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Zinc of Ireland NL

ABN 23 124 140 889

and its controlled entities

**Half year report for the half-year ended
31 December 2023**

Company Directory

Board of Directors

Mr Peter Huljich	Non-Executive Chairman
Mr Thomas Corr	Non-Executive Director
Dr Julian Barnes	Non-Executive Director
Mr Jerry Monzu	Non-Executive Director

Company Secretary

Mr Jerry Monzu

Registered Office and Principal Place of Business

Suite B9, 431 Roberts Road
Subiaco WA 6008
Tel: +61 8 9287 4600

Postal Address

Suite B9, 431 Roberts Road
Subiaco WA 6008

Auditors

Hall Chadwick WA Audit Pty Ltd
283 Rokeby Road, Subiaco, WA 6008

Share Registry

Automic Registry Services
Level 2, 267 St Georges Terrace
Perth WA 6000

Stock Exchange

Australian Securities Exchange
Level 40, Central Park
152- 158 St Georges Terrace
Perth WA 6000

ASX Code

ZMI

Half year report for the half-year ended 31 December 2023

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Director's Report

The directors of Zinc of Ireland NL ("Zinc of Ireland" or the "Company") (ASX: ZMI) submit the financial report of Zinc of Ireland and its controlled entities ("the Group") for the half-year ended 31 December 2023. In order to comply with the provisions of the Corporations Act 2001, the directors report is as follows:

Names of Directors

The names of directors of the Company during or since the end of the half-year are:

Mr Peter Huljich	Non-Executive Chairman
Mr Thomas Corr	Non-Executive Director
Dr Julian Barnes	Non-Executive Director
Mr Jerry Monzu	Non-Executive Director

The above named directors have been in office since the start of the half-year to the date of this report unless otherwise stated.

Operating and financial review

The loss of the Group for the half-year ended 31 December 2023, after accounting for income tax, amounted to \$1,443,134 (2022: \$262,847) which includes an impairment amount of \$1,114,476.

During the half-year, the Company relinquished Tenement EL 36/3824 at the non-core Earraheedy project. In accordance with AASB 6: Exploration for and Evaluation of Mineral Resources, accumulated costs carried forward of \$1,114,476 have been written off.

Rathdowney Project (including Kildare Zn-Pb Resource) – Ireland

During the half year period to 31 December 2023 Zinc of Ireland has continued to explore its tenement position on the Rathdowney Trend, Ireland. The Company's tenure has been compiled through application and government auction as well as acquisition from third parties. The Company now controls 73 ZMI's Irish portfolio covers 130km of the Rathdowney Trend or in terms of area, approximately 2,600km² as shown on Figure 1. This places ZMI in control of what is arguably one of the most prospective belts of ground for high grade, large tonnage, "Irish Type" Zn/Pb deposits in the world. ZMI has carried out a variety of geochemical programmes on various Rathdowney trend PLs in the latter half of 2023. The data from this fieldwork, is being combined with a wealth of available historical data to allow the Company to define areas of local scale prospectivity.

Highlights for the half year:

- The Company received formal Letters of Offer from the Geoscience Regulation Office (GSRO) during the half to successfully extend four (4) of the Company's PLs for a further two years based on previously submitted Review Reports. The Company accepted these routine offers of extension for PLs 3846, 3866, 4069 and 4070 at the Kildare Block.
- In addition, the Company received and accepted Letters of Offer to renew PLs 3318, 4035 and 4510 at the Holycross block and at PL890 at the Kildare Block for a further period of six years.
- A total of 643 Deep Overburden ("DOB") samples were collected during the period on PL's 3846, 3866, 4069 and 4070. These analytical results were received during Q4 allowing them to be compiled into the Company's GIS system in support of updating target generation activities as the Company continues its policy of refining and optimising the geological prospectivity of its Irish exploration assets. Subject to this current review of historical data and geological prospectivity, the Company expects to further refine its total holdings in Ireland (currently seventy-three (73) PL's in total) into 2024.

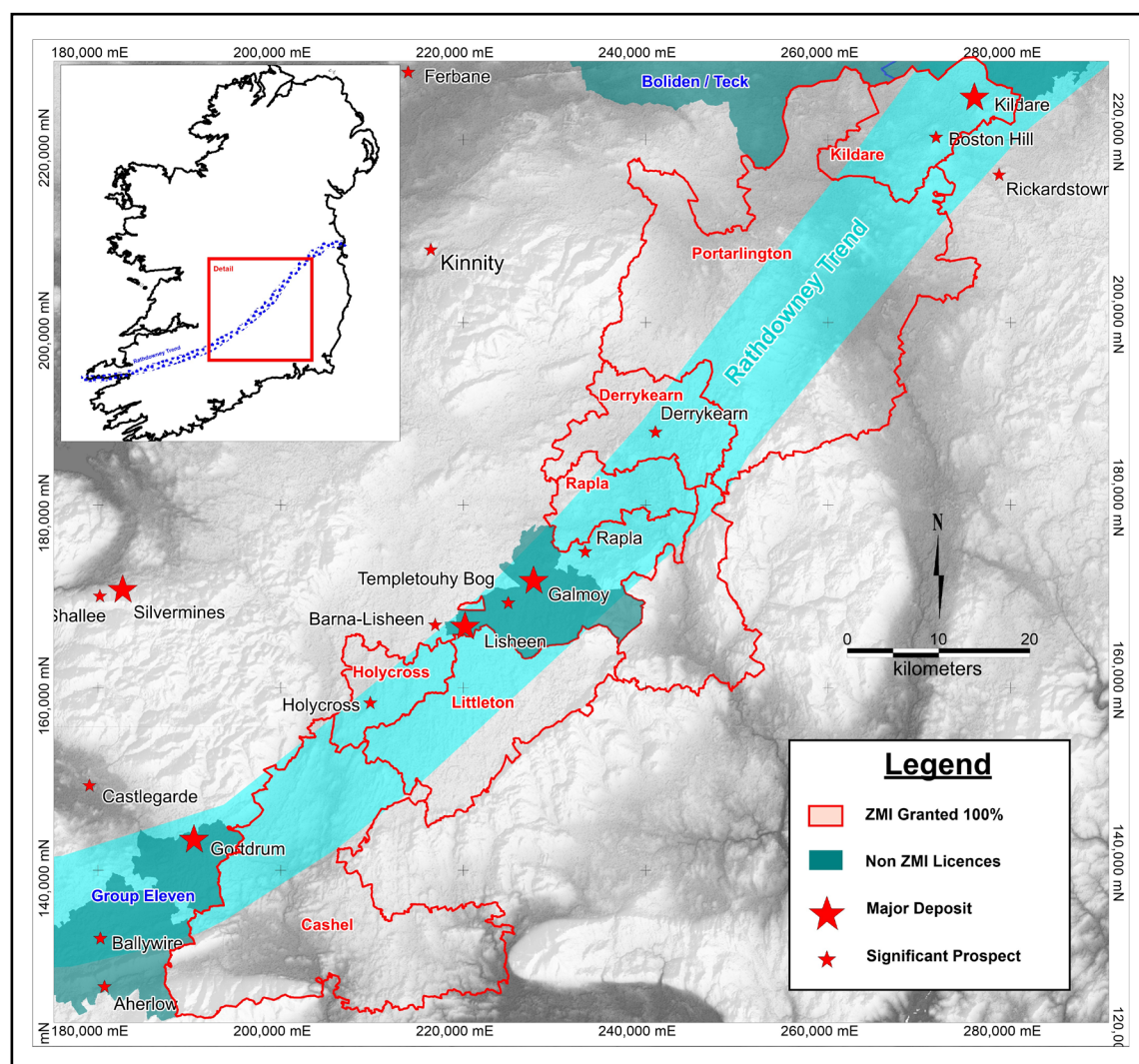


Figure 1. ZMI Licence position on the Rathdowney Trend

An updated Inferred Mineral Resource Estimate for the Kildare Project was reported to the ASX on 8 September 2020 with resources now standing at: **11.3 Mt @ 9.0% Zn+Pb (7.8% Zn and 1.2% Pb)** at a 5.0% Zn equivalent cut off. Assaying and interpretation of drilling undertaken into the Fault Compartment 3 (FC3) area at Kildare was completed early in 2020. This work was included into the Company's updated Inferred Mineral Resource Estimate (MRE) for the Kildare project details of which are given in (Table 1) below.

McGregor Shamrock and FC3 Inferred Mineral Resource							
Deposit	ZnEq Cut Off (%)	Mt	Zn%	Pb%	Zn + Pb%	Zn (kt)	Pb (kt)
McGregor	3.5	13.2	6.2	1.0	7.1	815	127
Shamrock	3.5	6.9	5.4	0.9	6.3	376	59
FC-3	3.5	1.5	6.4	0.9	7.3	98	14
Total	3.5	21.7	5.9	0.9	6.9	1,289	201
McGregor	4.0	11.0	6.7	1.1	7.7	736	117
Shamrock	4.0	5.4	6.0	0.9	6.9	325	49
FC-3	4.0	1.2	7.3	1.0	8.3	87	12
Total	4.0	17.6	6.5	1.0	7.5	1,147	178
McGregor	4.5	8.7	7.4	1.2	8.6	641	106
Shamrock	4.5	4.3	6.6	1.0	7.5	282	41
FC-3	4.5	1.0	8.0	1.0	9.0	80	10
Total	4.5	14.0	7.2	1.1	8.3	1,003	156
McGregor	5.0	7.0	8.1	1.4	9.5	565	95
Shamrock	5.0	3.5	7.1	0.9	8.1	248	33
FC-3	5.0	0.9	8.5	1.0	9.5	74	9
Total	5.0	11.3	7.8	1.2	9.0	887	136
McGregor	5.5	5.9	8.7	1.5	10.2	510	86
Shamrock	5.5	3.1	7.4	1.0	8.4	228	30
FC-3	5.5	0.8	9.0	1.0	10.0	70	8
Total	5.5	9.7	8.3	1.3	9.6	808	124
McGregor	6.0	5.0	9.3	1.6	10.9	465	78
Shamrock	6.0	2.6	7.7	1.0	8.8	204	27
FC-3	6.0	0.7	9.2	1.0	10.2	68	8
Total	6.0	8.4	8.8	1.3	10.1	737	113

Table 1. 2020 Mineral Resource Estimate Table, Kildare.

Next Steps Rathdowney Trend Ireland

- Based on the results of ongoing data compilation the Company has initiated a review of its PL holdings. This review is expected to be completed in Q1 2024 and is expected to allow the Company to shed several less prospective PLs allowing greater focus of available exploration resources on geologically superior targets.

Earaheedy Project – Western Australia

Earaheedy Tenement E 38/3624

In **Western Australia**, ZMI had previously (Q2 2022) conducted follow up soil sampling at its Earaheedy Zn-Pb-Ag-Mn exploration licence EL 36/3824.

The Company formally surrendered EL 38/3624 (Figure 2) in October.

No exploration activity was carried out during the period. E 38/3624 was held through ZMI's fully owned subsidiary Unconformity Zinc Pty Ltd.

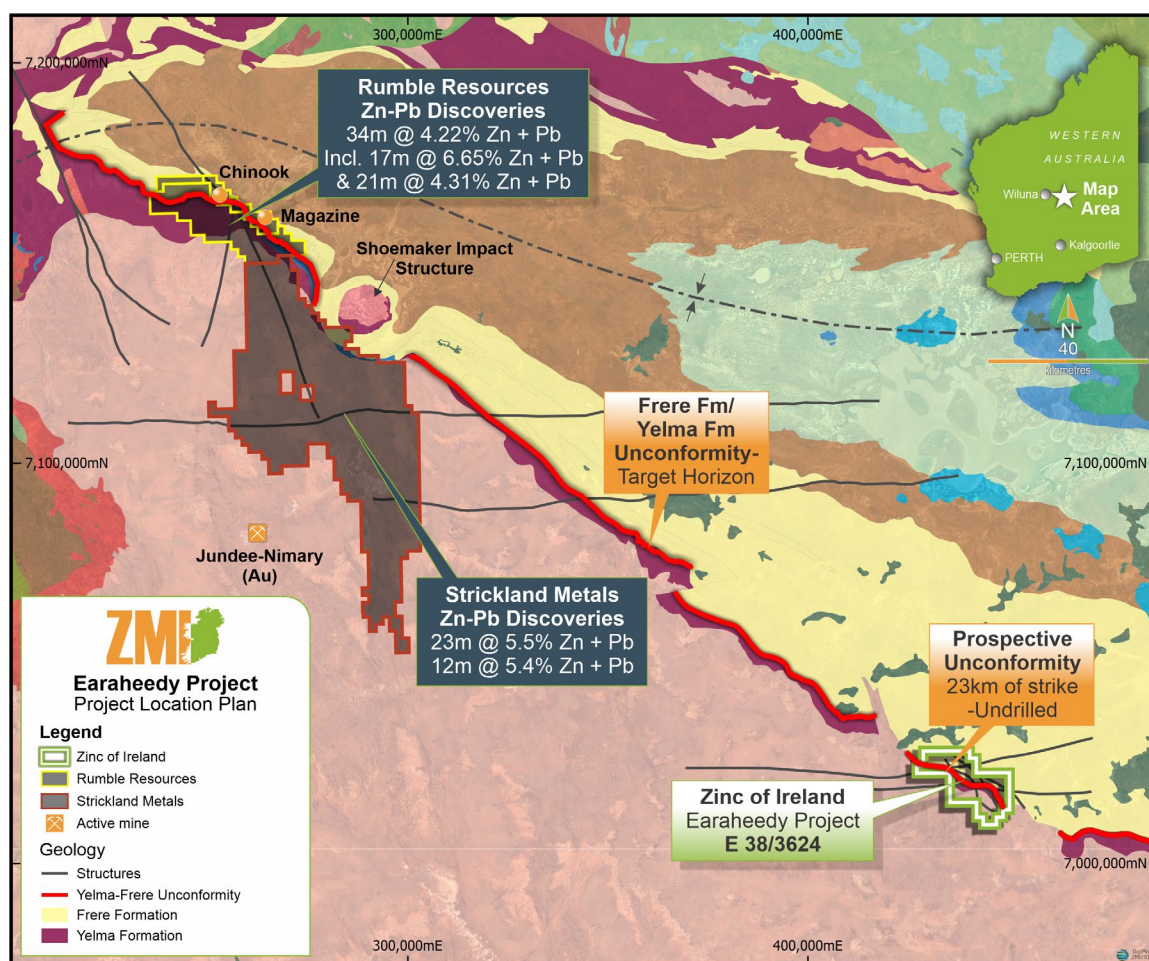


Figure 2. EL38/3624 Surrendered during the half year ended 31 December 2023.

Cascade Project, Western Australia (REE)

Zinc of Ireland entered into a binding tenement sale agreement (**Agreement**) with Syndicate Minerals Pty Ltd (ACN 124 140 889) (**Seller**) and Gneiss Results (ABN 15 721 611 229) (**Gneiss**) during Q2, 2023 to acquire the legal and beneficial ownership of two (2) granted exploration licences, being E74/690 and E74/691, which, together cover an area of 183km² located 70km northwest of Esperance, Western Australia (refer ZMI announcement dated 26 May 2023).

The Company subsequently engaged WA based geological consultants Sahara Operations Pty Ltd ("Sahara") to provide exploration services in support of the Cascade Project.

Highlights for the half year period:

- Sahara continued to engage with local and traditional landowners and other key stakeholders with respect to access during the Half.
- Esperance Tjaltjraak Native Title Aboriginal Corporation (ETNTAC) have provided Sahara with a Desktop Review of ZMI's proposed auger drilling sites.
- Sahara has previously worked with the Company to design a geochemical power-auger programme suitable for drill testing two large REE anomalies which have been identified by previous explorers. Sahara are expected to submit a Programme of Works on the Company's behalf and implement the power-auger programme early in Q1 2024 as soon as the Heritage Survey is finalised and access agreements are in place.

The Cascade Project (**Figure 3**) covers significant areas of TREO enrichment in regolith as defined by shallow (0-3m) auger drill traversing by AngloGold Ashanti Australia Ltd (**AngloGold**) during gold exploration in 2010-2012 (**Figure 4**).¹ This historical auger drilling encountered near surface enrichment in REE's with widespread anomalism (up to 1031ppm TREO) over a considerable area.² AngloGold only sampled to a maximum depth of ~3m and targeted the most calcretised pedogenic horizon. The resultant TREO auger anomalies generated, may therefore under-represent potential underlying REE mineralisation.

For the purposes of assessing the AngloGold geochemical data ZMI calculated TREO from the original multi element REE assays using public domain element-to-stoichiometric-oxide conversion factors (refer to: <https://www.jcu.edu.au/advanced-analytical-centre/resources/element-to-stoichiometric-oxide-conversion-factors>), which were applied to a basket containing La, Ce, Nd, Pr, Sm, Eu, Gd, Tb, Dy, Ho, Tm, Er, Yb, Y and Lu.² ZMI will endeavour to determine saprolite and upper bedrock REE levels with a low cost drill program as soon as possible.

¹ Refer to Combined Annual Report to DMIRS for the Viking 4 project, C3/2010 (E63/1313, E63/1338, E63/1352, E63/1417, E63/1487, E63/1535, E74/426, E74/430 & E74/432-34), for the period 1/10/2011 to 30/9/2012.

² Lu results were not reported for all AngloGold samples.

The AngloGold auger results on E74/691 show a large coherent 6km by 3km anomaly while E74/690 hosts similarly anomalous TREO enrichment along a 5km road traverse. Both areas represent encouraging targets for the discovery of deeper mineralisation and will be subject to drill testing as soon as access agreements are confirmed.

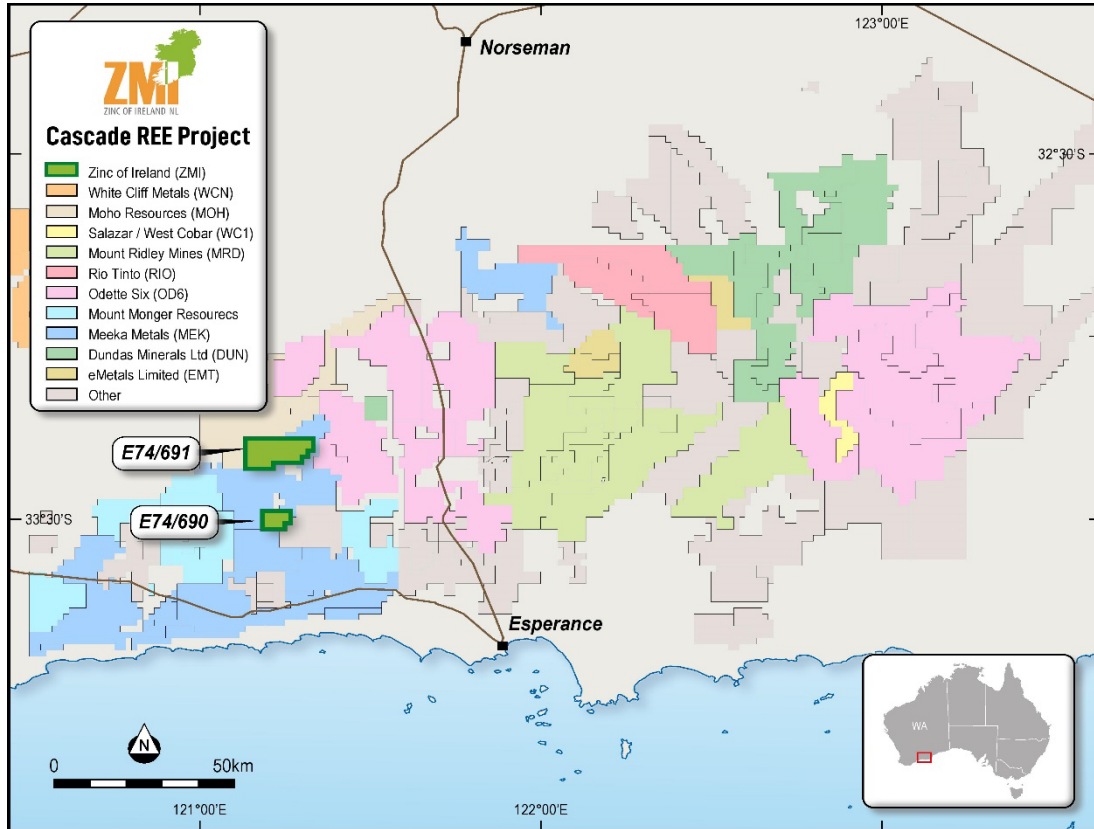


Figure 3. ZMI's Cascade Project Location

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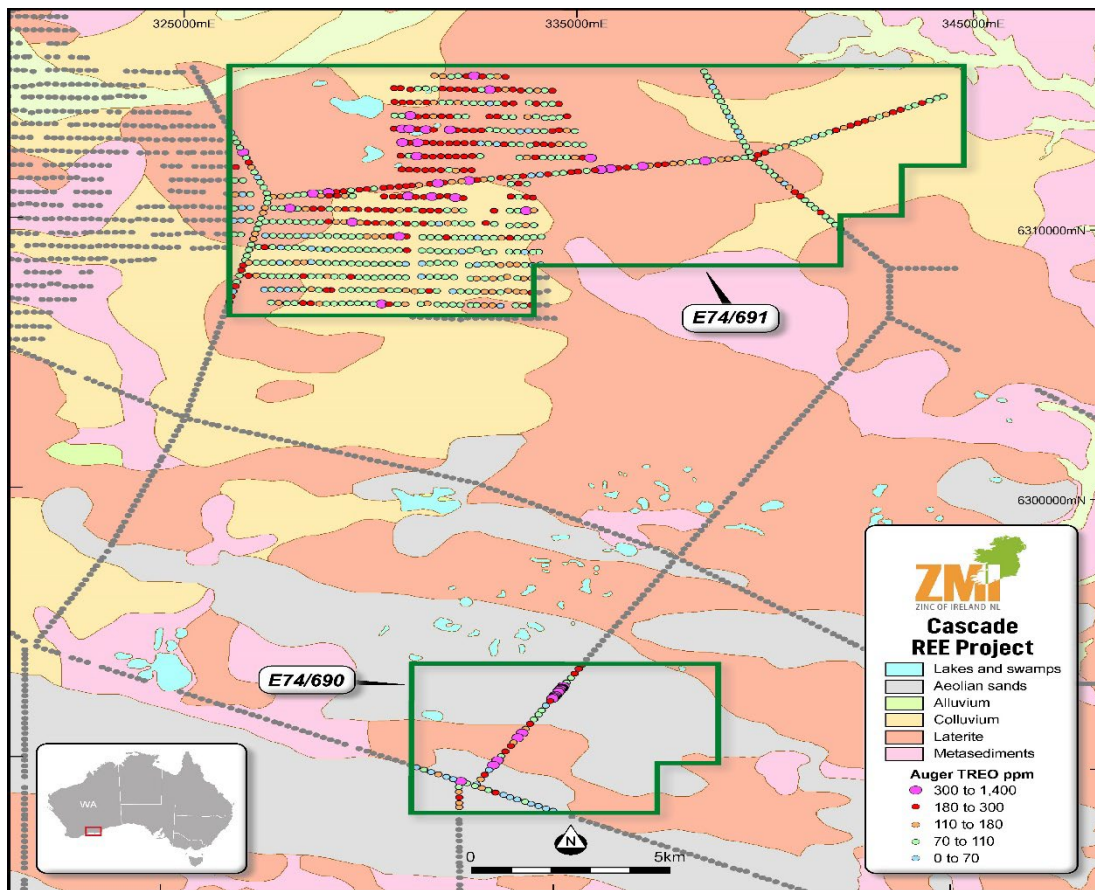


Figure 4. TREC anomalism calculated from AngloGold auger Au-multi element sample results (max drill depth of ~3m).

Next Steps Cascade Project WA:

- The Company expects the finalisation of a ETNTAC Heritage (desktop) Survey and a Programme of Works (PoW) to be submitted in Q1 2024 and is committed to the implementation of a motorized-auger drillhole programme to test known REE anomalies as soon as possible. Regolith mapping along with clay mineralogy test work will be conducted in conjunction with auger drilling.

New Project Development.

The Company has been active in its search for suitable acquisitions, having reviewed several opportunities during the Half. ZMI is currently in the process of applying for exploration licenses within Canada, please refer to the tenement schedule in the December 23 Quarterly Report, lodged with the ASX on 31 January 2024, for full details or tenement holdings.

Competent Persons' Statement

The information in this report that relates to exploration results at the Rathdowney, and Earraheedy Projects is based on information compiled by Mr. Greg Hope, a Competent Person who is a member of the Australian Institute of Geoscientists (AIG). Mr. Hope has sufficient experience, which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which has been undertaken 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 (JORC Code). Mr. Hope consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to the Cascade Project (geological mapping and interpretation) is based on information compiled and prepared by Mr Roland Gotthard, a Competent Person who is a Member of the Australasian Institute of Mining And Metallurgy and has been extracted from ZMI's announcement dated 26 May 2023 for which Mr Gotthard acted as the Competent Person. Mr Gotthard is an exploration geologist with sufficient experience relevant to the styles of mineralisation under consideration and to the style of activity being reported to qualify as a Competent Person as defined within the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Gotthard has verified the information contained within this announcement and agrees to its inclusion in the form and context in which it appears.

The information in this report that relates to the Mineral Resources at ZMI's Kildare Project is extracted from the report entitled (Increase in JORC Resource and Completion of Mining Study at the Kildare Zn/Pb Project Co. Kildare, Ireland) created on 8 September 2021 and is available to view on the ASX Platform in the Company announcements section. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Subsequent Events


There were no matters or circumstances that have arisen since the end of the financial period which significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

Auditor's independence declaration

The auditor's independence declaration is included on page 10 of the half-year report.

Signed in accordance with a resolution of directors made pursuant to s.306(3) of the *Corporations Act 2001*.

On behalf of the directors



Mr Peter Huljich

Non-Executive Chairman

13 March 2024

Perth, Western Australia

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Auditor's independence declaration

HALL CHADWICK 

To the Board of Directors

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

As lead audit director for the review of the financial statements of Zinc of Ireland NL for the half year ended 31 December 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours faithfully


HALL CHADWICK AUDIT WA PTY LTD


D M BELL CA
Director

Dated this 13th day of March 2024
Perth, Western Australia

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Independent auditor's review report



INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ZINC OF IRELAND NL

Conclusion

We have reviewed the accompanying half-year financial report of Zinc of Ireland NL ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the condensed consolidated statement of financial position as at 31 December 2023, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Zinc of Ireland NL and Controlled Entities does not comply with the *Corporations Act 2001* including:

- a) Giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- b) Complying with Accounting Standard AASB 134: *Interim Financial Reporting* and *Corporations Regulations 2001*.

Basis for Conclusion

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

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the half year financial report, which indicates that the Consolidated Entity incurred a net loss of \$1,443,134 during the half year ended 31 December 2023. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Independent auditor's review report

HALL CHADWICK 

Responsibility of the Directors for the Financial Report

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

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



HALL CHADWICK AUDIT WA PTY LTD



D M BELL CA
Director

Dated this 13th day of March 2024
Perth, Western Australia

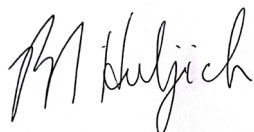
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Directors' declaration

The Directors of the Company declare that:

- a) The financial statements and notes of Zinc of Ireland NL for the half-year ended 31 December 2023 are in accordance with the *Corporations Act 2001*, including:
 - i. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
 - ii. giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- b) In the Directors' option there are reasonable grounds to believe that the Consolidated Entity will be able to pay its debts as and when they become due and payable.

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



Mr Peter Huljich

Non-Executive Chairman

13 March 2024

Perth, Western Australia

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Condensed consolidated statement of profit or loss and other comprehensive income for the half-year ended 31 December 2023

		Consolidated	
		Half-year ended	
		31 Dec 2023	31 Dec 2022
Note		\$	\$
	Continuing operations		
	Total revenue and other income	-	-
	Administration expenses	(97,081)	(116,710)
	Compliance and regulatory expenses	(55,484)	(58,666)
	Depreciation	(395)	(594)
	Employee benefits expenses	(89,252)	(86,877)
	Exploration costs expensed	(79,390)	-
6	Impairment	(1,114,476)	-
	Share based payments	(7,056)	-
	Loss before income tax	(1,443,134)	(262,847)
	Income tax expense	-	-
	Loss for the period	(1,443,134)	(262,847)
	Other comprehensive income, net of income tax		
	Items that may be reclassified subsequently to profit or loss		
	Exchange differences on translating foreign operations	(18,794)	1,033
	Other comprehensive income for the period, net of income tax	(18,794)	1,033
	Total comprehensive loss for the period	(1,461,928)	(263,880)
	Loss attributable to:		
	Owners of Zinc of Ireland NL	(1,443,134)	(262,847)
	Total comprehensive loss attributable to:		
	Owners of Zinc of Ireland NL	(1,461,928)	(263,880)
	Loss per share		
	Basic and diluted (cents per share)	(0.68)	(0.13)

The above Consolidated Statement of Profit and Loss and Other Comprehensive Income should be read in conjunction with the Notes to the Financial Statements.

Condensed consolidated statement of financial position as at 31 December 2023

		Consolidated	
		31 Dec 2023	30 Jun 2023
		\$	\$
	Note		
Current assets			
Cash and cash equivalents		816,788	1,600,447
Trade and other receivables		58,414	86,964
Total current assets		875,202	1,687,411
Non-current assets			
Exploration and evaluation expenditure	6	8,114,199	8,819,643
Property, Plant and equipment		1,961	2,356
Total non-current assets		8,116,160	8,821,999
Total assets		8,991,362	10,509,410
Current liabilities			
Trade and other payables		147,301	210,477
Total current liabilities		147,301	210,477
Total liabilities		147,301	210,477
Net assets		8,844,061	10,298,933
Equity			
Issued capital	4	17,269,920	17,269,920
Reserves	5	384,220	395,958
Accumulated losses		(8,810,079)	(7,366,945)
Total equity		8,844,061	10,298,933

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the Notes to the Financial Statements.

Condensed consolidated statement of changes in equity for the half-year ended 31 December 2023

Consolidated	Issued capital	Share Based Payment Reserve	FCTR	Accumulated losses	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2022	16,798,492	376,904	15,837	(6,839,007)	10,352,226
Loss for the period	-	-	-	(262,847)	(262,847)
Other comprehensive income, net of income tax	-	-	1,033	-	1,033
Total comprehensive income/(loss) for the period	-	-	1,033	(262,847)	(263,880)
Issue of Ordinary Shares	400,000	-	-	-	400,000
Share issue costs	(2,971)	-	-	-	(2,971)
Balance at 31 December 2022	17,195,521	376,904	16,870	(7,101,854)	10,487,441
Balance at 1 July 2023	17,269,920	374,559	21,399	(7,366,945)	10,298,933
Loss for the period	-	-	-	(1,443,134)	(1,443,134)
Other comprehensive income, net of income tax	-	-	(18,794)	-	(18,794)
Total comprehensive income/(loss) for the period	-	-	(18,794)	(1,443,134)	(1,461,928)
Share based payments	-	7,056	-	-	7,056
Balance at 31 December 2023	17,269,920	381,615	2,605	(8,810,079)	8,844,061

The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Notes to the Financial Statements.

Condensed consolidated statement of cash flows for the half-year ended 31 December 2023

	Note	Consolidated	
		Half-year ended	
		31 Dec 2023	31 Dec 2022
		\$	\$
Cash flows from operating activities			
Payments to suppliers and employees		(256,630)	(222,882)
Net cash used in operating activities		(256,630)	(222,882)
Cash flows from investing activities			
Payments for exploration and evaluation		(524,422)	(582,431)
Net cash used in investing activities		(524,422)	(582,431)
Cash flows from financing activities			
Proceeds from issues of equity instruments of the Company		-	400,000
Payment for share issue costs		-	(2,971)
Net cash provided by financing activities		-	397,029
Net (decrease)/increase in cash and cash equivalents		(781,052)	(408,284)
Cash and cash equivalents at the beginning of the period		1,600,447	2,458,612
Effects of exchange rate changes		(2,607)	1,033
Cash and cash equivalents at the end of the period		816,788	2,051,361

The above Condensed Consolidated Statement of Cashflows should be read in conjunction with the Notes to the Financial Statements.

Condensed notes to the consolidated financial statements for the half-year ended 31 December 2023

1. Significant accounting policies

Statement of compliance

The half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 '*Interim Financial Reporting*'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 '*Interim Financial Reporting*'. The half-year report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with annual financial statements of the Company for the year ended 30 June 2023 together with any public announcements made during the following half year.

The half-year financial report was authorised for issue by the directors on 13 March 2023.

Basis of preparation

The consolidated financial statements have been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

Going concern

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

For the year half year ended 31 December 2023, the Group incurred a loss after tax of \$1,443,134 (2022: \$262,847) which includes an impairment amount of \$1,114,476, and net cash outflows from operating and investing activities of \$781,052 (2022: \$805,313) and had a net working capital surplus as at 31 December 2023 of \$727,901 (30 June 2023: \$1,476,934). As disclosed in Note 7, the Group has \$1,264,150 in exploration commitments due within the next 12 months.

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

The Company will require further funding during the 2024 calendar year in order to meet day to day obligations as they fall due and to progress its exploration projects. Based on the Company's cash flow forecast, the Board of Directors is aware of the Company's need to access additional working capital funds in the next 12 months to enable the Company to continue its normal business activities and to ensure the realisation of assets and extinguishment of liabilities as and when they fall due.

Based on the above, the Directors consider the going concern basis of preparation to be appropriate for this half-year report.

In the event that the Company is not successful in raising funds from the issue of new equity, containing operating and exploration expenditures and the sale of non-core assets, there exists material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern and realise its assets and extinguish

its liabilities in the normal course of business and at the amounts stated in the half-year report.

The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Company be unable to continue as a going concern and meet its debts as and when they fall due.

Accounting Standards that are mandatorily effective for the current reporting period

In the half-year ended 31 December 2023, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the half-year reporting periods beginning on or after 1 July 2023. As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Group and therefore no material change is necessary to the Group's accounting policies.

Principles of consolidation

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the half-year then ended. Where controlled entities have entered (left) the Group, their operating results have been included (excluded) from the date control was obtained (ceased).

Estimates

When preparing the interim financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Consolidated Entity's last annual financial statements for the year ended 30 June 2023.

2. Segment information

The Group operates in one business segment, namely the mineral exploration industry. AASB 8 '*Operating Segments*' states that similar operating segments can be aggregated to form one reportable segment. Also, based on quantitative thresholds included in AASB 8, there is only one reportable segment, namely the mineral exploration industry. However, none of the operating segments currently meet any of the prescribed quantitative thresholds, and as such do not have to be reported separately. The Group has therefore decided to aggregate all its reporting segments into one reportable operating segment.

The revenue and results of this segment are those of the Group as a whole and are set out in the consolidated statement of profit or loss and other comprehensive income. The segment assets and liabilities are those of the Group and set out in the consolidated statement of financial position.

3. Dividends

No dividends were paid or declared for the half-year ended 31 December 2023.

4. Issued capital

	31 Dec 2023	30 Jun 2023
	\$	\$
Fully paid ordinary shares	17,269,920	17,269,920

Fully paid ordinary shares

	31 Dec 2023		30 Jun 2023	
	No.	\$	No.	\$
Balance at beginning of period	213,144,281	17,269,920	202,084,281	16,798,492
Issue of Placement shares (i)	-	-	8,000,000	400,000
Issue of vendor shares(ii)	-	-	3,100,000	74,400
Less: capital raising costs	-	-	-	(2,972)
	213,144,281	17,269,920	213,144,281	17,269,920

- (i) Tranche 2 Placement of 8,000,000 fully paid ordinary shares to at an issue price of \$0.05
(ii) Fully paid ordinary shares issued to acquire Cascade project (Refer Notes 6.1)

5. Reserves**5.1 Reserve balances**

	31 Dec 2023	30 Jun 2023
	\$	\$
Share based payment reserve	381,615	374,559
Foreign currency translation reserves	2,605	21,399
Carrying value at end of the period	384,220	395,958

6. Exploration and evaluation expenditure

	31 Dec 2023	30 Jun 2023
	\$	\$
Balance at beginning of the period	8,819,643	7,983,870
Expenditure incurred during the period	409,032	836,251
Consideration for Cascade Project (Refer Note 6.1)	-	74,400
Impairment of Exploration & Evaluation Expenditure	(1,114,476)	(74,878)
	8,114,199	8,819,643

During the half-year, the Company relinquished Tenement EL 36/3824 at the non-core Earraheedy project. In accordance with AASB 6: Exploration for and Evaluation of Mineral Resources, accumulated costs carried forward of \$1,114,476 have been written off.

6.1 Acquisition of Cascade Project

On 26 May 2023 the Company announced that it had acquired two granted exploration licences E74/690 and E74/691 that cover 183km² and are located 70km northwest of Esperance (the Cascade Project). The Cascade project is located in and emerging Rare Earth Element (REE) province.

The Company has settled the acquisition via the issue of 3.1 million ordinary shares at a deemed issue price of \$0.024 per share (out of ZMI's existing capacity in accordance with ASX Listing Rule 7.1) and a 1.5% net smelter royalty payable to the seller on standard commercial terms. ZMI also retains a clause in the sale agreement which includes a partial buy back of the royalty.

7. Commitments for exploration expenditure

Not longer than one (1) year
Two (2) to five (5) years
Five (5) years onwards

	31 Dec 2023	30 Jun 2023
	\$	\$
	1,264,150	965,229
	4,333,700	4,042,817
	198,000	245,942
	5,795,850	5,253,988

8. Options

8.1 Options on issue

The following options were on issue at the reporting date:

Series	Number	Grant date	Grant date fair value \$	Exercise price \$	Expiry date	Vesting date
ZMIOPT11	5,000,000	9 Sep 2021	0.052	0.10	9 Sep 2024	Vested
ZMIOPT12	5,000,000	9 Sep 2021	0.052	0.10	9 Sep 2024	Vested
ZMIOPT13	18,000,000	9 Sept 2021	Nil	0.10	9 Sept 2024	Vested
ZMIOPT14	6,750,000	30 Jun 2022	0.012	0.10	26 Jul 2025	Vested
ZMIOPT15	5,000,000	30 Jun 2022	0.012	0.10	9 Sep 2024	Vested
ZMIOPT16	2,250,000	17 Nov 23	0.003	0.10	26 Jul 2025	Vested

There has been no alteration of the terms and conditions of the above arrangements since the grant date.

8.2 Options granted during the period

The following options were granted during the period:

Series	Number ¹	Grant date	Grant date fair value \$	Exercise price \$	Expiry date	Vesting date
ZMIOPT16	2,250,000	17 Nov 23	0.003	0.10	26 Jul 2025	Vested

¹1,500,000 Director incentive options issued to Mr Peter Huljich and 750,000 Director incentive options issued to Mr Jerry Monzu on after shareholder approval 17 November 2023.

The total value of Options recognised as a share-based payment expense for the half year ended 31 December 2023 was \$7,056.

8.2 Value of options granted during the period

The fair value of unlisted options issued during the half-year ended 31 December 2023 has been determined using the Black-Scholes option pricing model.

Input	ZMIOPT16
Grant date share price	\$0.019
Exercise price	\$0.100
Expected volatility	107%
Option life	1.7 years
Risk-free interest rate	3.83%
Dividend yield	n/a
Vesting Probability	n/a
Grant Date Fair Value per option	\$0.003

The weighted average fair value of the share options granted during the financial year is \$0.003.

8.3 Share options exercised during the half year

No options were exercised during the period.

9. Related Party Transactions

During the half-year ended 31 December 2023 total payments of \$33,000 (2022: \$33,000) were made to Capella Corporate Consulting, an entity related to Director Jerry Monzu for accounting and secretarial services. The transactions were made on normal commercial terms and conditions and at market rates.

In addition the above, during the period 1,500,000 and 750,000 Director incentive options were issued to Mr Peter Huijich and Mr Jerry Monzu respectively subsequent to shareholder approval on 17 November 2023.

Apart from the above, there were no other related party transactions during the period other than Directors fees paid to Directors of the Company on commercial terms.

10. Contingent liabilities and contingent assets

There has been no significant change in contingent liabilities and/or contingent assets since the last annual report. Please refer to the 30 June 2023 annual financial report.

11. Key management personnel

Remuneration policies of key management personnel are disclosed in the 2023 annual financial report. During the period under review, there were no changes to key management personnel.

12. Subsequent events

There were no matters or circumstances that have arisen since the end of the financial period which significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

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