETS		12,111,976	13,703,070
CURRENT LIABILITIES			
Trade and other payables	11	1,391,905	641,676
Provisions	12	134,641	126,260
Short term loan payable	13	2,274,384	-
Convertible note	14	-	-
TOTAL CURRENT LIABILITIES		3,800,930	767,936
TOTAL LIABILITIES		3,800,930	767,936
NET ASSETS		8,311,046	12,935,134
EQUITY			
Issued capital	15	236,425,002	236,218,336
Reserves	16	25,265,281	24,834,017
Accumulated losses	17	(253,379,237)	(248,117,219)
TOTAL EQUITY		8,311,046	12,935,134

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

Consolidated Statement of Changes in Equity

As at 30 June 2024



	Note	Issued Capital \$	Unissued Capital Reserve \$	Accumulated Losses \$	Share- based Payment Reserve \$	Foreign Currency Translation Reserve \$	Business Combination Reserve \$	Total Equity \$
At 30 June 2023		236,218,336	-	(248,117,219)	3,700,805	22,223,713	(1,090,501)	12,935,134
Loss for the year		-	-	(5,262,018)	-	-	-	(5,262,018)
Forex (gain) on translation of foreign operations	16	-	-	-	-	3,643	-	3,643
Total comprehensive loss for the year		-	-	(5,262,018)	-	3,643	-	(5,258,375)
Shares issued during the period:								
- Conversion of debt – Directors	21	146,666	-	-	-	-	-	146,666
- Conversion of debt – Loan	15	60,000	-	-	-	-	-	60,000
Share-based payments expense	18	-	-	-	427,621	-	-	427,621
Capital raising costs		-	-	-	-	-	-	-
At 30 June 2024		236,425,002	-	(253,379,237)	4,128,426	22,227,356	(1,090,501)	8,311,046

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

Consolidated Statement of Changes in Equity

As at 30 June 2024



	Note	Issued Capital \$	Unissued Capital Reserve \$	Accumulated Losses \$	Share- based Payment Reserve \$	Foreign Currency Translation Reserve \$	Business Combination Reserve \$	Total Equity \$
At 30 June 2022		227,746,301	50,000	(242,625,658)	3,412,964	22,219,146	(1,090,501)	9,712,252
Loss for the year		-	-	(5,491,561)	-	-	-	(5,491,561)
Forex (gain) on translation of foreign operations	16	-	-	-	-	4,567	-	4,567
Total comprehensive loss for the year		-	-	(5,491,561)	-	4,567	-	(5,486,994)
Shares issued during the period:								
Placement	15	1,350,000	-	-	-	-	-	1,350,000
- Placement – Unissued capital	15	50,000	(50,000)	-	-	-	-	-
- Placement – Broker shares	15	50,000	-	-	-	-	-	50,000
- Conversion of debt – Directors	15	322,221	-	-	-	-	-	322,221
- Conversion of debt - Consultant	15	52,800	-	-	-	-	-	52,800
- Conversion of debt – Loan	15	2,350,514	-	-	-	-	-	2,350,514
- Acquisition of P47/1812	15	120,000	-	-	26,368	-	-	146,368
- Acquisition of Block 103	15	4,320,000	-	-	-	-	-	4,320,000
Share-based payments expense	18	(62,500)	-	-	261,473	-	-	198,973
Capital raising costs	15	(81,000)	-	-	-	-	-	(81,000)
At 30 June 2023		236,218,336	-	(248,117,219)	3,700,805	22,223,713	(1,090,501)	12,935,134

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

	Note	2024 \$	2023 \$
CASHFLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees (inclusive of GST)		(869,697)	(1,103,137)
Interest received		1,741	64
Income tax paid		-	(952,754)
Net cash used in operating activities	6(b)	(867,956)	(2,055,827)
CASHFLOWS FROM INVESTING ACTIVITIES			
Payment for acquisition equity investments	8(b)	-	(53,843)
Payment for exploration tenements		(50,850)	(98,305)
Payments for exploration and evaluation		(1,622,093)	(699,669)
Purchase of property, plant and equipment	9	(5,626)	(352)
Proceeds from sale of financial assets at fair value through profit or loss		787,958	202,705
Net cash used in investing activities		(890,611)	(649,464)
CASHFLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares	15	-	1,350,000
Proceeds from convertible note	14	1,340,000	-
Transaction costs related to issue of shares, convertible notes or options		(52,223)	(81,000)
Proceeds from issuing loan note	13	2,290,000	1,250,000
Repayment of convertible note	14	(1,758,750)	-
Repayment of borrowings	13	(90,518)	-
Net cash from financing activities		1,728,509	2,519,000
Net decrease in cash and cash equivalents		(30,058)	(186,291)
Cash and cash equivalents at beginning of period		128,082	314,373
Cash and cash equivalents at end of period	6(a)	98,024	128,082

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

1. CORPORATE INFORMATION

The consolidated financial statements of Cyclone Metals Limited and its subsidiaries (collectively, the **Group**) for the year ended 30 June 2024 were authorised for issue in accordance with a resolution of the directors on 25 September 2024.

Cyclone Metals Limited (the **Company** or the **Parent**) is a for profit company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

The nature and operations and principal activities of the Group are described in the Directors' Report.

Information of the Group's structure is provided in Note 25. Information on other related party relationships is provided in Note 21.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

(a) Basis of preparation

The financial report is a general-purpose financial report that has been prepared in accordance with Australian Accounting Standards including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*. The financial report has been prepared on the basis of historical cost, except for the revaluation of certain financial instruments. Cost is based on the fair values of the consideration given in exchange for assets.

The financial report is presented in Australian dollars.

The Group is a for-profit public listed company, incorporated and domiciled in Australia.

(b) Going concern

The consolidated financial statements of Cyclone have been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

For the year ended 30 June 2024 the Group incurred a loss after income tax of \$5,262,018 (30 June 2023: \$5,491,561), net cash outflows from operating activities of \$867,956 (30 June 2023: \$2,055,827), a working capital surplus of \$1,736,729 (30 June 2023: \$8,326,570 surplus) and at that date had cash on hand of \$98,024 (30 June 2023: \$128,082).

The Group's ability to continue as a going concern and to continue to fund its planned expanded activities is dependent on raising further capital, continued support from related party creditors and reducing operational costs.

These conditions indicate a material uncertainty that may cast a significant doubt about the Group's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Directors believe that it is reasonably foreseeable that the Group will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following factors:

- The Group entering into a funding arrangement with RM Corporate Finance Pty Ltd (refer ASX announcement dated 19 July 2024); and
- Ability to realise certain of the Group's financial assets through the sale of its listed shares

Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the Group not continue as a going concern.

(c) Compliance with IFRS

The financial report complies with Australian Accounting Standards and International Financial Reporting Standards (**IFRS**) as issued by the International Accounting Standards Board (**IASB**).

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

(d) Changes in accounting policy, disclosures, standards and interpretations*New accounting standards adopted in the current year*

In the year ended 30 June 2024, the Directors have reviewed all the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the year end reporting period beginning on or after 1 July 2023. As a result of this review, the Directors have applied all new and amended Standards and Interpretations that were effective as at 1 July 2023 including:

AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates / AASB 2021-6 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards

The Group has adopted AASB 2021-2 Amendments to Australian Accounting Standards with the date of initial application being 1 January 2023.

The amendment is in relation to AASB 101 Presentation of Financial Statements and requires entities to disclose their material accounting policy information rather than their significant accounting policies and provides the following factors to assist an entity in determining if the accounting policy information is material.

At 1 January 2023 it was determined that the adoption of AASB 2021-2 Amendments to Australian Accounting Standards impacted the Company such that the Company only disclosed material accounting policies, rather than significant accounting policies.

New accounting standards and interpretations issued but not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2024 reporting periods and have not been early adopted by the Group. The Group's assessment of the impact of these new standards and interpretations has not identified any impact.

(e) Basis of consolidation

The consolidated financial statements comprise the financial statements of Cyclone Metals Limited (**Cyclone**) and its subsidiaries as at 30 June 2024 (the **Group**).

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the

Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (**OCI**) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- De-recognises the assets (including goodwill) and liabilities of the subsidiary
- De-recognises the carrying amount of any non-controlling interests
- De-recognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

Business combinations are accounted for using the acquisition method.

(f) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position. Restricted cash relates to term deposits held with various financial institutions as security for bank guarantees.

(g) Trade and other receivables

Trade receivables are initially recognised at their transaction price and other receivables at fair value. Receivables that are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest are classified and subsequently measured at amortised cost. Receivables that do not meet the criteria for amortised cost are measured at fair value through profit or loss.

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Group always recognises the lifetime expected credit loss for trade receivables carried at amortised cost. The expected credit losses on these financial assets are estimated based on the Group's historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as forecast conditions at the reporting date.

For all other receivables measured at amortised cost, the Group recognises lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition. If the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to expected credit losses within the next 12 months.

The Group considers an event of default has occurred when a financial asset is more than 120 days past due or external sources indicate that the debtor is unlikely to pay its creditors, including the Group. A financial asset is credit impaired when there is evidence that the counterparty is in significant financial difficulty or a breach of contract, such as a default or past due event has occurred. The Group writes off a financial asset when there is information indicating the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.

(h) Property, Plant and Equipment

Plant and equipment is stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

Depreciation is provided on plant and equipment. Depreciation is calculated on a straight-line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period.

The following estimated useful lives are used in the calculation of depreciation:

Office equipment	3 years
Plant and equipment	3 years
Motor vehicles	3 years
Furniture and fittings	5 years
Leasehold improvements	over the period of the lease

(i) Financial Assets

Investments are recognised and derecognised on trade date where purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs.

Other financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. The Group has the following financial assets:

Financial Assets at Fair Value through Profit or Loss

Certain shares and options held for trading have been classified as financial assets at fair value through profit or loss. Financial assets held for trading purposes are stated at fair value, with any resultant gain or loss recognised in profit or loss. The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the reporting date. Assets in this category are classified as current assets if they are expected to be realised within 12 months, otherwise they are classified as non-current assets.

Loans and Receivables

Trade receivables, loans, and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are recorded at amortised cost less impairment. Impairment is determined by review of the nature and recoverability of the loan or receivable with reference to its terms of repayments and capacity of the debtor entity to repay the debt. If the recoverable amount of a receivable is estimated to be less than its carrying amount, the carrying amount of the receivable is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately. They are included in current assets, other than those with maturities greater than 12 months from reporting date, which are classified as non-current assets.

Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets, which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that the credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss

recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

(j) Foreign Currency

Foreign currency transactions and balances

All foreign currency transactions occurring during the financial year are recognised at the exchange rate in effect at the date of the transaction. Foreign currency monetary items at reporting date are translated at the exchange rate existing at reporting date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Exchange differences are recognised in the profit or loss in the period in which they arise except those exchange differences which relate to assets under construction for future productive use which are included in the cost of those assets where they are regarded as an adjustment to interest costs on foreign currency borrowings.

Functional and presentation currency

Items included in the financial statements of each of the companies within the Group are measured using the currency of the primary economic environment in which they operate (the functional currency). The consolidated financial statements are presented in Australian dollars, which is Cyclone Metal's functional and presentation currency.

Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- a. assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- b. income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- c. all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in other comprehensive income. When a foreign operation is sold, a proportionate share of such exchange differences is reclassified to profit or loss, as part of the gain or loss on sale where applicable.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entities and translated at the closing rate.

(k) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Trade and other payables extinguished through issue of equity

When equity instruments are issued to a creditor to extinguish all or part of a financial liability are recognised, the Group measures them at the fair value on the date the equity instruments are issued, unless that fair value can't be reliably measured. Any difference between the carrying amount of the liability extinguished and the

fair value of the equity issued on the date of issuance is recognised in the profit or loss as a gain or loss on extinguishment of liability.

(l) Provisions

Provisions are recognised when the Group has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cashflows estimated to settle the present obligation, its carrying amount is the present value of those cashflows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology.

Any changes in the estimates for the costs are accounted for on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation.

(m) Convertible notes

Convertible notes (with embedded derivatives), that do not contain an equity component are accounted for as a financial liability through profit or loss with a value equating to the total proceeds/face value with no day one gain or loss and subsequently value will change depending on the changes in the share price/ redemption event and or accretion of the value of the discount on the note. If the convertible note is converted, the carrying amounts of the derivative and liability components are transferred to share capital as consideration for the shares issued. If the note is redeemed, any difference between the amount paid and the carrying amounts of liability is recognised in the statement of profit or loss.

(n) Income Tax

Current Tax

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Deferred Tax

Deferred tax is accounted for using the comprehensive balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base of those items.

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit. Furthermore, a deferred tax liability is not recognised in relation to taxable temporary differences arising from goodwill.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, branches, associates and joint ventures except where the Group is able to control the reversal of the temporary

differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with these investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company/Group intends to settle its current tax assets and liabilities on a net basis. The Group has implemented the tax consolidation legislation. As a consequence, these entities are taxed as a single entity and the deferred tax assets and liabilities of these entities are set off in the consolidated financial statements.

Current and deferred tax for the period

Current and deferred tax is recognised as an expense or income in the statement of profit or loss and other comprehensive income except when it relates to items credited or debited directly to equity, in which case the deferred tax is also recognised directly in equity.

(o) Share-based Payments

Equity-settled share-based payments are measured at fair value at the date of grant. Fair value is independently determined using either the trinomial option pricing model or the Black-Scholes option pricing model that takes into account the exercise price, the term of the option or right, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employee or consultant to receive payment. No account is taken of any other vesting conditions.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest.

(p) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest where right of tenure is current and active and significant operations are continuing in the area of interest. Costs associated with these identifiable areas of interests 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.

Accumulated costs in relation to an abandoned area are impaired in full in the statement of profit or loss and other comprehensive income in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

(q) Earnings per Share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Group, 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.

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 interests 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.

(r) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(s) Parent entity financial information

The financial information for the parent entity, Cyclone Metals Limited, disclosed in note 26 has been prepared on the same basis as the consolidated financial statements, except as set out below:

Investments in subsidiaries and associates

Investments in subsidiaries and associates are accounted for at cost in the financial statements of Cyclone Metals Limited. Dividends received from associates are recognised in the parent entity's statement of profit or loss and other comprehensive income, rather than being deducted from the carrying amount of these investments.

Tax consolidation legislation

Cyclone Metals Limited and the controlled entities in the tax consolidated group account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a stand-alone taxpayer in its own right.

In addition to its own current and deferred tax amounts, Cyclone Metals Limited also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group.

The entities have entered into a tax funding agreement under which the wholly-owned entities fully compensate Cyclone Metals Limited for any current tax payable assumed and are compensated by Cyclone Metals Limited for any current tax receivable and deferred tax assets relating to unused tax losses or unused tax credits that are transferred to Cyclone Metals Limited under the tax consolidation legislation. The funding amounts are determined by reference to the amounts recognised in the wholly-owned entities' financial statements.

The amounts receivable/payable under the tax funding agreement are due upon receipt of the funding advice from the head entity, which is issued as soon as practicable after the end of each financial year. The head entity may also require payment of interim funding amounts to assist with its obligation to pay tax instalments.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as current amounts receivable from or payable to other entities in the Group.

Any difference between the amounts assumed and amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) wholly-owned tax consolidated entities.

(ab) Critical Judgements in Applying the Group's Accounting Policies

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Exploration and Evaluation

The Group's accounting policy for exploration and evaluation is set out at note 2(p). The application of this policy necessarily requires management to make certain estimates and assumptions as to future events and circumstances, in particular, the assessment of whether economic quantities of reserves can be determined. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised expenditure, it is determined that recovery of the expenditure by future exploitation or sale is unlikely, then the relevant capitalised amount is written off in the statement of profit or loss and other

comprehensive income.

Income taxes

The Group is subject to income taxes in Australia and jurisdictions where it has foreign operations.

Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group estimates its tax liabilities based on the Group's understanding of the tax laws in the relevant jurisdictions. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

The Group recognises deferred tax assets relating to carried forward tax losses to the extent there are sufficient taxable temporary differences (deferred tax liabilities) relating to the same taxation authority against which the unused tax losses can be utilised. However, utilisation of the tax losses also depends on the ability of the entity to satisfy certain tests at the time the losses are recouped.

Impairment

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amounts of the assets are determined.

As at 30 June 2024, management have recognised impairment losses in respect of those assets which had a carrying value which exceeded their recoverable amounts.

Share-based payment transactions

The Company measures the cost of equity-settled transactions with Directors by reference to the fair value of the equity instruments at the date at which they are granted. For options, the fair value is determined using the Black Scholes model. For performance rights with market conditions, the fair value is measured using a trinomial pricing model.

3. PROFIT/(LOSS) FROM OPERATIONS

	2024 \$	2023 \$
(a) Revenue		
Interest income	1,741	64
	<u>1,741</u>	<u>64</u>
(b) Other income		
Unrealised foreign currency exchange gain/(loss)	-	(24)
Foreign currency exchange (loss)/gain	(5,291)	(739)
Exploration payment	20,000	-
Impairment of receivable	-	127,387
	<u>14,709</u>	<u>126,624</u>
(c) Gain / (loss) on fair value of financial assets through profit and loss		
(Loss) / Gain on fair value of financial assets (shares in listed entities) through profit and loss (note 8(a))	(2,844,095)	2,460,904
Realised profit on fair value of listed financial assets through profit and loss (note 8(a))	293,624	-
	<u>(2,550,471)</u>	<u>2,460,904</u>
(d) Finance expenses		
Interest on European Lithium loan (note 13)	(74,902)	(86,336)
Financing costs on financing facilities	(52,222)	-
Accrued interest on ATO debt (a)	-	247,250
Interest on CPS Capital Group convertible note (note 14)	(418,750)	-
	<u>(545,874)</u>	<u>160,914</u>

- (a) During the year ended 30 June 2023, the Company made a payment of interest to the ATO in respect to the final amount owing to the ATO under the tax liability. The gain of \$247,250 represents the reversal of amounts accrued in previous years to reconcile to the final amount of interest paid to the ATO.

4. INCOME TAXES

	2024 \$	2023 \$
Major components of income tax expense for the year are:		
Income statement	-	-
Current income tax charge / (benefit)	-	-
Statement of changes in equity		
Income tax expense reported in equity	-	-

Reconciliation

A reconciliation of income tax expense / (benefit) applicable to accounting profit / (loss) before income tax at the statutory income tax rate to income tax expense / (benefit) at the Company's effective income tax rate for the year is as follows:

	2024 \$	2023 \$
Accounting (loss) before income tax	(5,262,018)	(5,491,561)
Income tax benefit at the statutory income tax rate of 30% (2023: 30%)	(1,578,605)	(1,647,468)
Adjusted for:		
Non-deductible expenses	7	994
Share-based payments	128,287	78,442
Deferred tax assets and tax losses not recognised	1,386,370	(307,172)
Share of losses of associates	-	-
Impairment of exploration assets	90,941	1,858,750
Extinguishment of liability	(27,000)	16,454
Income tax expense / (benefit) reported in income statement	-	-

Recognised deferred tax assets and liabilities

The deferred tax liability balance comprises temporary differences attributable to:

	2024 \$	2023 \$
The deferred tax liability balance comprises temporary differences attributable to:		
Accrued income	474,294	470,369
Capitalised expenditure	(487,991)	(489,550)
Unrealised foreign exchange losses	(683,645)	(683,645)
Financial assets	2,414,884	572,197
Bad debts	26,181	(20,687)
Costs deductible over five years	(77,823)	(89,268)
Deferred tax liability	1,665,900	(240,584)

The deferred tax asset balance comprises temporary differences attributable to:

Accrued expenses and provisions	(1,665,900)	240,584
Deferred tax asset	(1,665,900)	240,584
Net deferred tax asset /(liability)	-	-

Movement in temporary differences during the current year

	Balance 1 July 2023	Recognised in Income	Balance 30 June 2024
	\$	\$	\$
Consolidated			
Accrued income	470,369	3,925	474,294
Financial assets	572,197	1,842,687	2,414,884
Capitalised exploration expenditure	(489,550)	1,559	(487,991)
Unrealised foreign exchange losses	(683,645)	-	(683,645)
Other	(109,955)	58,313	(51,642)
Net deferred tax asset	(240,584)	1,906,484	1,665,900

Movement in temporary differences during the prior year

	Balance 1 July 2022	Recognised in Income	Balance 30 June 2023
	\$	\$	\$
Consolidated			
Accrued income	469,739	630	470,369
Financial assets	1,310,468	(738,271)	572,197
Capitalised exploration expenditure	(373,363)	(116,187)	(489,550)
Unrealised foreign exchange losses	(683,645)	-	(683,645)
Other	(66,500)	(43,455)	(109,955)
Net deferred tax asset	656,699	(897,283)	(240,584)

	2024	2023
	\$	\$
Unrecognised deferred tax assets		
Deferred tax assets have not been recognised in respect of the following items:		
Tax losses	246,292,097	248,034,791
@ 30%	73,887,629	74,410,437

The tax losses do not expire under current legislation subject to meeting loss recovery tests under tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits.

5. SEGMENT INFORMATION

AASB 8 Operating Segments requires operating segments to be identified based on internal reports that are regularly reviewed by the Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. In the case of the Group the CODM are the executive management team and all information reported to the CODM is based on the consolidated results of the Group as one operating segment, as the Group's activities relate to mineral exploration.

Accordingly, the Group has only one reportable segment and the results are the same as the Group results.

Information by geographical region

The analysis of the location of non-current assets other than financial instruments and deferred tax assets is as follows:

	2024	2023
	\$	\$
Australia	4,691	404
West Africa	75,342	75,680
Canada	6,440,441	4,478,637
New Zealand	-	-
	6,520,474	4,554,721

Revenue by geographical region

	2024	2023
	\$	\$
Australia	1,741	64
West Africa	-	-
Canada	-	-
New Zealand	-	-
	1,741	64

6. NOTES TO THE CASH FLOW STATEMENT**(a) Reconciliation of Cash and Cash Equivalents**

For the purposes of the cash flow statement, cash and cash equivalents includes cash on hand and in banks. Cash and cash equivalents at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the Statement of Financial Position as follows:

	2024	2023
	\$	\$
<i>Cash and cash equivalents</i>		
Cash in banks and on hand	98,024	128,082
Cash and cash equivalents per consolidated statement of cash flows	98,024	128,082
Cash and cash equivalents per consolidated statement of financial position	98,024	128,082

(b) Reconciliation of Net Loss to Net Cash Flows from Operating Activities

	2024	2023
	\$	\$
Loss from ordinary activities after tax	(5,262,018)	(5,491,561)
<i>Adjusted for non-cash items:</i>		
Loss/(gain) on fair value of financial assets through profit & loss	2,550,471	(2,460,904)
Depreciation and amortisation of non-current assets	1,342	1,107
Finance expense	474,710	-
(Loss)/gain on extinguishment of liabilities	(90,000)	54,855
Interest on loan (investing activity)	74,901	86,336
Share-based payments	427,621	261,473
Exploration expenditure impaired during the year	264,755	6,279,048
Impairment of receivables	156,229	(127,387)
Unrealised foreign currency exchange (losses)/gains	-	24
<i>Changes in net assets and liabilities</i>		
(Increase) in trade and other receivables	28,390	(43,430)
Increase in provisions	8,381	11,606
Decrease in tax provisions	-	(1,200,004)
Increase/(decrease) in trade and other payables	497,262	573,010
Net cash (used in) operating activities	(867,956)	(2,055,827)

Non-cash investing and financing activities

Non-cash investing and financing activities disclosed in other notes are:

- Shares issued as settlement of liabilities in accordance with IFRIC 19 (refer Note 21)
- Shares issued on conversion of convertible notes (refer Note 14)
- Payment for exploration projects through the issue of shares (refer Note 10)

Loans payable at amortised cost

This section sets out an analysis of loans payable and the movements in loans for the year.

	Loan Payables at Amortised Cost	
	2024	2023
	\$	\$
Balance at beginning of the year	-	1,000,000
Cash flows	3,630,000	1,250,000
Repayment	(1,430,000)	-
Shares issued upon conversion	-	(2,250,000)
Balance at the end of the year	2,200,000	-

7. TRADE AND OTHER RECEIVABLES

	2024	2023
	\$	\$
Trade debtors	30,381	232,870
GST recoverable and other debtors	75,022	59,513
Prepayments	31,122	28,763
	136,525	321,146

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Note	2024	2023
		\$	\$
Financial Assets at Fair value through Profit or Loss			
Shares in listed entities	(a)	5,285,610	8,627,778
Shares in unlisted entities	(b)	53,843	53,843
Total Financial Assets		5,339,453	8,681,621

(a) Movements in the carrying amount of the shares in listed entities

	Note	2024	2023
		\$	\$
Carrying value at beginning of the year		8,627,778	6,369,579
Realised profit on fair value of listed financial assets	3(d)	293,624	-
Disposal of equity investments		(787,958)	(202,705)
(Loss)/gain on fair value of financial assets through profit or loss	3(d)	(2,844,095)	2,460,904
Other		(3,739)	-
		5,285,610	8,627,778

(b) Movements in the carrying amount of the shares in unlisted entities

	2024	2023
	\$	\$
Carrying value at beginning of the year	53,843	-
Investment in unlisted entity (a)	-	53,843
	53,843	53,843

(a) During the year ended 30 June 2023, the Company made an investment of \$53,843 in an unlisted exploration and development company. This is a level 3 measurement basis on the fair value hierarchy.

9. PROPERTY, PLANT AND EQUIPMENT

	Plant & Equipment \$	Buildings \$	Motor Vehicles \$	Furniture & Fittings \$	Leasehold Improvements \$	Total \$
Gross carrying amount – at cost						
At 30 June 2022	145,243	72,923	10,045	61,334	1,464,351	1,753,896
Additions	352	-	-	-	-	352
Exchange differences	(974)	2,757	-	-	-	1,783
At 30 June 2023	144,621	75,680	10,045	61,334	1,464,351	1,756,031
Additions	5,626	-	-	-	-	5,626
Exchange differences	-	(338)	-	-	-	(338)
At 30 June 2024	150,247	75,342	10,045	61,334	1,464,351	1,761,319
Accumulated depreciation						
At 30 June 2022	(143,240)	-	(10,045)	(61,204)	(1,464,351)	(1,678,840)
Depreciation expense	(1,047)	-	-	(60)	-	(1,107)
At 30 June 2023	(144,286)	-	(10,045)	(61,264)	(1,464,351)	(1,679,947)
Depreciation expense	(1,282)	-	-	(60)	-	(1,342)
At 30 June 2024	(145,568)	-	(10,045)	(61,324)	(1,464,351)	(1,681,288)
Net Book Value						
At 30 June 2022	2,003	72,923	-	130	-	75,056
Additions	352	-	-	-	-	352
Depreciation expense	(1,047)	-	-	(60)	-	(1,107)
Exchange differences	(974)	2,757	-	-	-	1,783
At 30 June 2023	334	75,680	-	70	-	76,084
Additions	5,626	-	-	-	-	5,626
Depreciation expense	(1,282)	-	-	(60)	-	(1,342)
Exchange differences	-	(338)	-	-	-	(338)
At 30 June 2024	4,678	75,342	-	10	-	80,030

(a) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

10. EXPLORATION AND EVALUATION EXPENDITURE

	2024 \$	2023 \$
Exploration and evaluation phases	6,440,442	4,478,637
<i>Movements:</i>		
Carrying value at beginning of the year	4,478,637	5,700,632
Exploration and evaluation expenditure capitalised during the year (a)	2,026,562	594,686
Exploration expenditure impaired during the year (b)	(264,755)	(6,279,048)
Acquisition of P47/1812	-	146,367
Acquisition of Block 103 tenements (c)	200,000	4,316,000
Total exploration and evaluation phases	6,440,444	4,478,637

(a) The value of the exploration expenditure is dependent upon:

- the continuance of the rights to tenure of the areas of interest;
- the results of future exploration; and
- the recoupment of costs through successful development and exploitation of the areas of interest, or alternatively, by their sale.

(b) Impairment

During the year ended 30 June 2024, the Company recognised impairment losses in respect of capitalised exploration and evaluation to the extent of \$264,755 (30 June 2023: \$6,279,048). The impairment made during the year was recognised on:

- The Company's non-core gold assets that include 100% interest in the Nickol River Gold Project tenements in Western Australia (**Nickol River Project**) and the Longwood Range Gold Copper PGE Project, Mareburn Gold Project, Macraes South Gold Project, Drybread – Waikerikeri Gold Project, and Muirs Gold Project located on the North and South Islands of New Zealand (**NZ Projects**), and
- areas of interest where sufficient data existed at balance date to indicate that the carrying amount of the exploration and evaluation asset was unlikely to be recovered in full from successful development or by sale.

(c) During the year ended 30 June 2024, the Company repaid a debt of \$200,000 in relation to the Block 103 acquisition.

Certain of Cyclone's exploration properties may be subjected to claim(s) under native title, or contain sacred sites, or sites of significance to Indigenous people. As a result, exploration properties or areas within the tenements may be subject to exploration restrictions, mining restrictions and/or claims for compensation. At this time, it is not possible to quantify whether such claims exist, or the quantum of such claims.

11. TRADE AND OTHER PAYABLES

	2024	2023
	\$	\$
Trade payables	1,253,793	523,022
Other creditors and accruals	133,120	113,640
Withholding tax	4,992	5,014
	<u>1,391,905</u>	<u>641,676</u>

Risk Exposure

The Group's exposure to risk is discussed in note 22.

Terms and Conditions

Terms and conditions relating to the above financial instruments:

- (i) Trade creditors are non-interest bearing and are normally settled on 30-day terms.
- (ii) Sundry creditors and accruals are non-interest bearing and have an average term of 30 days.

12. PROVISIONS

	2024	2023
	\$	\$
Employee entitlements	134,641	126,260
	<u>134,641</u>	<u>126,260</u>

13. LOAN PAYABLE AT AMORTISED COST

	2024	2023
	\$	\$
Loan payable – European Lithium Ltd	2,274,384	-
	<u>2,274,384</u>	<u>-</u>

Movements in the carrying amount of loan payable:

	2024	2023
	\$	\$
Balance at beginning of period	-	1,014,178
Drawdown of loan	2,290,000	1,250,000
Accrued interest (note 3(d))	74,902	86,336
Repayment of borrowing in cash	(90,518)	
Repayment of borrowings through the issue of shares	-	(2,350,514)
	<u>2,274,384</u>	<u>-</u>

On 14 September 2023, the Company entered into a loan agreement and received funds of \$200,000 from European Lithium Ltd (ASX: EUR). The loan is secured over 25,000,000 unencumbered shares held by the Company in CuFe Limited (ASX: CUF). This loan is repayable on 31 December 2024 and accrues interest of 7.5% per annum. On 19 October 2023, the Company entered into a further loan agreement with EUR and was advanced funds of \$90,000. On 16 November 2023, the Company repaid this loan, including accrued interest of \$518. On 12 March 2024, the Company entered into a further loan agreement with EUR and was advanced funds of \$2,000,000. The loan is secured over the Company's Iron Bear Project. This loan is repayable on 31 December 2024 and accrues interest of 10.0% per annum.

As at 30 June 2024, a total of \$2,274,384 is repayable to EUR comprising principal loans of \$2,200,000 and accrued interest of \$74,384.

14. CONVERTIBLE NOTE

	2024	2023
	\$	\$
Loan payable – CPS Capital Group	-	-
	<u>-</u>	<u>-</u>

Movements in the carrying amount of convertible notes

	2024	2023
	\$	\$
Balance at beginning of period	-	-
Proceeds from borrowing	1,340,000	-
Accrued interest (note 3(d))	418,750	-
Repayment of borrowing in cash	(1,758,750)	-
	<u>-</u>	<u>-</u>

On 14 November 2023, the Company announced that it had entered into a loan securities agreement brokered by CPS Capital Group Pty Ltd (CPS) through the issue of 1,340,000 notes. In March 2024, the Company repaid the convertible notes, including interest of \$418,750.

As at 30 June 2024 there were nil convertible notes remaining.

15. ISSUED CAPITAL

	2024	2023
	\$	\$
10,471,171,567 fully paid ordinary shares (2023: 10,264,504,927)	236,425,002	236,218,336
	<u>236,425,002</u>	<u>236,218,336</u>

The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital. Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held and in proportion to the amount paid up on the shares held. At shareholders meetings, each ordinary share is entitled to one vote in proportion to the paid-up amount of the share when a poll is called, otherwise each shareholder has one vote on a show of hands.

Movement in ordinary shares on issue

	Ordinary fully paid shares	
	Number	\$
2024		
Shares on issue at 1 July 2023	10,264,504,927	236,218,336
Shares issued during the period – Directors (note 21)	146,666,640	146,666
Shares issued during the period – Conversion of loan (i)	60,000,000	60,000
Shares on issue at 30 June 2024	10,471,171,567	236,425,002
	Ordinary fully paid shares	
	Number	\$
2023		
Shares on issue at 1 July 2022	6,104,236,982	227,796,301
Shares issued during the period – Placement	540,000,000	1,350,000
Shares issued during the period – Placement	12,500,000	-
Shares issued during the period – Broker shares	25,000,000	50,000
Shares issued during the period – Directors	161,111,096	322,221
Shares issued during the period – Consultants	26,400,000	52,800
Shares issued during the period – Conversion of loan	1,175,256,849	2,350,514
Shares issued during the period – P47/1812 acquisition	60,000,000	120,000
Shares issued during the period – Block 103 acquisition	2,160,000,000	4,320,000
Capital raising costs	-	(143,500)
Shares on issue at 30 June 2023	10,264,504,927	236,218,336

(i) On 5 December 2023, the Company issued 60,000,000 shares to settle a liability in respect to the acquisition of Block 103 at a deemed issue price of \$0.0025 per share. The fair value of these shares on issue date was \$0.001 per share which resulted in a gain in the extinguishment of liabilities of \$90,000.

Capital Risk Management

The Group's objective when managing capital is to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the Group monitors capital based on the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including "borrowings" and "trade and other payables" as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as "equity" as shown in the statement of financial position plus net debt.

	2024	2023
	\$	\$
Total trade and other payables	1,391,905	641,676
Loan payable	2,274,384	-
less: cash and cash equivalents	(98,024)	(128,082)
Net debt	3,568,265	513,594
Total equity	8,311,046	12,935,134
Total capital	11,879,311	13,448,728
Gearing ratio	30%	4%

16. RESERVES

	2024 \$	2023 \$
Foreign currency translation reserve	22,227,356	22,223,713
Share-based payments reserve	4,128,426	3,700,805
Business combination reserve	(1,090,501)	(1,090,501)
	<u>25,265,281</u>	<u>24,834,017</u>
Foreign currency translation reserve		
Balance at beginning of financial year	22,223,713	22,219,146
Foreign currency exchange differences arising on translation of foreign operations	3,643	4,567
Balance at end of financial year	<u>22,227,356</u>	<u>22,223,713</u>
Share-based payments reserve		
Balance at beginning of financial year	3,700,805	3,412,964
Acquisition of P47/1812	-	26,368
Share-based payments	427,621	261,473
Balance at end of financial year	<u>4,128,426</u>	<u>3,700,805</u>

Nature and Purpose of Reserves**Foreign currency translation reserve**

The foreign currency translation reserve is used to record exchange differences arising from the translation of financial statements of foreign subsidiaries.

Share-based payments reserve

The share-based payments reserve records items recognised as expenses on valuation of employee share options, as well as options and performance rights issued to directors and consultants.

Business combination reserve

The equity reserve is used to record the differences which may arise as a result of transactions with non-controlling interests that do not result in a loss of control.

17. ACCUMULATED LOSSES

	2024 \$	2023 \$
Balance at beginning of financial year	(248,117,219)	(242,625,658)
Loss for the year	(5,262,018)	(5,491,561)
Balance at end of financial year	<u>(253,379,237)</u>	<u>(248,117,219)</u>

18. SHARE-BASED PAYMENT ARRANGEMENTS**(a) Shares****Share-based payments granted during the current year**

There were no share-based payments made during the year ended 30 June 2024.

Share-based payments granted during the prior year

There were no share-based payments made during the year ended 30 June 2023.

(b) Options**Options outstanding at reporting date for share-based payments**

The following options were outstanding at 30 June 2024:

Grant Date	Exercise Price	Number of Options	Expiry Date	Listed/Unlisted
6 December 2023	\$0.002	100,000,000	19/01/2027	Unlisted
18 January 2024	\$0.002	60,000,000	12/03/2026	Unlisted
22 February 2023	\$0.003	30,000,000	22/02/2025	Unlisted
18 October 2023	\$0.002	100,000,000	18/10/2024	Unlisted
29 November 2023	\$0.003	500,000,000	05/12/2024	Unlisted
8 January 2024	\$0.003	20,000,000	05/12/2024	Unlisted
29 November 2023	\$0.005	240,000,000	05/12/2025	Unlisted
8 January 2024	\$0.005	20,000,000	05/12/2025	Unlisted
29 November 2023	\$0.010	210,000,000	05/12/2026	Unlisted
		<u>1,280,000,000</u>		

Reconciliation of options on issue

The following reconciles the outstanding share options granted, exercised and lapsed during the financial year:

	2024		2023	
	Number of Options	Weighted Average Exercise Price \$	Number of Options	Weighted Average Exercise Price \$
Balance at beginning of the financial year	61,250,000	0.004	204,533,333	0.005
Granted during the financial year	1,250,000,000	0.0044	36,250,000	0.003
Lapsed during the financial year	(31,250,000)	(0.0058)	(179,533,333)	(0.0051)
Balance at end of the financial year	<u>1,280,000,000</u>	<u>0.0044</u>	<u>61,250,000</u>	<u>0.004</u>
Exercisable at end of the financial year	<u>1,280,000,000</u>	<u>0.0044</u>	<u>61,250,000</u>	<u>0.004</u>

(c) Performance rights**(a) Performance rights granted during the current year**

There were no performance rights issued during the current year.

(b) Performance rights granted during the prior year

There were no performance rights issued during the year ended 30 June 2023.

(d) Expenses arising from share-based payments

Total costs arising from share-based payment transactions recognised as expenses during the year are as follows:

	2024 \$	2023 \$
Options issued to directors and consultants (a)	334,089	-
Options issued to consultants (b)	93,532	-
Performance rights issued to directors (note 18(c))	-	261,473
Total share-based payments expense recognised in profit or loss	<u>427,621</u>	<u>261,473</u>

(a) On 5 December 2023, the Company issued 650,000,000 incentive options to Directors of the Company and 300,000,000 incentive options to consultants of the Company as approved by shareholders at the Company's AGM held 29 November 2023 as follows:

- 500,000,000 Class A incentive options with an exercise price of \$0.003 expiring 5 December 2024
- 240,000,000 Class B incentive options with an exercise price of \$0.005 expiring 5 December 2025
- 210,000,000 Class C incentive options with an exercise price of \$0.01 expiring 5 December 2026

	Number of Options	Grant date	Expiry Date	Exercise Price	Fair value at grant date	Vesting date
Options issued to Directors – Class A	320,000,000	29 November 2023	5 December 2024	\$0.003	\$0.0003	29 November 2023
Options issued to Directors – Class B	170,000,000	29 November 2023	5 December 2025	\$0.005	\$0.00039	29 November 2023
Options issued to Directors – Class C	160,000,000	29 November 2023	5 December 2026	\$0.010	\$0.0004	29 November 2023
Options issued to Consultants – Class A	180,000,000	29 November 2023	5 December 2024	\$0.003	\$0.0003	29 November 2023
Options issued to Consultants – Class B	70,000,000	29 November 2023	5 December 2025	\$0.005	\$0.00039	29 November 2023
Options issued to Consultants – Class C	50,000,000	29 November 2023	5 December 2026	\$0.010	\$0.0004	29 November 2023

The fair value of the equity-settled share options granted is estimated as at the date of grant using the Black and Scholes model taking into account the terms and conditions upon which the options were granted.

	Assumptions		
	Class A	Class B	Class C
Number options issued	500,000,000	240,000,000	210,000,000
Dividend yield	0.00%	0.00%	0.00%
Expected volatility	100%	100%	100%
Risk-free interest rate	4.25%	4.25%	4.25%
Expected life of options	1 year	2 years	3 years
Exercise price	\$0.003	\$0.005	\$0.010
Grant date share price	\$0.0015	\$0.0015	\$0.0015

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value.

On 8 January 2024, the Company issued 40,000,000 incentive options to consultants of the Company as follows:

- 20,000,000 Class A incentive options with an exercise price of \$0.003 expiring 5 December 2024
- 20,000,000 Class B incentive options with an exercise price of \$0.005 expiring 5 December 2025

	Number of Options	Grant date	Expiry Date	Exercise Price	Fair value at grant date	Vesting date
Options issued to Consultants – Class A	20,000,000	8 January 2024	5 December 2024	\$0.003	\$0.0001	8 January 2024
Options issued to Consultants – Class B	20,000,000	8 January 2024	5 December 2025	\$0.005	\$0.0002	8 January 2024

The fair value of the equity-settled share options granted is estimated as at the date of grant using the Black and Scholes model taking into account the terms and conditions upon which the options were granted.

	Assumptions	
	Class A	Class B
Number options issued	20,000,000	20,000,000
Dividend yield	0.00%	0.00%
Expected volatility	100%	100%
Risk-free interest rate	3.83%	3.83%
Expected life of options	1 year	2 years
Exercise price	\$0.003	\$0.005
Grant date share price	\$0.0001	\$0.0001

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value.

(b) On 18 October 2023, the Company issued 100,000,000 unlisted options to an advisor of the Company as consideration for the provision of marketing and promotional services to the Company.

On 6 December 2023, the Company agreed in principle to issue 100,000,000 unlisted options to an advisor of the Company as consideration in providing lead manager, broker and corporate advisory services to the Company. These options were issued on 19 January 2024 following receipt of board approval.

On 12 March 2024, the Company issued 60,000,000 unlisted options to an advisor of the Company pursuant to an option subscription agreement.

The fair value of these options was calculated with reference to the share price at grant date:

	Number of Options	Grant date	Expiry Date	Exercise Price	Fair value at grant date	Vesting date
Options issued to corporate advisor	100,000,000	18 October 2023	18 October 2024	\$0.002	\$0.0002	18 October 2023
Options issued to corporate advisor	100,000,000	6 December 2023	19 January 2027	\$0.002	\$0.0005	19 January 2024
Options issued to corporate advisor	60,000,000	18 January 2024	12 March 2025	\$0.002	\$0.0004	18 January 2024

19. OTHER UNLISTED OPTIONS

The following refers to unlisted options issued by the Company which do not constitute a share-based payment.

(a) Options granted during the current year

There were no other options issued during the current year.

(b) Options granted during the prior year

On 22 February 2023, the Company issued 30,000,000 unlisted options (\$0.003 each expiring 22 February 2025) in respect to the acquisition of P47/1812.

20. LOSS PER SHARE

	2024 Cents per Share	2023 Cents per Share
Basic and diluted loss per share (a)	(0.05)	(0.08)

(a) Basic and Diluted Loss per Share

The loss and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

	2024 \$	2023 \$
Loss for the year	(5,262,018)	(5,491,561)

	2024 Number	2023 Number
Weighted average number of ordinary shares for the purposes of basic earnings per share	10,382,519,484	6,914,751,450

There are 1,280,000,000 share options (30 June 2023: 61,250,000) excluded from the calculation of diluted earnings per share that could potentially dilute basic earnings per share in the future because they are anti-dilutive for the current period presented.

Since 30 June 2024 and prior to the date of release of these financial statements, nil (30 June 2023: nil) share options have been forfeited and nil (30 June 2023: nil) share options have been exercised.

Since 30 June 2023 and prior to the date of release of these financial statements, nil (30 June 2022: nil) performance rights have lapsed and nil (30 June 2023: nil) performance rights have vested.

21. RELATED PARTY DISCLOSURES**Loans with related parties**

On 14 September 2023, the Company entered into a loan agreement and received funds of \$200,000 from European Lithium Ltd (ASX: EUR). The loan is secured over 25,000,000 unencumbered shares held by the Company in CuFe Limited (ASX: CUF). This loan is repayable on 31 December 2024 and accrues interest of 7.5% per annum. On 19 October 2023, the Company entered into a further loan agreement with EUR and was advanced funds of \$90,000. On 16 November 2023, the Company repaid this loan, including accrued interest of \$518. On 12 March 2024, the Company entered into a further loan agreement with EUR and was advanced funds of \$2,000,000. The loan is secured over the Company's Iron Bear Project. This loan is repayable on 31 December 2024 and accrues interest of 10.0% per annum (refer note 13). Mr Antony Sage is a director of EUR.

Agreements entered into with related partiesOffice lease agreement with Okewood Pty Ltd

Effective 1 February 2021, the Company entered into a lease agreement with Okewood Pty Ltd, a company owned by Tony Sage, for the part-lease of 32 Harrogate Street, West Leederville WA 6007 (**Lease Agreement**). The term of the Lease Agreement is ongoing commencing 1 February 2021 for a rent of \$2,500 per month. The lease covers the rental, outgoings and parking charges under agreements made on commercial terms and conditions at market rates.

Investments in related parties

During the year ended 30 June 2024, the Company sold 750,000 shares in European Lithium Ltd (ASX: EUR) (refer to note 8). Mr Tony Sage is a director of EUR.

During the year ended 30 June 2024, the Company sold 13,466,667 shares in CuFe Ltd (ASX: CUF) (refer to note 8). Mr Tony Sage is a director of CUF.

Transactions with related parties

Transactions between related parties are on commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following table provides the total amount of transactions (excluding loans with related parties and remuneration) that have been entered into with related parties for the relevant financial year.

		Sales to related parties	Purchases from related parties	Amounts owed by related parties	Amounts owed to related parties
<i>Director related entities:</i>					
CuFe Limited	2024	29,262	-	7,316	-
CuFe Limited	2023	81,289	-	37,031	-
European Lithium Limited	2024	600	-	150	-
European Lithium Limited	2023	32,510	1,000	4,559	-
Okewood Pty Ltd	2024	-	30,000	-	15,000
Okewood Pty Ltd	2023	-	30,000	-	10,000
Gambosch Consulting Pty Ltd	2024	-	-	-	-
Gambosch Consulting Pty Ltd	2023	-	77,415	-	9,082

Sales to and purchases from director related entities for the year ended 30 June 2024 relates to the reimbursement of occupancy, investor relations, travel, capital raising and other costs.

Relates party entities comprise:

- Tony Sage is a director of European Lithium Limited and CuFe Limited
- Okewood Pty Ltd is an entity controlled by Tony Sage

Key management personnel

The following table discloses the remuneration of directors and key management personnel of the Company:

	2024 \$	2023 \$
Short-term employee benefits	758,833	700,167
Post-employment benefits	-	-
Share-based payments	226,967	261,473
Long-term employee benefits	-	-
	<u>985,800</u>	<u>961,640</u>

Detailed remuneration disclosures are provided in the remuneration report.

Equity instrument disclosures relating to key management personnel

On 16 October 2023, the Company announced that it had come to an agreement with a Director of the Company to convert \$146,666 of debt into equity (subject to shareholder approval, which was subsequently received on 29 November 2023). On 5 December 2023, the Company issued 146,666,640 shares to a Director of the Company to settle liabilities of \$146,666 at a deemed issue price of \$0.001 per share

22. FINANCIAL RISK MANAGEMENT

The Group is exposed to a variety of financial risks including market risk (currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to meet its financial targets whilst minimising potential adverse effects on financial performance. The Group uses different methods to measure different types of risk to which it is exposed.

These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks and aging analysis for credit risk. Risk management is carried out by the Board.

The Group holds the following financial instruments at 30 June 2024:

	At amortised cost	Fair value Through profit and loss	Through other comprehensive income
	\$	\$	\$
Financial assets			
Trade and other receivables	136,525	-	-
Financial assets at fair value through profit or loss	-	5,285,610	-
Total current	136,525	5,285,610	-
Other financial assets	-	53,843	-
Total non-current	-	53,843	-
Total assets	136,525	5,339,453	-
Financial liabilities			
Trade and other payables	1,391,905	-	-
Short term loan payable	2,274,384	-	-
Total current	3,666,289	-	-
Total liabilities	3,666,289	-	-

The Group holds the following financial instruments at 30 June 2023:

	At amortised cost	Fair value Through profit and loss	Through other comprehensive income
	\$	\$	\$
Financial assets			
Trade and other receivables	321,144	-	-
Financial assets at fair value through profit or loss	-	8,627,778	-
Total current	321,144	8,627,778	-
Other financial assets	-	53,843	-
Total non-current	-	53,843	-
Total assets	321,144	8,681,621	-
Financial liabilities			
Trade and other payables	641,676	-	-
Total current	641,676	-	-
Total liabilities	641,676	-	-

(a) Market Risk

(i) Foreign Currency Risk

The Group operates internationally and is exposed to foreign exchange risk arising from commercial transactions. The Group converted assets and liabilities into the functional currency where balances were denominated in a currency other than the Australian dollars.

The Group also has transactional currency exposures. Such exposure arises from sales or purchases by an operating entity in currencies other than the functional currency.

At the reporting date, the Group did not have any material balances of cash held in a foreign currency and therefore a movement of 10% in the foreign currency exchange rates as at 30 June 2024 would not have a material impact on the consolidated loss or equity.

Managements have set up a policy to monitor and measure this risk using sensitivity analysis and cash flow forecasting.

(ii) Cash Flow Interest Rate Risk

The Group's exposure to market interest rates relates primarily to the Group's cash and cash equivalents. The Group is exposed to movements in market interest rates on short term deposits.

At the reporting date, the Group had the following variable rate cash and cash equivalents and restricted cash:

	2024 \$	2023 \$
Financial assets:		
Cash and cash equivalents	98,024	128,082
Restricted cash	17,500	17,500
	<u>115,524</u>	<u>145,582</u>
Weighted average interest rate	1.75%	1.95%

Movement of 50 basis points on the interest rate (considered a reasonably possible change) would not have a material impact on the consolidated loss or equity.

(iii) Price Risk

The Group is exposed to equity securities price risk. This arises from investments held and classified on the statement of financial position as at fair value through profit or loss. The Group is not exposed to commodity price risk.

To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio which is done in accordance with the limits set by the Board of Directors.

The majority of the Group's equity investments are publicly traded on the Australian Securities Exchange (ASX) and are recognised as financial assets carried at fair value through profit or loss.

(b) Credit Risk

Credit risk is managed on a consolidated basis. Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group. The Group has adopted the policy of only dealing with credit worthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults. The maximum credit risk on financial assets, excluding investments, of the Group, which have been recognised on the statement of financial position, is the carrying amount, net of any provision for doubtful debts.

The Group is exposed to credit risk as a result of subscribing to loan notes and convertible loan notes issued by listed and unlisted entities. This credit risk is managed by obtaining adequate security over the loans, generally in the form of a fixed and floating charge over the assets of the borrower. Details of the loan notes and convertible loan notes to which the Group had subscribed during the year are listed in notes 13 and 14. Credit risk arises from trade receivables. The Group has adopted the policy of only dealing with credit worthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults. The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings.

The Company holds 89% (2023: 91%) of its cash and cash equivalents with banks with a Moody's credit rating on Aa3.

	2024 \$	2023 \$
Financial assets		
Cash and cash equivalents and restricted cash	115,524	145,582
Loans and receivables	136,525	321,144
Financial assets at fair value through profit or loss	5,285,610	8,627,778
Other financial assets	53,843	53,843
	<u>5,591,502</u>	<u>9,148,347</u>

(c) Liquidity Risk

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows in relation to its operational, investing and financing activities. At the reporting date, the Group has financing arrangements in place as disclosed under note 13.

(d) Fair Value Estimation

The fair value of financial assets and liabilities must be estimated for recognition and measurement or for disclosure purposes. The Directors consider that the carrying amounts of financial assets and financial liabilities recorded in the financial statements approximate their fair values. The carrying values of trade and other receivables net of impairment and the carrying value of payables approximate fair values due to their short-term nature.

AASB 7 Financial Instruments: Disclosures requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- (b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2), and
- (c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The carrying value of trade and other receivables, financial assets, trade and other payables and short term loan payables approximates to fair value.

Valuation techniques to derive level 1 fair values**Investments**

The fair value of listed investments is based on quoted market prices at the end of the reporting period.

Valuation techniques to derive level 3 fair values**Investments**

The fair value of unlisted investments is based on cost at the end of the reporting period.

23. COMMITMENTS

The Group has approximately \$2,187,833 (2023: \$276,071) in relation to its exploration tenements.

24. CONTINGENT ASSETS AND LIABILITIES**Contingent royalty for Block 103**

On 17 April 2023, the Company completed the acquisition of 100% of the issued share capital and voting rights of Labrador Iron Pty Ltd which owns 100% of Block 103 magnetite iron ore project, in Canada (**Block 103 Acquisition**). As part of the Block 103 Acquisition, the Company inherited existing royalties in place with Mandu Resources Ltd., Bedford Resources Partners Inc. and 743584 Ontario Inc. (the **Vendors**) where the

Vendors have retained a 1.8% royalty (the **Royalty**) on iron ore produced from the Schefferville Properties in Canada.

Contingent asset for future royalties payable from the Mayoko Iron Ore Project

In March 2012, Johannesburg Stock Exchange listed Exxaro Resources Limited (**Exxaro**) completed a takeover offer for all of the shares and listed options in African Iron Limited, a company in which the Company held 126,700,000 shares, delivering \$72.2 million in cash to the Company. African Iron Limited owns the Mayoko Iron Ore Project which is located in the Republic of Congo (**Mayoko Project**). As part of the takeover transaction, the Company retains a production royalty of AUD\$1.00 (indexed annually to the CPI) per tonne of iron ore shipped from the Mayoko Project (**Mayoko Royalty**). On 6 February 2014, the Company released an announcement advising shareholders that Exxaro has been granted a Mining Convention for the Mayoko Project. In September 2016 Exxaro announced the completion of the sale of the Mayoko Project to Sapro SA. On 13 February 2017, the Company released an announcement that it had sold the Mayoko Royalty for A\$1,000,000 subject to the formality of the new owners signing off on the transaction. As at 30 June 2018, the Company had received A\$500,000 in cash with the remaining A\$500,000 to be received as deferred consideration.

Contingent license fees for Sierra Leone projects

During the year ended 30 June 2019, the Company received a letter from the Sierra Leone Ministry of Mines (**MoM**) informing Marampa Iron Ore (SL) Limited (**Marampa SL**) of the cancellation of the Marampa mining license ML05/2014 due to non-payment of fees. In September 2014, Marampa SL submitted to the MoM an application letter entitled "Force Majeure to all Cape Lambert Operations in Sierra Leone" which was acknowledged by the MoM. The Company understood that the agreement with the MoM was that force majeure events were acknowledged and authorised and as such no fees would accrue or be payable until a processing facility was operating and Marampa SL is producing iron ore from Marampa. The Company understands that the notice of cancellation of license letter has incorrectly been issued by the new Sierra Leone government who are not aware of the agreement. The Company is of the view that there is no present obligation with respect to accrued exploration license fees since 2015 for its Sierra Leone projects due to the Company declaring force majeure and therefore the liability has been reversed in the financial statements.

25. SUBSIDIARIES

Name of Entity	Country of Incorporation	Ownership Interest	
		2024 %	2023 %
Cyclone Metals Limited	Australia	-	-
Subsidiaries			
African Minerals Exploration Ltd	Australia	100%	100%
Cape Lambert Minsec Pty Ltd	Australia	100%	100%
Danae Resources Pty Ltd	Australia	100%	100%
Dempsey Resources (Bermuda) Limited ¹	Bermuda	100%	100%
Dempsey Resources Pty Ltd	Australia	100%	100%
Grand Port Resources Pty Ltd	Australia	100%	100%
Iron Block 103 Corporation	Canada	100%	100%
Labrador Iron Pty Ltd	Australia	100%	100%
Marampa Iron Ore (Bermuda) Limited	Bermuda	100%	100%
Marampa Iron Ore (SL) Limited	Sierra Leone	100%	100%
Metals Exploration (Australia) Pty Ltd	Australia	100%	100%
Metal Exploration (SL) Limited	Sierra Leone	100%	100%
Midway Resources Limited	New Zealand	100%	100%
Mineral Resources (Bermuda) Limited ¹	Bermuda	100%	100%
Mineral Securities Investments (Australia) Pty Ltd	Australia	100%	100%
Mineral Securities Operations Pty Ltd	Australia	100%	100%
Mining International Pty Ltd	Australia	100%	100%
Nimitz Resources Limited	New Zealand	100%	100%
Pinnacle Group Assets (SL) Limited	Sierra Leone	100%	100%

¹ In the process of being liquidated or wound up.

26. PARENT ENTITY FINANCIAL INFORMATION

(a) Summary financial information

The individual financial statements of the parent entity show the following aggregate amounts:

	2024 \$	2023 \$
Statement of financial position		
Current assets	89,480	378,594
Total assets	1,458,366	2,543,194
Current liabilities	(21,608,238)	(25,714,082)
Total liabilities	(22,269,940)	(26,376,067)
 Shareholders' equity		
Issued capital	236,425,002	227,218,336
Reserves	2,876,118	2,448,497
Retained earnings	(260,112,694)	(262,499,705)
Total deficit	(20,811,574)	(32,832,872)
 Net profit/(loss) for the year	2,983,657	(11,609,621)
Total comprehensive profit/(loss)	2,983,657	(11,609,621)

(b) Guarantees entered into by the parent entity

The parent entity has provided financial guarantees in respect of environmental performance bonds for subsidiaries during the current year amounting to nil (2023: nil).

(c) Tax Consolidation

The Company and its 100% owned controlled entities have formed a tax consolidated group. Members of the Group have entered into a tax sharing arrangement in order to allocate income tax expense to the wholly owned controlled entities on a pro-rata basis. The agreement provides for the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. At reporting date, the possibility of default is remote. The head entity of the tax consolidated group is Cyclone Metals Limited.

Tax Effect Accounting by Members of the Tax Consolidated Group

Members of the tax consolidated group have entered into a tax funding agreement. The tax funding agreement provides for the allocation of current taxes to members of the tax consolidated group. Deferred taxes are allocated to members of the tax consolidated group in accordance with a group allocation approach which is consistent with the principles of *AASB 112 Income Taxes*. The allocation of tax under the tax funding agreement is recognised as an increase/decrease in the controlled entities' intercompany accounts with the tax consolidated group head Company, Cyclone Metals Limited. In this regard, the Company has assumed the benefit of tax losses from controlled entities of \$685,632 (2023: \$129,491) as of the reporting date. The Company has received a payment from the controlled entities of nil (2023: nil) as of the reporting date in respect of the current year tax liability for the tax consolidated group. The nature of the tax funding agreement is such that no tax consolidation contributions by or distributions to equity participants are required.

27. REMUNERATION OF AUDITORS

The auditor of Cyclone Metals Limited is BDO Audit Pty Ltd.

	2024 \$	2023 \$
Amounts received or due and receivable by BDO Audit Pty Ltd for:		
An audit or review of the financial report of the entity and any other entity in the Group	63,396	53,836
	63,396	53,836

The BDO entity performing the audit of the Group transitioned from BDO Audit (WA) Pty Ltd to BDO Audit Pty Ltd on 13 May 2024. The disclosures include amounts received or due and receivable by BDO Audit (WA) Pty Ltd, BDO Audit Pty Ltd and their respective entities.

28. EVENTS SUBSEQUENT TO REPORTING DATE

On 4 July 2024, the Company advised that it had entered into a convertible note agreement with its largest shareholder European Lithium Ltd (ASX: EUR) for \$350,000.

On 4 July 2024, the Company announced that it had come to an agreement with Okewood Pty Ltd to convert \$236,500 of current debt into equity (subject to shareholder approval).

On 19 July 2024, the Company announced that it had completed a placement to raise funds of \$1.870 million. The Company subsequently completed the placement on 30 July 2024 by the way of issue of 2,267,792,891 fully paid ordinary shares in the Company. On the same day, the Company announced that it is planning to undertake a share consolidation of twenty (20) existing shares for one (1) new share subject to receipt of shareholder approval. Subject to receipt of approval of the share consolidation, the Company announced that it is intending to undertake a pro-rate non-renounceable entitlement offer to eligible shareholders to raise up to \$5.39 million (before expenses).

On 19 July 2024, the Company confirmed the appointment of Mr David Sanders as Non-Executive Director of the Company.

On 23 July 2024, the Company confirmed the appointment of Mr Luke Martino as Non-Executive Director of the Company.

On 4 September 2024, the Company provided an operational update on its Iron Bear Project.

On 5 September 2024, the Company confirmed that Mr Tony Sage will transition to the role of Non-Executive Chairman effective immediately following the Annual General Meeting (AGM) of shareholders which is currently scheduled to be held on 31 October 2024.

There have been no other events subsequent to 30 June 2023 up to the date of this report that would materially affect the operations of the Group or its state of affairs which have not otherwise been disclosed in this financial report.

Entity Name	Entity Type	Place formed / Country of incorporation	Ownership Interest %	Australian or Foreign Tax Resident	Foreign Tax Residency
Cyclone Metals Ltd	Body corporate	Australia	n/a	Australia*	n/a
<i>Subsidiaries</i>					
African Minerals Exploration Ltd	Body corporate	Australia	100	Australia*	n/a
Cape Lambert Minsec Pty Ltd	Body corporate	Australia	100	Australia*	n/a
Danae Resources Pty Ltd	Body corporate	Australia	100	Australia*	n/a
Dempsey Resources (Bermuda) Limited ¹	Body corporate	Bermuda	100	Australia*	n/a
Dempsey Resources Pty Ltd	Body corporate	Australia	100	Australia*	n/a
Grand Port Resources Pty Ltd	Body corporate	Australia	100	Australia*	n/a
Iron Block 103 Corporation	Body corporate	Canada	100	Foreign	Canada
Labrador Iron Pty Ltd	Body corporate	Australia	100	Australia*	n/a
Marampa Iron Ore (Bermuda) Limited	Body corporate	Bermuda	100	Australia*	n/a
Marampa Iron Ore (SL) Limited	Body corporate	Sierra Leone	100	Foreign	Sierra Leone
Metals Exploration (Australia) Pty Ltd	Body corporate	Australia	100	Australia*	n/a
Metal Exploration (SL) Limited	Body corporate	Sierra Leone	100	Foreign	Sierra Leone
Midway Resources Limited	Body corporate	New Zealand	100	Foreign	New Zealand
Mineral Resources (Bermuda) Limited ¹	Body corporate	Bermuda	100	Australia*	n/a
Mineral Securities Investments (Australia) Pty Ltd	Body corporate	Australia	100	Australia*	n/a
Mineral Securities Operations Pty Ltd	Body corporate	Australia	100	Australia*	n/a
Mining International Pty Ltd	Body corporate	Australia	100	Australia*	n/a
Nimitz Resources Limited	Body corporate	New Zealand	100	Foreign	New Zealand
Pinnacle Group Assets (SL) Limited	Body corporate	Sierra Leone	100	Foreign	Sierra Leone

* Cyclone Metals Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime.

Directors' Declaration

In accordance with a resolution of the directors of Cyclone Metals Limited, I state that:

1. In the opinion of the directors:
 - (a) the financial statements and notes of Cyclone Metals Limited for the financial year ended 30 June 2024 are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position of the Group as at 30 June 2024 and of its performance, for the period ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations), the Corporations Regulations 2001, professional reporting requirements and other mandatory requirements; and
 - (iii) complying with International Financial Reporting Standards as disclosed in note 2(c).
 - (b) Subject to the matters set out in note 2(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.
 - (c) The information disclosed in the attached consolidated entity disclosure statement is true and correct.
2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with *section 295A* of the *Corporations Act 2001* for the year ended 30 June 2024.

Signed in accordance with a resolution of the Directors:



Tony Sage
Executive Chairman

Perth, 25 September 2024

INDEPENDENT AUDITOR'S REPORT

To the members of Cyclone Metals Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Cyclone Metals Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, 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 year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with 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 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 report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 2 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Carrying value of exploration and evaluation expenditure

Key audit matter	How the matter was addressed in our audit
As disclosed in Note 10 to the Financial Report, the carrying value of capitalised exploration and evaluation expenditure represents a significant asset of the Group. Refer to Note 2 of the Financial Report for a description of the accounting policy and significant judgements applied to capitalised exploration and evaluation expenditure. In accordance with AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i> (“AASB 6”), the recoverability of exploration and evaluation expenditure requires significant judgment by management in determining whether there are any facts or circumstances that exist to suggest that the carrying amount of this asset may exceed its recoverable amount. As a result, this is considered a key audit matter.	Our procedures included, but were not limited to: • Obtaining a schedule of the areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date; • Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group’s exploration budgets, ASX announcements and directors’ minutes; • Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Considering whether any facts or circumstances existed to suggest impairment testing was required; and • Assessing the adequacy of the related disclosures in Notes 2 and 10 to the Financial Report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 25 to 30 of the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Cyclone Metals Limited, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd

A handwritten signature in black ink, appearing to be 'Neil Smith', written over a small, faint BDO logo.

Neil Smith

Director

Perth, 25 September 2024

Additional Stock Exchange Information

Cyclone Metals Limited is a listed public company, incorporated in Australia.

The Company's registered and principal place of business is 32 Harrogate Street, West Leederville, Western Australia 6007 Australia.

(a) Distribution of equity securities

The distribution of members and their holdings of equity securities in the Company as at 31 August 2024 are as follows:

Category (size of holding)	Total Holders	Number of Units	%
1- 1,000	44	10,465	0.00
1,001- 5,000	80	236,058	0.00
5,001- 10,000	62	507,805	0.00
10,001- 100,000	295	18,476,876	0.15
100,001 – 999,999,999	2,087	12,719,733,254	99.85
Total	2,568	12,738,964,458	100.00

Equity Securities

As at 31 August 2024, there were 2,568 shareholders, holding 12,738,964,458 fully paid ordinary shares.

All issued ordinary shares carry one vote per share and are entitled to dividends.

The number of shareholders holding less than a marketable parcel of shares is 1,225.

(b) Twenty Largest Shareholders

The names of the twenty largest fully paid ordinary shareholders as at 31 August 2024 are as follows:

	Name	Number of Fully Paid Ordinary Shares Held	% held of Issued Capital
1	EUROPEAN LITHIUM LIMITED	1,180,256,849	9.26
2	BNP PARIBAS NOMS PTY LTD	793,712,119	6.23
3	MR ANTONY WILLIAM PAUL SAGE + MS LUCY FERNANDES SAGE <EGAS SUPER FUND A/C>	730,042,498	5.73
4	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	291,073,432	2.28
5	CITICORP NOMINEES PTY LIMITED	235,169,015	1.85
6	BNP PARIBAS NOMINEES PTY LTD <CLEARSTREAM>	230,018,938	1.81
7	GILMORE CAPITAL LIMITED	225,000,000	1.77
8	ANGKOR IMPERIAL RESOURCES PTY LTD <TURKISH BREAD S/F A/C>	213,641,936	1.68
9	DC & PC HOLDINGS PTY LTD <DC & PC NEESHAM SUPER A/C>	191,482,778	1.50
10	CELTIC FINANCE CORP PTY LTD	185,647,059	1.46
11	EMPIRE CAPITAL PARTNERS PTY LTD	178,750,000	1.40
12	E-MERGE FZE	160,000,000	1.26
13	ALPHA CAPITAL ANSTALT	154,948,000	1.22
14	DORALEDA PTY LTD	140,387,500	1.10
15	RIMOYNE PTY LTD	132,482,010	1.04
16	MR ROBERT PHILIP GRANT	125,000,000	0.98
17	BEIRNE TRADING PTY LTD	120,687,230	0.95
18	STONEFIELD DEVELOPMENTS PTY LTD <STONEFIELD DISCRETIONARY A/C>	109,337,223	0.86
19	WESTCAP PTY LTD	100,203,127	0.79
20	MR GEORGE SPIROS PAPAConstantinos	95,412,185	0.75
		5,593,251,899	43.92

(c) Substantial shareholders

The names of the substantial shareholders in accordance with section 671B of the Corporations Act 2001 at 31 August 2024 are as follows:

	Fully paid ordinary shareholders	Number of shares held	% held of Issued Capital
1	EUROPEAN LITHIUM LIMITED	1,180,256,849	9.26
2	MR ANTONY WILLIAM PAUL SAGE + MS LUCY FERNANDES SAGE <EGAS SUPER FUND A/C>	730,042,498	5.73

(d) Voting Rights

In accordance with the Company's constitution, on show of hands every member present in person or by proxy or attorney or duly authorised representative had one vote. On a poll every member present in person or by proxy or attorney or duly authorised representative has one vote for every fully paid ordinary share held. Options do not carry a right to vote.

(e) Unquoted securities

At 31 August 2024 the Company has 1,280,000,000 unlisted options on issue.

The names of security holders holding more than 20% of an unlisted class of security are listed below:

Name	Unlisted Options Exercisable at \$0.003 Expiring 22 February 2025	Unlisted Options Exercisable at \$0.002 Expiring 18 October 2026
Winance Investment LLC	-	100,000,000
Stonefield Developments Pty Ltd <ATF Stonefield Discretionary A/C>	30,000,000	-
	30,000,000	100,000,000

Name	Unlisted Options Exercisable at \$0.003 Expiring 5 December 2024	Unlisted Options Exercisable at \$0.003 Expiring 5 December 2025	Unlisted Options Exercisable at \$0.005 Expiring 5 December 2026
Paul Henry Victor Berend	100,000,000	200,000,000	100,000,000
Okewood Pty Ltd	50,000,000	-	-
Holders < 20%	60,000,000	320,000,000	160,000,000
	210,000,000	520,000,000	260,000,000

Name	Unlisted Options Exercisable at \$0.002 Expiring 19 January 2027	Unlisted Options Exercisable at \$0.002 Expiring 12 March 2026
Celtic Capital Pty Ltd	66,000,000	37,700,000
Reeve Ventures Pty Ltd	-	22,300,000
Holders < 20%	34,000,000	-
	100,000,000	60,000,000

Schedule of Mineral Tenements Held at 30 June 2024

Tenement	Project & Location	Interest
Kukuna Project - EL 22/2012	Kukuna – Sierra Leone	100%
ML 90098	Wee MacGregor - Queensland	20%
ML 2504	Wee MacGregor - Queensland	20%
ML 2771	Wee MacGregor - Queensland	100%
ML 2773	Wee MacGregor - Queensland	20%
L47/565	Nickol River – Western Australia	100%
L47/686	Nickol River – Western Australia	100%
L47/687	Nickol River – Western Australia	100%
L47/688	Nickol River – Western Australia	100%
L47/689	Nickol River – Western Australia	100%
M47/087	Nickol River – Western Australia	100%
M47/127	Nickol River – Western Australia	100%
M47/401	Nickol River – Western Australia	100%
M47/421	Nickol River – Western Australia	100%
M47/435	Nickol River – Western Australia	100%
M47/455	Nickol River – Western Australia	100%
M47/577	Nickol River – Western Australia	100%
P47/1524	Nickol River – Western Australia	100%
P47/1812	Nickol River – Western Australia	100%
EP60671	Muir's Reef – New Zealand	100%
PP60709	Muir's Surrounds – New Zealand	100%
EP60663	Mareburn – New Zealand	100%
PP60700	Macraes South – New Zealand	100%
PP60707	Drybread – New Zealand	100%
PP60708	Waikerikeri – New Zealand	100%
EP61013	Swampy Hill – New Zealand	100%
EP60692	Longwood Range Tops – New Zealand	100%
Iron Bear	Labrador Trough - Canada	100%