CZR RESOURCES LTD
& CONTROLLED ENTITIES
ABN 91 112 866 869

CONSOLIDATED INTERIM FINANCIAL REPORT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

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Stefan Murphy
Annie Guo

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STOCK EXCHANGE LISTING
Australian Securities Exchange
(Home Exchange: Perth, Western Australia)
Code: CZR

Your directors submit the financial report of the consolidated group for the half-year ended 31 December 2023.

DIRECTORS

The names of directors who held office during or since the end of the half-year:

Russell Clark (Chairman)
Stefan Murphy
Annie Guo

RESULTS OF OPERATIONS

The Company realised a net profit after tax of $12,203,410 for the half-year ended 31 December 2023 (2022: net loss of $3,845,820).

REVIEW OF OPERATIONS

Introduction

CZR is a Western Australia focused mineral exploration and development company with five projects, all in joint-venture with its major shareholder, Creasy Group. All projects are strategically located, proximal to infrastructure and cover prospective geology with established iron ore, gold and base metal endowment.

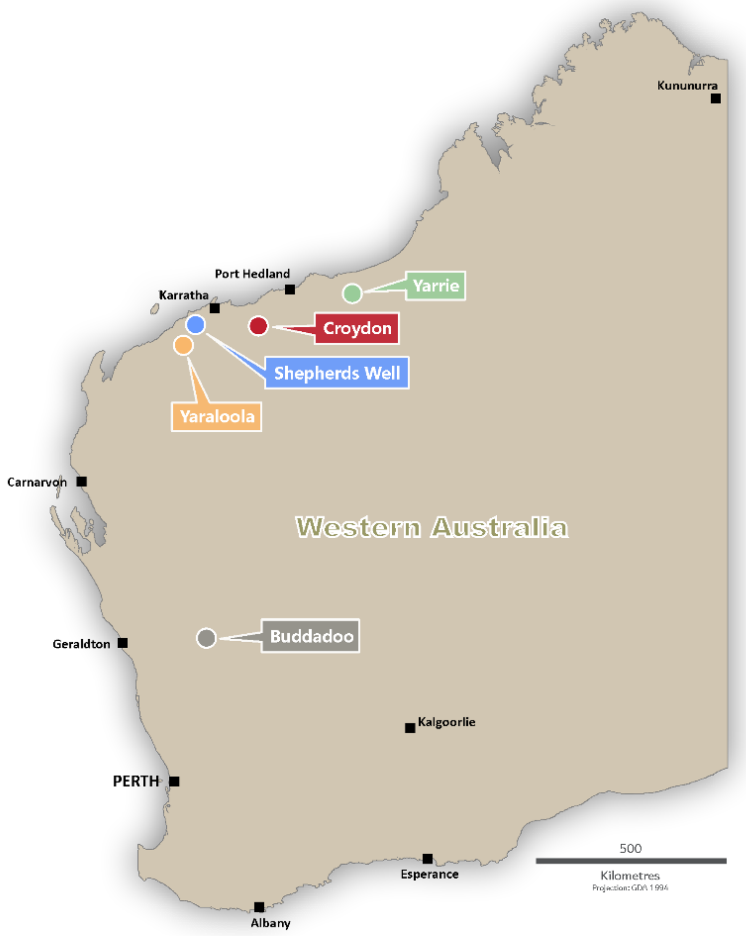


***Figure 1**. Location of the CZR projects in Western Australia.*

CZR's primary development asset is the Robe Mesa iron ore deposit, part of the Yarraloola project. The Company announced the results of the Definitive Feasibility Study (DFS) in October 2023, targeting a production rate of 3.5Mtpa - 5Mtpa over an initial 8-year mine life (ASX announcement 10 October 2023).

On 11 January 2024, CZR announced it had entered into a binding share sale agreement for the sale of Zanthus Resources Pty Ltd, a wholly owned subsidiary that controls an 85% interest in the Robe Mesa Iron Ore Project, to Miracle Iron Resources Pty Ltd for $102 million (the Transaction). On 28 February 2024, CZR shareholders voted overwhelmingly in favour of the transaction (ASX Announcement 28 February 2024). The transaction remains subject to certain conditions precedent, including Foreign Investment Review Board (FIRB) and Chinese government regulatory approvals.

<u>Robe Mesa Iron Ore Deposit (Yarraloola Project) – West Pilbara (85% CZR)</u>

The Robe Mesa deposit is adjacent to the Robe River JV operations (Rio Tinto 53%, Mitsui 33%, Nippon Steel 14%) operated by Rio Tinto. Rio Tinto has been mining the Robe Valley since the 1970's and has current mining operations at Mesa A, B, C, H, J and Warramboo, with rail linking to export facilities at Cape Lambert.

CZR has an 85% interest in the Robe Mesa project through the Yarraloola Joint Venture with the Creasy Group (15%, free-carried until completion of the DFS). CZR has a 50% ownership and capital cost contribution in Ashburton Link Pty Ltd and a 66.7% export allocation through the Port of Ashburton Export Facility.

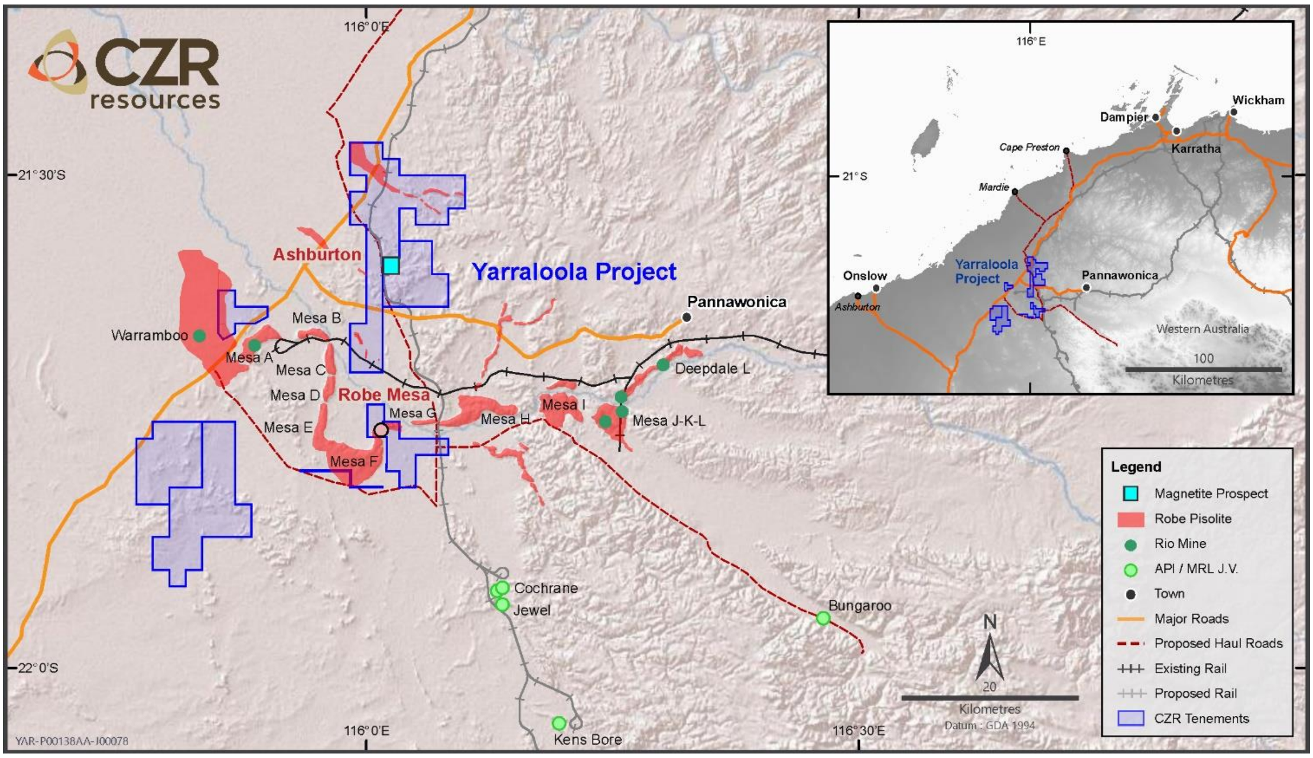


Figure 2. *CZR's Yarraloola project and Robe Mesa deposit showing local infrastructure and iron ore deposits. Insert map showing regional infrastructure of the West Pilbara, relative to the Robe Mesa deposit.*

DFS Summary

The Definitive Feasibility Study (DFS), released on 10 October 2023, demonstrated the potential of Robe Mesa to deliver exceptional financial returns. The results reflect a process of collaboration with strategic partners to reduce operating and capital costs.

Robe Mesa Ore Reserves have been increased from 8.2Mt in the pre-feasibility study (2020 PFS), to 33.4Mt and planned production rates have increased from 2Mtpa in the 2020 PFS to 3.5-5Mtpa in the DFS.

Metallurgical testwork results have confirmed the high quality of Robe Mesa iron ore and the ability to substitute Robe Mesa for well-known products, such as Rio Tinto's Robe River Fines and FMG Super Special Fines and Blended Fines.

In addition, CZR has partnered with leading industry experts to develop plans for a long-term, sustainable multi-user iron ore export facility at the Port of Ashburton. This significantly lowers the haulage distance compared to the 2020 PFS which assumed export from Utah Point in Port Hedland. This change has resulted in a reduction in C1 costs to A$49/wmt FOB.

Key DFS Project Metrics (October 2023)

Table 1. Mine Production Estimate

Production rate	Mtpa	3.5 - 5.0
Mine Life	Years	8.0
Life of Mine Strip Ratio	Waste : Ore	0.6
Ore Reserves	Mt	33.4
Robe Mesa Fines	*Mt*	*26.4*
Robe Mesa LG Fines	*Mt*	*7.0*
Waste (includes 314kt of Inferred Resource)	Mt	18.4

Key DFS Financial Metrics (October 2023)

Table 2. Project Economic Estimates (100% basis)

	Units	Base Case	Current YTD
P62 Price Assumption	US$/dmt CFR	90	117
Exchange Rate	USD : AUD	0.68	0.67
Revenue	A$M	2,808	4,116
C1 Cost	A$M	1,751	1,751
All-In-Sustaining Cost	A$M	1,879	1,879
Delivered Cost China (AUD)[1]	A$M	2,603	2,716
EBITDA	A$M	824	2,027
Capex (Pre-production)[2]	A$M	109	109
Capex (LOM)[1]	A$M	128	128
Free cash Flow (pre-tax)	A$M	598	1,801
Free cash Flow (post-tax)	**A$M**	**419**	**1,262**
NPV (8% pre-tax)	A$M	366	1,152
NPV (8% post-tax)	**A$M**	**256**	**820**
IRR (post-tax)	**%**	**62%**	**159%**
Payback (post-tax)	Years	2.5	1.5

1. Includes AISC, freight and royalties
2. Excludes port capex as captured in PAC tariff as an operating cost

Table 3. Pre-Production Capex (100% basis)[1]

	Units	100% Basis	CZR Share
Robe Mesa and Onslow Hub	A$M	109	91
POA Export Facility	A$M	79	39
Total	**A$M**	**188**	**130**

1. Includes $17 million of contingency

Table 4. Environmental and Social Benefits

	Units	Base Case	Current YTD
Native Title and State Royalties	A$M	225	329
Corporate Taxes	A$M	179	539
LOM Opex (FOB)	A$M	1,867	1,867
LOM Total Economic Value Add	**A$M**	**2,271**	**2,735**

Robe Mesa Operations

The Robe Mesa Iron Ore Project is scheduled to produce 3.5 Mtpa, ramping up to 5 Mtpa, of direct shipping ore (DSO), at similar specifications to Rio Tinto's Robe River Fines and other Pilbara fines products, such as FMG Super Special Fines and Blended Fines.

CZR has employed a contractor operating model with management and technical oversight by CZR. Mining, processing, haulage and transhipping services will be provided by specialist contractors, and where possible common contractors will be used to reduce operating costs.

The 2023 Robe Mesa Ore Reserve is 33.4 Mt, comprised of 26.4Mt of high-grade product (Robe Mesa Fines) and 7.0 Mt of a low-grade product (Robe Mesa LG Fines) (Table 5)

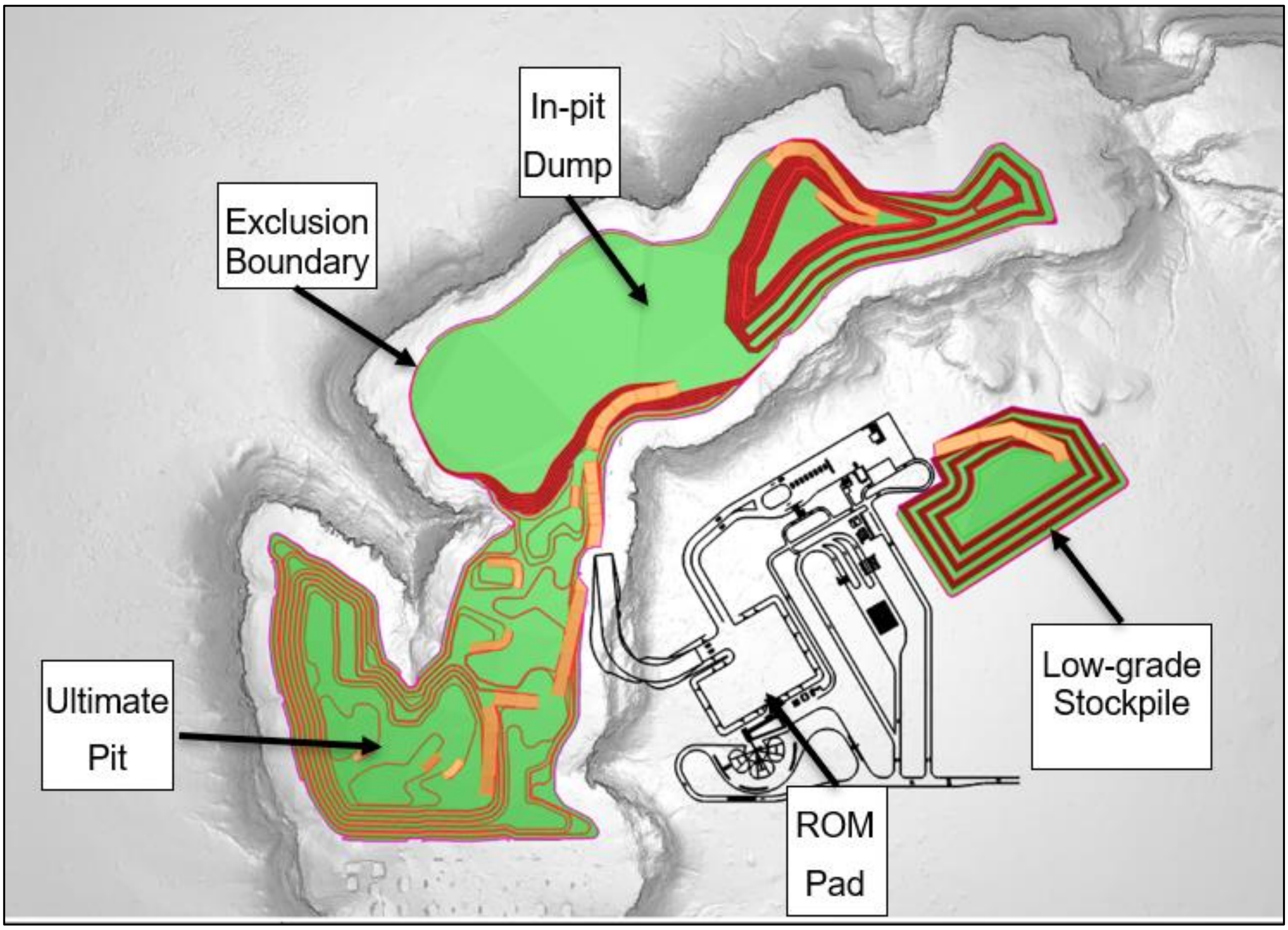


Figure 3. *Plan view - Robe Mesa 2023 indicative mine site and infrastructure layout*

Table 5. Robe Mesa Ore Reserves

JORC (2012) Reserve category	Tonnes (Mt)	Fe (%)	SiO_2 (%)	Al_2O_3 (%)	LOI (%)	P (%)	S (%)	TiO_2 (%)	CaFe (%)
Probable	33.4	55.0	6.92	3.06	10.7	0.038	0.02	0.10	61.6
Total Ore Reserves	**33.4**	**55.0**	**6.92**	**3.06**	**10.7**	**0.038**	**0.02**	**0.10**	**61.6**

Notes:

- *Tonnes reported are dry and ROM.*
- *Fe cut-off grade of 52% was applied.*
- *CaFe is the calcined iron-content calculated as (Fe%/(100-LOI%))*100 and represents the amount of iron after the volatiles (mainly held as weakly bound water in the structure of the iron minerals) is excluded from the analysis*
- *Ore Reserves exclude 314kt of Inferred Resource at 55.0% Fe captured within the pit design*

Conventional truck and excavator mining will be used, with all ore mined above the water table and a minimum 50m buffer zone along the mesa edge for heritage and environmental protection. The orebody consists of two horizontal layers (upper and lower) which will be mined selectively on 4 m benches to minimise dilution. A very low life of mine strip ratio of 0.6:1 (waste : ore) results in a simple and low cost mining operation.

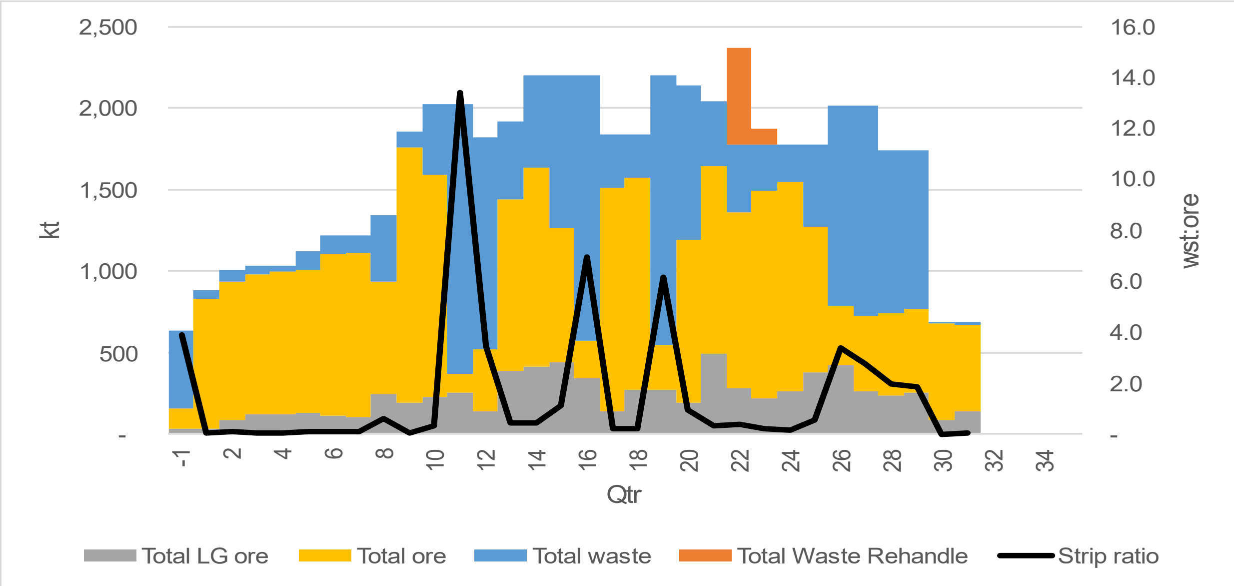


***Figure 4.** Mining production schedule*

Ore will be hauled to a central run of mine (ROM) pad and fed into the ROM bin using front-end loaders. Low-grade material will be stockpiled before rehandling to the ROM as production capacity becomes available or later in the mine life. Waste will be backfilled into the open pit, with no external waste dumps, further minimising the environmental impact.

The production schedule mines high-grade and low-grade iron ore throughout the life of mine but only processes high-grade at a rate of 3.5Mtpa for the first 4 years, with low-grade ore stockpiled. Processing throughput increases to 5Mtpa after year 4, with the inclusion of the low-grade ore. Both products will be sold separately but there will be opportunities to blend the products to smooth grade variation over the life of mine.

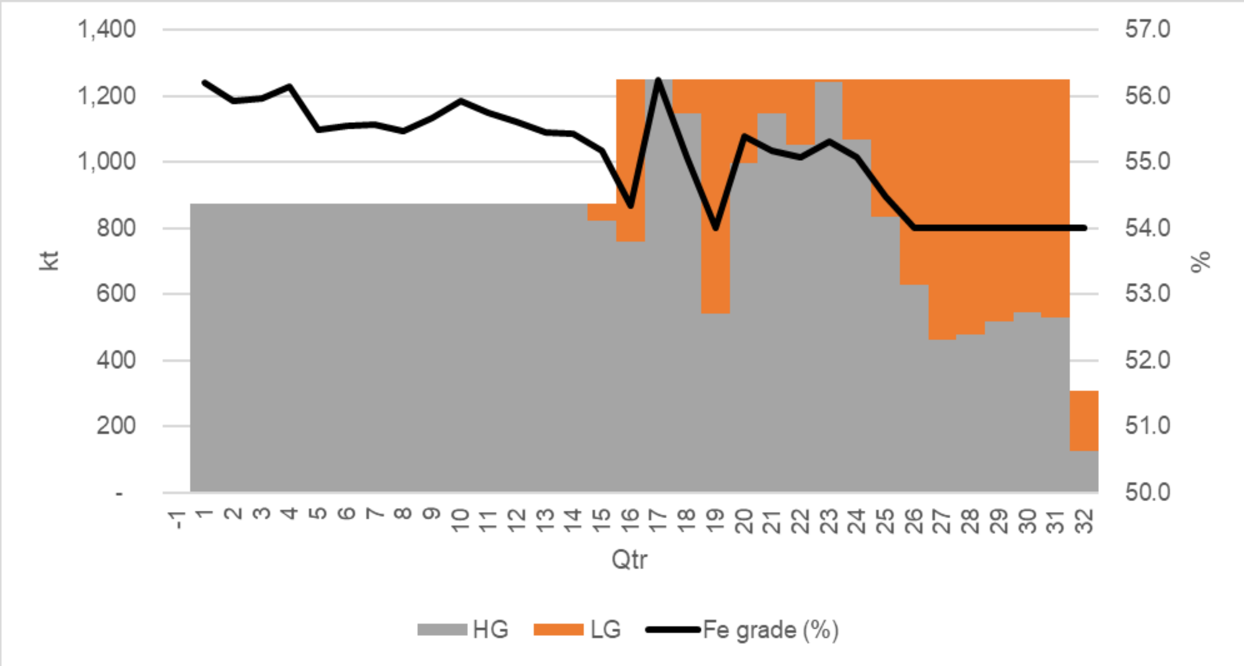


***Figure 5**. Iron ore processing production schedule*

CZR acquired water bore infrastructure from API Management in 2023 and completed pump testing, confirming high quality water that can meet the life of mine site water requirements for Robe Mesa. CZR also secured access agreements with subsidiaries of Rio Tinto, Mineral Resources and API Management, covering access to miscellaneous licences where CZR intends to construct supporting infrastructure for the Robe Mesa project.

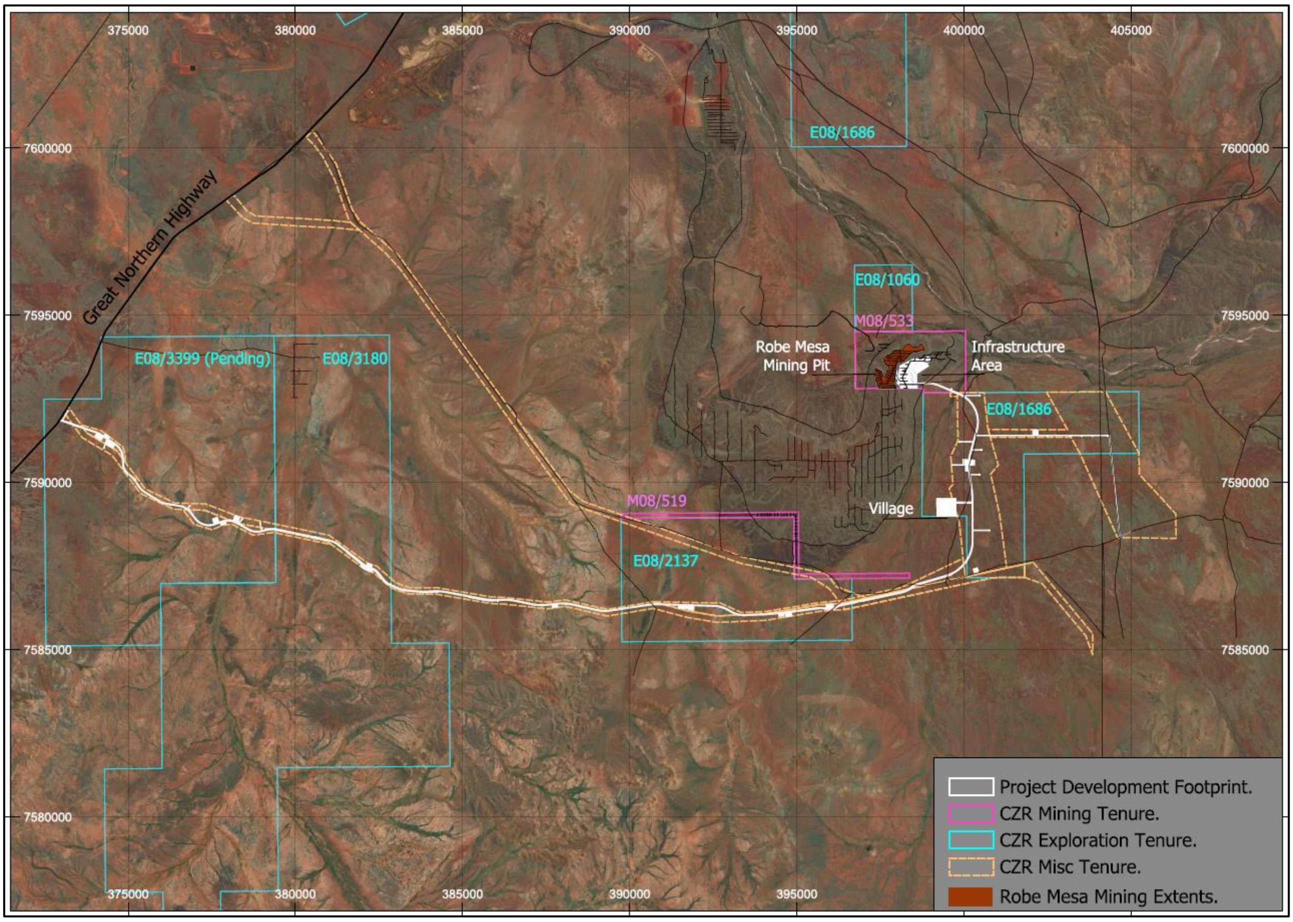


***Figure 6.** CZR development area including tenure*

Haulage and Shipping

A 38 km private haul road has been designed to link Robe Mesa mining operations with the North West Coastal Highway and access to the Port of Ashburton (POA). Iron ore is planned to be hauled by super-quad road trains from the Robe Mesa mine to a Pre-Shipment Stockyard (PSS) located at the Onslow Hub (96km), stockpiled and then hauled to the POA Export Facility (75km) when shipping commences. Approximately 20% of haulage will bypass the PSS and will be hauled directly from the mine to the POA Export Facility when shipping is underway. The Onslow Hub contains the PSS, haulage contractor workshop and accommodation village.

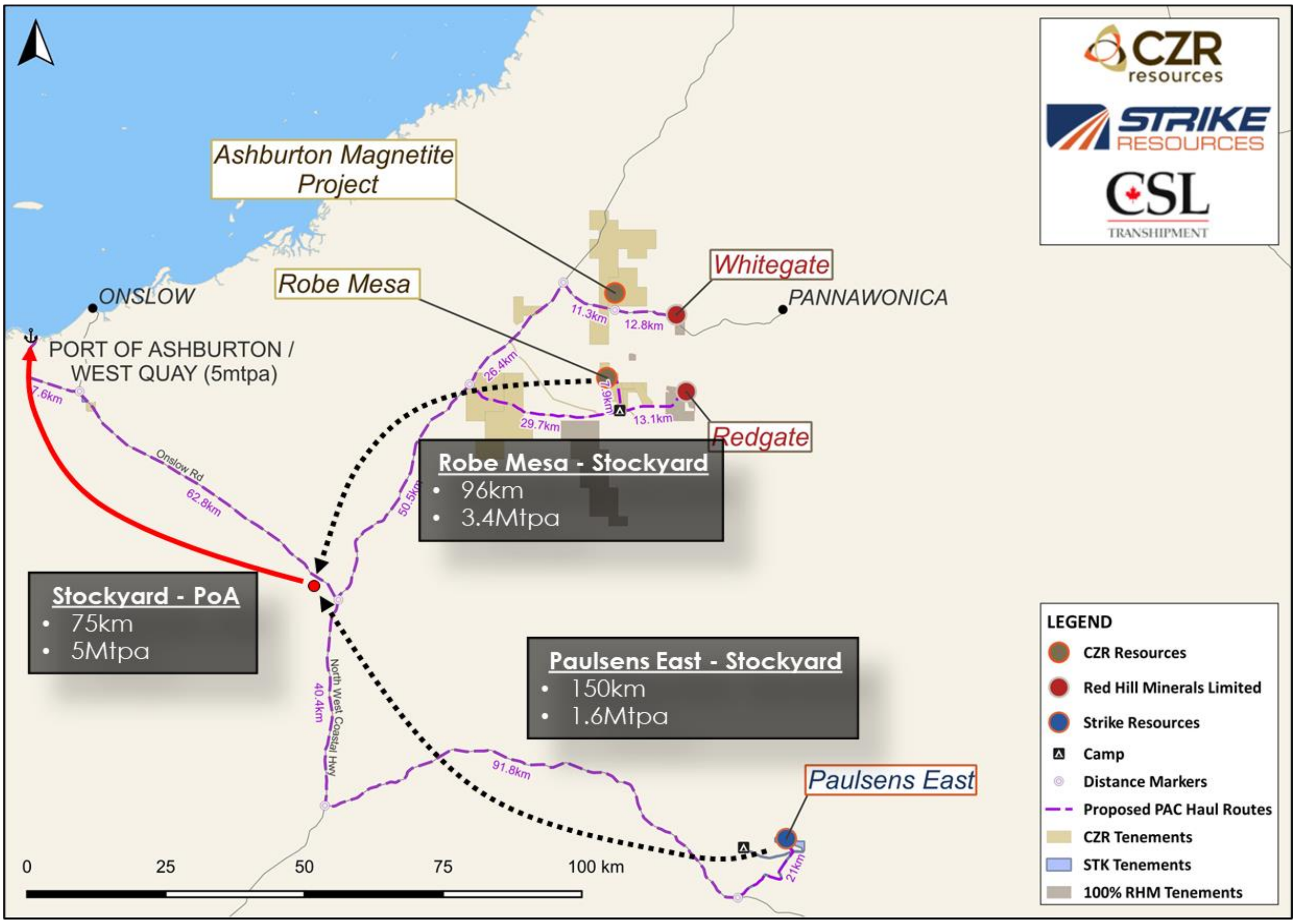


Figure 7. *Proximity of the Robe Mesa and Paulsens East iron ore mines to the Port of Ashburton*

CSL Australia (transhipment services provider), CZR and Strike Resources (SRK)[1] established a separate company (Ashburton Link Pty Ltd) to assess and secure approvals for the construction of a 5 Mtpa iron ore export facility from the Port of Ashburton (POA Export Facility). The participating interest, ownership and capital cost contribution of each party in Ashburton Link is:

- CZR : 50% (through subsidiary Zanthus Resources)
- SRK : 25%
- CSL : 25%

CSL will have exclusive transhipment rights to the POA Export Facility and CZR and SRK will have take or pay export allocations from the 5 Mtpa POA Export Facility in the following proportions:

- CZR : 66.7%
- SRK : 33.3%

1. SRK completed the sale of its interest in the Paulsens East mine and Ashburton Link to Miracle Iron Holdings Pty Ltd (SRK - ASX Announcement 8 March 2024)

The POA Facility (layout shown in Figure 8) will consist of three main operational areas:

1) Haulage and truck unloading,
2) Material storage and ship loading, and
3) Offshore marine operations including transhipment and ocean going vessel (OGV) loading.

***Figure 8.** POA Export Facility Overview*

Road trains will tip iron ore into receival hoppers, located within a negative pressure shed to minimise dust emissions. The storage shed has been designed to hold 23kt, approximately 2 x transhipment vessel (TSV) loads, with front end loaders used to feed the stockpiled ore into 2 feed hoppers and onto the outload conveyor circuit.

Product is conveyed to a mobile ship loader that will feed into the TSV at a single point receival bin. Transhipment operations will be undertaken by CSL Australia, using the CSL Whyalla, a self-propelled TSV with a gravity-based self-unloading system that has been allocated to Ashburton Link. The TSV will be capable of transhipping direct to standard panamax, minicape and cape size ocean going vessels (OGV).

Once loaded, the TSV will sail to one of the two nominated anchorages, (inner and outer) for discharge into OGV's at various drafts (refer Figure 9). Cape-size vessels will be loaded at the inner anchorage until they are draft limited and then loaded at the outer anchorage where they are not draft restricted.

Each TSV cycle will take approximately 17 hours, completing a full 170,000 t cape-size vessel in approximately 10 days. When the TSV is not at berth, road trains will continue to build the storage shed stockpile in preparation for the next TSV berthing.

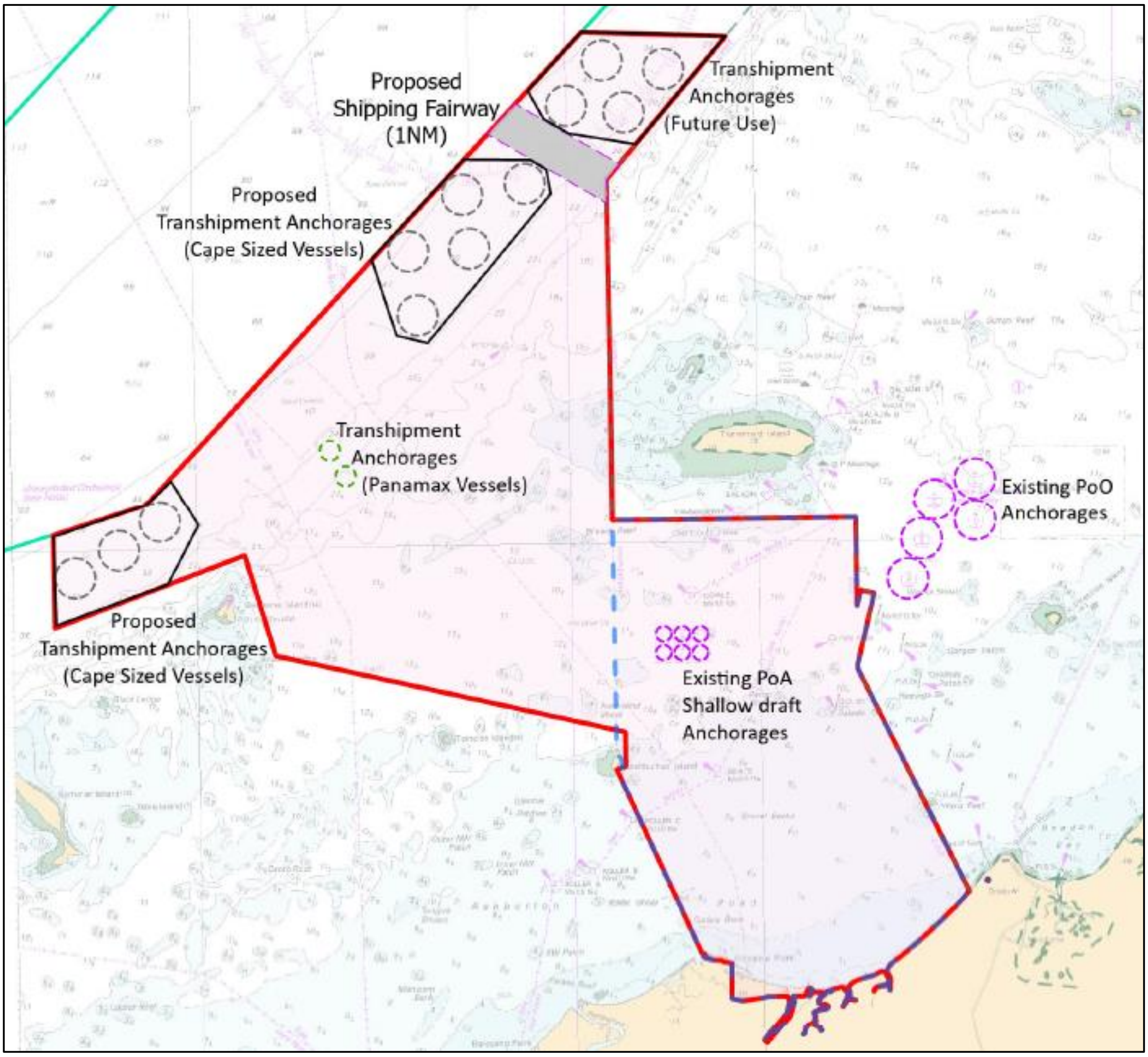


Figure 9. *Port of Ashburton Offshore Arrangement*

<u>Ashburton Magnetite Project</u> <u>(CZR 85%)</u>

CZR's Ashburton Magnetite deposit is an 11km long, outcropping magnetite schist, located 20km north of CZR's Robe Mesa DSO project, 50km south of Citic Pacific's Sino Iron magnetite mine and close to critical energy, water and transport infrastructure.

An extensive technical review completed by CZR in the September 2023 quarter found Ashburton has the potential to become a substantial deposit, capable of producing high-quality magnetite concentrate (ASX announcement 2 August 2023).

Drilling at the Ashburton Magnetite deposit, undertaken from 2014-2016, included 29 reverse circulation (RC) and 3 diamond drill holes for 7,349m, intersecting extensive magnetite mineralisation. Comprehensive Davis Tube Recovery (DTR) and bench-scale magnetic separation test work has been completed on drill hole samples, with concentrates reporting +65% Fe on a mass yield ranging from 26% to 39% from magnetite separation**.**

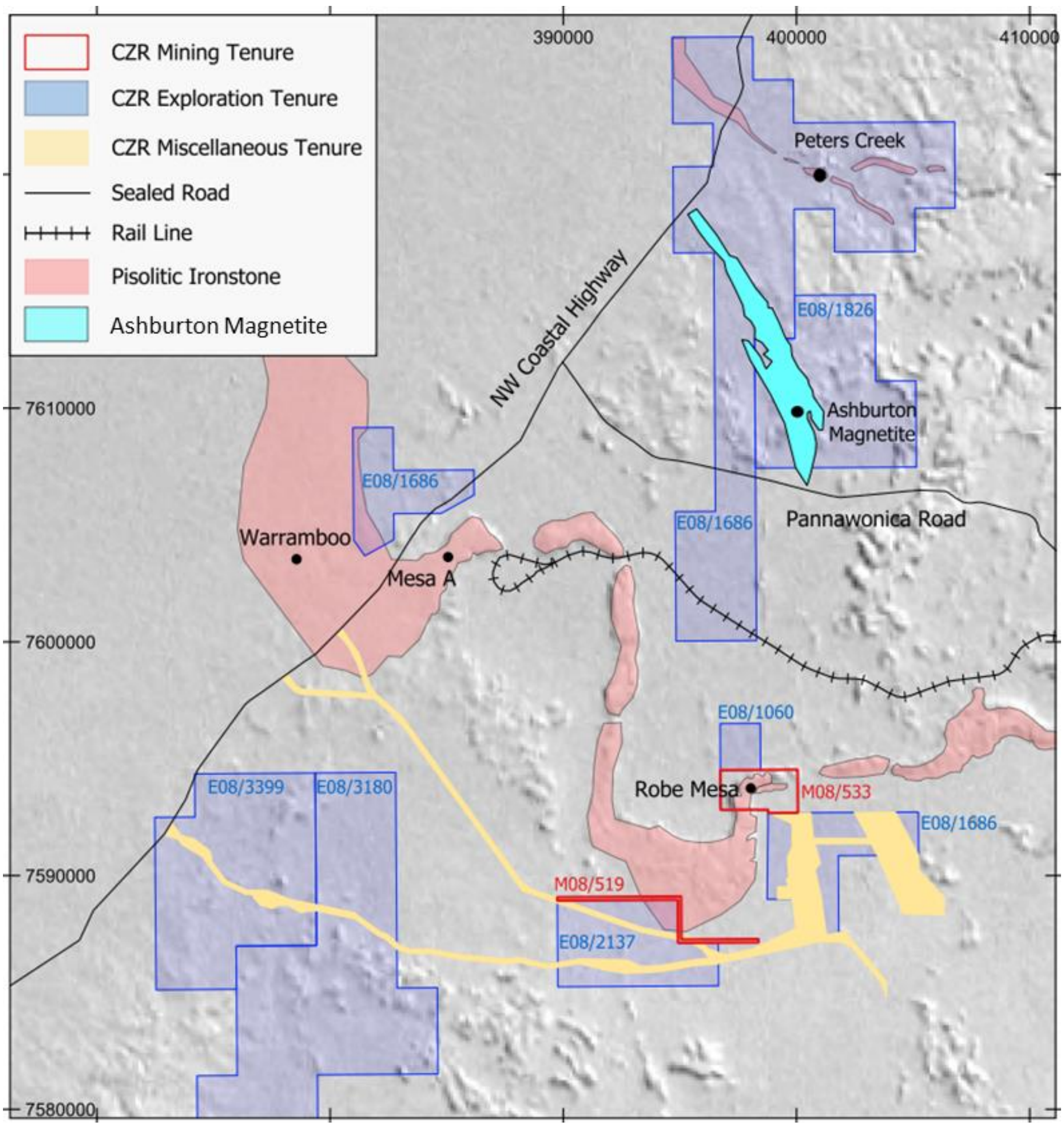


Figure 10. *Yarraloola Project showing location of the Ashburton Magnetite deposit*

The review resulted in an **Exploration Target of 450Mt – 880Mt at 24-30% Fe**, generating a **magnetite concentrate of 65-68% Fe at a 25-30% mass yield**, based on geological modelling of drill holes to a depth of 200m, guided by magnetic and gravity data and metallurgical test work

The potential quantity and grade of the Exploration Target is conceptual in nature as there has been insufficient work completed to estimate a Mineral Resource. It remains uncertain that further exploration will result in the estimation of a Mineral Resource.

Croydon Gold Project (CZR 70%)

The Croydon project is located in the Mallina Basin between Karratha and Port Hedland. The region contains De Grey Mining Limited's (DEG) Hemi gold deposit which has a Mineral Resource of 10.4 Moz (DEG release to ASX; 21 November 2023). The Mallina Basin is emerging as a major gold province and CZR's Croydon project covers approximately 40km strike of the prospective Mallina Basin, about 50km south-east of Hemi (Figure 11).

In addition to the gold potential, the region is an emerging centre for lithium mineralisation. Wildcat Resources' Tabba Tabba and De Grey Mining's King Col deposits are located along a similar geological setting to the northeast, and Morella Corporation Limited's Mallina lithium project earn-in with Sayona Mining is located only 10km east of CZR's Croydon project.

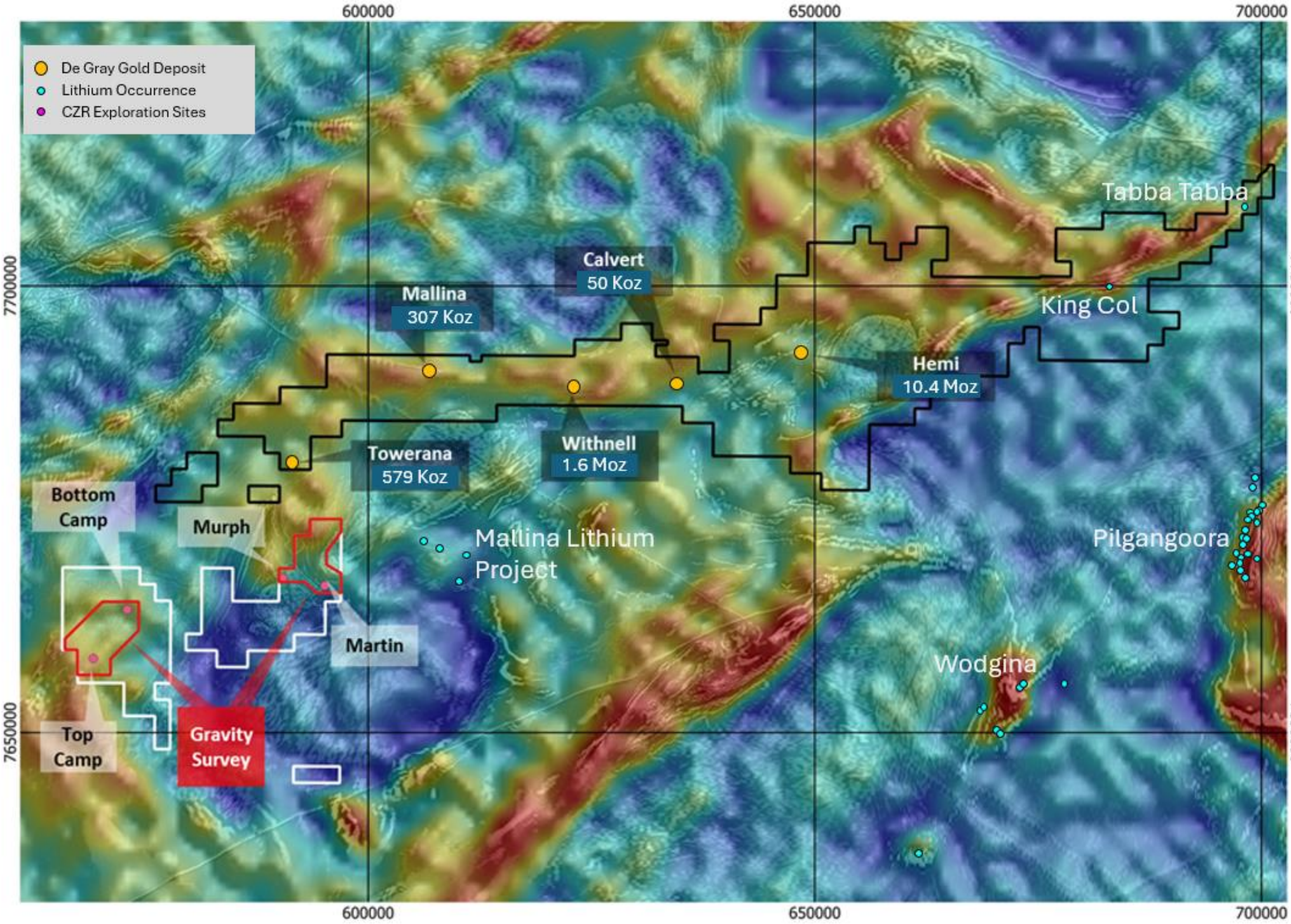


Figure 11. *CZR's Croydon project and De Grey Mining's Hemi Gold Project – Regional gravity over magnetics*

No field activities were undertaken at Croydon during the reporting period, however CZR finalised a Native Title and Heritage Exploration Agreement with the Ngarluma Aboriginal Corporation (NAC) on 30 October 2023, providing CZR with a heritage framework to undertake exploration activities at Croydon. CZR can now implement its field work programs at Croydon in the first half of 2024, subject to specific heritage clearance.

Buddadoo Project (CZR 85%)

The Buddadoo Project covers 303km^2 between the small towns of Yalgoo and Morawa approximately 200km east of the port of Geraldton in the mid-west region of Western Australia. The project hosts copper, gold and vanadium-titanium-magnetite (VTM) mineralisation, with the most advanced prospect a 6km long by 300-500m wide zone of gabbro with massive and disseminated vanadiferous titanomagnetite (Buddadoo Mafic Complex).

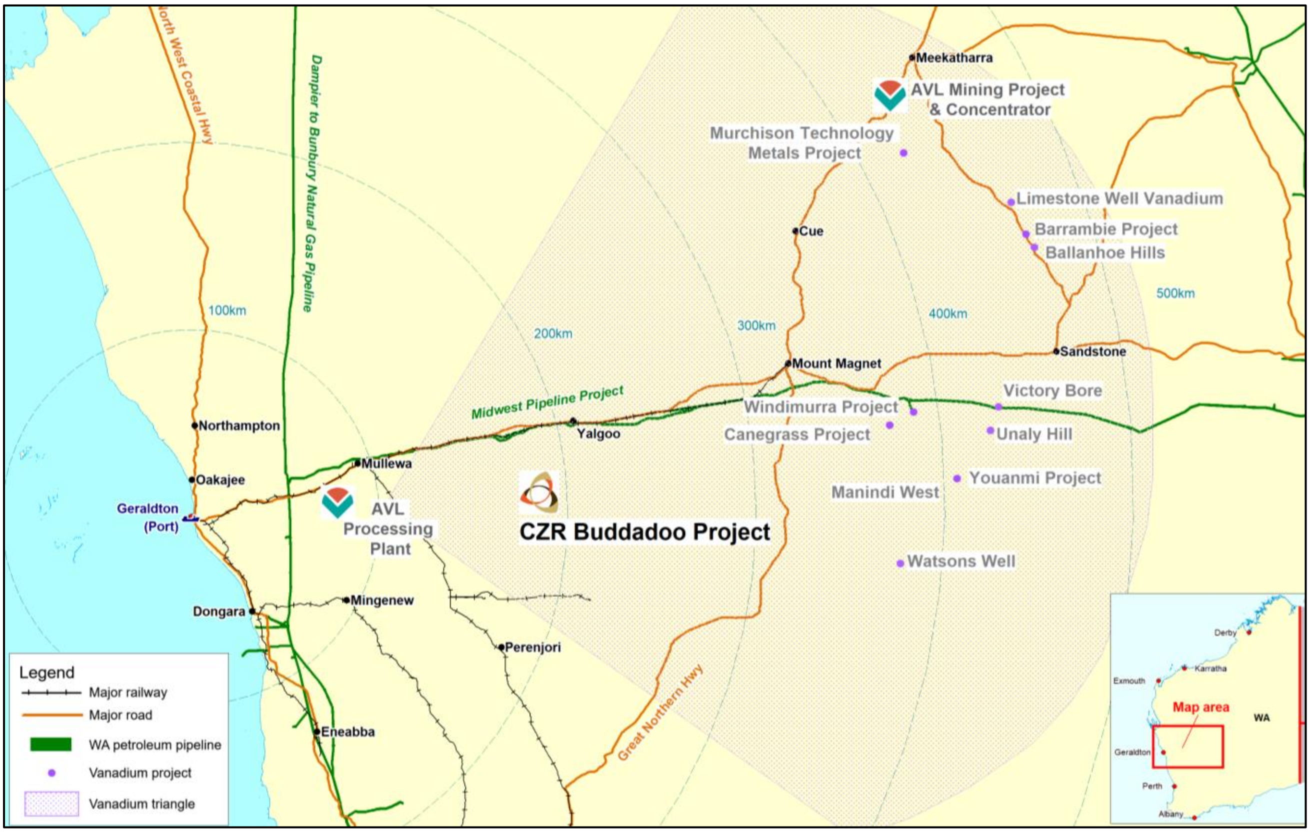


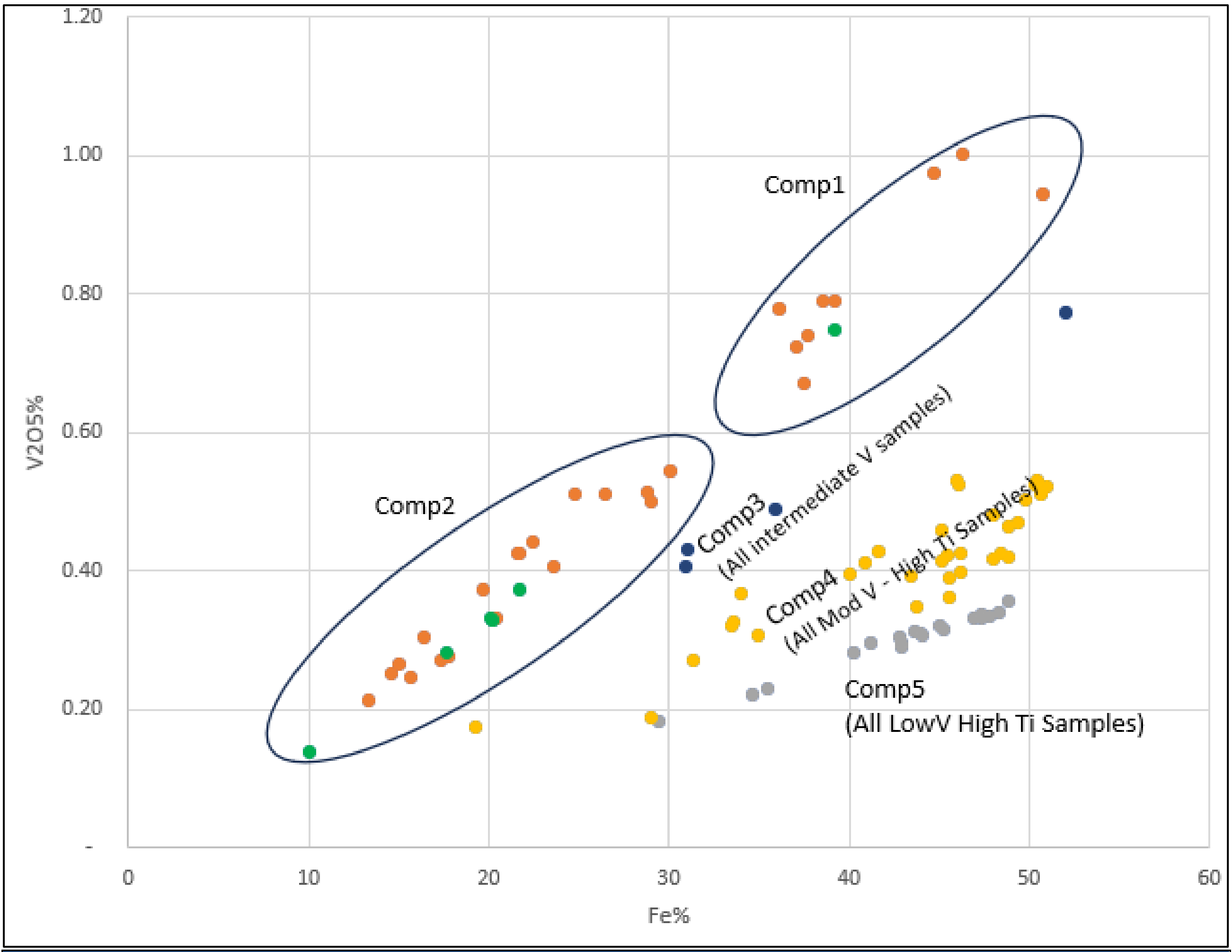
Figure 12. Buddadoo Project – regional scale showing proximal vanadium projects and infrastructure

During the reporting period, CZR prepared metallurgical samples from diamond core drilled in 2010 through the Buddadoo Mafic Complex. The samples tested separate vanadium and titanium enriched zones, with five composite samples prepared for further metallurgical testwork (Figure 13).

The Buddadoo Mafic Complex trends from titanium rich in the west to vanadium rich in the east. Previously reported metallurgical testwork (ASX announcement 7 February 2019) indicates the titanium is hosted in the magnetic fraction, as titano-magnetite, but a high proportion reports to the non-magnetic fraction as ilmenite, and the vanadium enriched zone is entirely hosted within the magnetic fraction.

CZR is now working with its metallurgical consultant to develop a process flowsheet to test production of separate vanadium and titanium concentrates.

The Mid-West region is experiencing an increase in vanadium exploration and development. The recently completed ~$200 million merger between Australian Vanadium (AVL) and Technology Metals Australia (TMT) (AVL ASX Announcement 1 February 2024) provides further evidence of the regions potential to become a significant source of vanadium and magnetite production.



SAMPLE	Fe %	TiO2 %	V2O5 %	SiO2 %	Al2O3 %
Composite 1	41.5	12.6	0.84	13.3	8.5
Composite 2	20.7	6.2	0.37	33.6	17.7
Composite 3	39.3	13.7	0.56	15.1	8.8
Composite 4	44.3	17.2	0.43	9.5	6.1
Composite 5	43.1	17.6	0.30	10.7	6.6

Figure 13. *Buddadoo VTM composite samples prepared for metallurgical testwork*

Yarrie Iron-Ore Project (CZR 70%)

The Yarrie Project covers a total of 144 square kilometres, about 160 kilometres east of Port Hedland. Yarrie is serviced by bitumen and gravel roads, a natural gas pipeline between Pt Hedland and the Telfer copper-gold mine and a BHP-owned rail connection between Yarrie mining area and Port Hedland. The Yarrie tenements are held for their potential to host high-grade (+62% Fe) iron-ore and have historical high-grade RC drill intercepts in the Cabbage Tree and Kennedy Gap prospects (CZR release to ASX; 6 August 2014).

No field activities were undertaken at Yarrie during the reporting period.

Shepherds Well Project (CZR 70%)

Shepherd's Well (E08/2361) is located 60 kilometres south-west of Karratha and covers 15 kilometres of a regional shear-zone. CZR completed a moving loop electro-magnetic (EM) survey at the Dorper prospect in the March 2023 quarter, targeting a mafic-ultramafic intrusion with anomalous nickel and PGE in soil and rock chip samples. The survey identified a NE-SW oriented stratigraphic conductor dipping steeply to the NW, that is much more conductive in the south and gets weaker towards the North.

No field activities were undertaken at Shepherd's Well during the reporting period.

CORPORATE

Miracle Iron Resources Transaction

On 29 December 2023 (and as announced on 11 January 2024) CZR announced it had entered into a binding Share Sale Agreement (the Agreement) for the sale of Zanthus Resources Pty Ltd (Zanthus), a wholly owned subsidiary that controls an 85% interest in the Robe Mesa Iron Ore Project (Project), to Miracle Iron Resources Pty Ltd (Miracle Iron) for $102 million (the Transaction).

Miracle Iron, which is based in Perth, Western Australia, is an emerging resource development company closely linked with its parent company, Shenzhen Naao Jianglan Investment Co. Ltd (SNIC), headquartered in Shenzhen City, China. SNIC is a subsidiary of Xinjiang Jiangna Mining Corporation Limited, a Chinese incorporated company, which is a multi-faceted enterprise involved in resources, power generation, investment, finance, industrial operations and the research and development of zero-carbon technologies.

The Transaction has been approved by CZR shareholders (ASX Announcement 28 February 2024) and remains subject to other conditions, including FIRB and Chinese Government approvals.

The Transaction has the following key terms:

- CZR will sell its 85% interest in the Robe Mesa iron ore project and associated assets through a share sale of its wholly owned subsidiary Zanthus Resources Pty Ltd
- Miracle Iron will pay a $1 million Exclusivity Fee to CZR. Exclusivity commences on the date of the Agreement and will finish on the earlier of completion, the 'Sunset Date' for satisfaction of the conditions precedent to the Agreement, which is currently 31 May 2024 (**Sunset Date**), or the date on which the Agreement is terminated (**Exclusivity Period**).
- CZR to receive $102 million cash, comprised of:
  - $81.6m on completion; and
  - $20.4m on the earlier of first shipment or 30 June 2025
- Completion is conditional upon shareholder approval (received 28 February 2024), FIRB and Chinese government approvals and other conditions customary for a transaction of this nature
- CZR is subject to exclusivity arrangements requiring it, amongst other things, not to engage with third parties during the Exclusivity Period, subject to customary fiduciary carve outs
- Up until completion occurs or the Sunset Date, Miracle Iron will provide funding to Zanthus of up to $3.9 million to cover project expenditure during the pre-completion period.

Indicative Timetable and Next Steps:

Event	Date
Transaction completion	Mid/Late May 2024
Last day to satisfy the conditions	31 May 2024

For further information on the proposed Transaction with Miracle Iron, please refer to CZR's ASX Announcement (11 January 2024 - CZR to sell interest in Robe Mesa Project for $102 million).

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

Other than as outlined in the review of operations, there were no significant changes in the state of affairs of the Group during the half year.

SUBSEQUENT EVENTS

In January 2024 a third party has loaned the Company $1,100,000. The loan is payable after completion of the sale of 100% of the issued capital of Zanthus Pty Ltd which is expected to occur before 31 May 2024.

On the 28 February 2024, CZR shareholders voted overwhelmingly in favour (96%) of the sale by the Company of 100% of the issued capital of Zanthus Resources Pty Ltd, which holds an 85% interest in the Yarraloola Joint Venture which comprises the Robe Mesa Project to Miracle Iron Resources Pty Ltd.

Other than above, there has been no matters or circumstances that have arisen after reporting date that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial periods.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* for the half-year ended 31 December 2023 is set out on page 20.

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

Russell Clark
Chairman

Dated this 14th day of March 2024

Forward Looking Statements

This report contains "forward-looking information" that is based on CZR's expectations, estimates and projections as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to the Definitive feasibility study, CZR's business strategy, plan, development, objectives, performance, outlook, growth, cashflow, projections, targets and expectations, mineral resources, ore reserves, results of exploration and related expenses. Generally, this forward looking information can be identified by the use of forward-looking terminology such as 'outlook', 'anticipate', 'project', 'target', 'likely', 'believe', 'estimate', 'expect', 'intend', 'may', 'would', 'could', 'should', 'scheduled', 'will', 'plan', 'forecast', 'evolve' and similar expressions. Persons reading this announcement are cautioned that such statements are only predictions, and that CZR's actual future results or performance may be materially different. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause CZR's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information.

Forward-looking information is developed based on assumptions about such risks, uncertainties and other factors set out herein, including but not limited to general business, economic, competitive, political and social uncertainties; the actual results of current exploration activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices and demand of iron and other metals; possible variations of ore grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accident, labour disputes and other risks of the mining industry; and delays in obtaining governmental approvals or financing or in the completion of development or construction activities. This list and the further risk factors detailed in the remainder of this report are not exhaustive of the factors that may affect or impact forward-looking information. These and other factors should be considered carefully, and readers should not place undue reliance on such forward-looking information. CZR disclaims any intent or obligations to revise any forward-looking statements whether as a result of new information, estimates, or options, future events or results or otherwise, unless required to do so by law.

Statements regarding plans with respect to CZR's mineral properties may contain forward-looking statements in relation to future matters that can only be made where CZR has a reasonable basis for making those statements. Competent Person Statements regarding plans with respect to CZR's mineral properties are forward looking statements. There can be no assurance that CZR's plans for development of its mineral properties will proceed as expected. There can be no assurance that CZR will be able to confirm the presence of mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of CZR's mineral properties.

DIRECTORS' REPORT (Continued)

No New Information or Data

This announcement contains references to Ore Reserve and Mineral Resource estimates, all of which have been cross referenced to previous market announcements made by the Company. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of estimates of Ore Reserves and Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

This announcement contains references to forecast financial information extracted from the Company's Robe Mesa Definitive Feasibility Study announcement dated 10 October 2023. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original announcement, all material assumptions and technical parameters underpinning the forecast financial information derived from the definitive feasibility study included in the original announcement continue to apply and have not materially changed.

Competent Person Statement

The information in this report that relates to exploration activities and exploration results is based on information compiled by Stefan Murphy (BSc), a Competent Person who is a Member of the Australian Institute of Geoscientists. Stefan Murphy is Managing Director of CZR Resources, holds options and performance rights in the Company and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a 'Competent Person' as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code).

Stefan Murphy has given his consent to the inclusion in this report of the matters based on his information in the form and context in which it appears.

AUDITOR'S INDEPENDENCE DECLARATION

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DECLARATION OF INDEPENDENCE BY NEIL SMITH TO THE DIRECTORS OF CZR RESOURCES LTD

As lead auditor for the review of CZR Resources Ltd for the half-year ended 31 December 2023, 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 review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of CZR Resources Ltd and the entities it controlled during the period.

Neil Smith

Director

BDO Audit (WA) Pty Ltd

Perth

14 March 2024

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	Note	Half-Year 31 December 2023 $	Half-Year 31 December 2022 $
Other income		24,623	49,707
Exploration costs		(1,129,573)	(3,214,192)
Director fees		(72,056)	(68,438)
Compliance and professional fees		(297,984)	(286,342)
Finance		(10,000)	-
Depreciation		(9,898)	(10,199)
Administration expenses		(89,385)	(85,993)
Share Based Payments	9	(726,287)	(230,363)
(Loss) before income tax		**(2,310,560)**	**(3,845,820)**
Income tax benefit / (expense)	4	14,513,970	-
Profit / (loss) from continuing operations after related income tax benefit / expense for the half year attributable to members of CZR Resources Ltd		**12,203,410**	**(3,845,820)**
Other comprehensive income		**-**	**-**
Total comprehensive profit / (loss) attributable to the members of CZR Resources Ltd		**12,203,410**	**(3,845,820)**
Profit / (loss) per share for the half year attributable to members of CZR Resources Ltd			
Basic profit / (loss) per share (cents)		5.18	(1.83)
Diluted profit / (loss) per share (cents)		5.06	(1.83)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

	Note	As At 31 December 2023 $	As At 30 June 2023 $
ASSETS			
Current Assets			
Cash and cash equivalents	5	465,289	2,169,445
Other receivables		106,287	164,034
Assets of disposal group classified as held for sale	6	9,444,109	-
Total Current Assets		**10,015,685**	**2,333,479**
Non-Current Assets			
Property, plant and equipment		28,354	37,461
Exploration assets	7	4,632,475	14,061,375
Deferred tax	4	28,189,114	-
Total Non-Current Assets		**32,849,943**	**14,098,836**
TOTAL ASSETS		**42,865,628**	**16,432,315**
LIABILITIES			
Current Liabilities			
Trade and other payables		678,692	855,994
Provisions		51,935	49,147
Income tax	4	13,314,079	-
Total Current Liabilities		**14,044,706**	**905,141**
Non-Current Liabilities			
Provisions		7,416	4,430
Deferred tax	4	361,065	-
Total Non-Current Liabilities		**368,481**	**4,430**
TOTAL LIABILITIES		**14,413,187**	**909,571**
NET ASSETS		**28,452,441**	**15,522,744**
EQUITY			
Contributed equity	8	51,905,388	51,905,388
Reserves		5,213,563	4,487,276
Accumulated losses		(28,666,510)	(40,869,920)
TOTAL EQUITY		**28,452,441**	**15,522,744**

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	Note	Ordinary Shares $	Reserves	Accumulated Losses $	Total Equity $
Balance at 1 July 2022		**45,817,644**	**3,944,682**	**(33,762,062)**	**16,000,264**
Total comprehensive loss for the half-year		-	-	(3,845,820)	(3,845,820)
Shares issued – rights issue		3,923,162	-	-	3,923,162
Share Issue costs		(47,235)	-	-	(47,235)
Share based payment expense		-	230,363	-	230,363
Balance at 31 December 2022		**49,693,571**	**4,175,045**	**(37,607,882)**	**16,260,734**
Balance at 1 July 2023		**51,905,388**	**4,487,276**	**(40,869,920)**	**15,522,744**
Total comprehensive profit for the half-year		-	-	12,203,410	12,203,410
Share based payment expense		-	726,287	-	726,287
Balance at 31 December 2023		**51,905,388**	**5,213,563**	**(28,666,510)**	**28,452,441**

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

CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	Note	Half-Year 31 December 2023 $	Half-Year 31 December 2022 $
Cash flows from operating activities			
Receipts from customers		792	21,780
Payments to suppliers and employees		(445,265)	(488,619)
Payment for exploration expenditure		(1,234,179)	(3,194,778)
Interest received		23,830	15,395
Net cash flows used in operating activities		**(1,654,822)**	**(3,646,222)**
Cash flows from investing activities			
Acquisition of tenements		(48,544)	-
Acquisition of plant and equipment		(790)	-
Net cash flows used in investing activities		**(49,334)**	**-**
Cash flows from financing activities			
Proceeds from issue of ordinary shares		-	3,923,162
Share issue costs		-	(47,235)
Net cash inflows from financing activities		**-**	**3,875,927**
Net increase in cash held		(1,704,156)	229,705
Cash and cash equivalents at the beginning of the half-year		2,169,445	3,120,947
Cash and cash equivalents at the end of the half-year	**5**	**465,289**	**3,350,652**

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to the period presented, unless otherwise stated.

Basis of Preparation

The half-year consolidated financial statements are general purpose financial statements prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standard AASB 134 *Interim Financial Reporting*, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2023 and any public announcements made by CZR Resources Ltd and its controlled entities during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*.

The half-year report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide a full understanding of the financial performance, financial position and cash flows of the Group as in the full financial report.

The accounting policies and methods of computation adopted in the preparation of the half-year financial statements are consistent with those adopted and disclosed in the Group's annual financial report for the financial year ended 30 June 2023 except for the impact (if any) of the new and revised Standards and Interpretations effective 1 July 2023 as discussed below.

It has been determined by the Group that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to Group accounting policies.

In addition the following accounting policy note is disclosed, as it is now relevant for the first time and has not been disclosed in the previous annual financial report of CZR Resources Ltd as at 30 June 2023 as it was not applicable then:

Non-current assets or disposal groups classified as held for sale

Non-current assets and assets of disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For non-current assets or assets of disposal groups to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write down of the non-current assets and assets of disposal groups to fair value less costs of disposal. A gain is recognised for any subsequent increases in fair value less costs of disposal of a non-current assets and assets of disposal groups, but not in excess of any cumulative impairment loss previously recognised.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current assets. The liabilities of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current liabilities.

Accounting Standards Issued

In the half-year ended 31 December 2023, the Group has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for reporting periods beginning on or after 1 July 2023.

It has been determined by the Group that there is no impact, material or otherwise, of any new and revised Standards and Interpretations on its business and, therefore, no change is necessary to the Group's accounting policies as set out in the Annual Report for the year ended 30 June 2023.

Reporting basis and conventions

The half-year statements have been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Going Concern

The Group has incurred a net profit after tax for the half year ended 31 December 2023 of $12,203,410 (2022: net loss after tax of $3,845,820) and experienced net cash outflows from operating activities of $1,654,822 (2022: $3,646,222). At 31 December 2023, the Group had current assets of $10,015,685 (30 June 2023: $2,333,479).

The ability of the Group to continue as a going concern is dependent on securing additional funding through debt or equity issues or partial sale of its mineral properties as and when the need to raise working capital arises, to continue to fund its operational activities.

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.

Management believe there are sufficient funds to meet the Group's working capital requirements as at the date of this report. Subsequent to period end the Group expects to receive additional funds through debt or equity issues and the proceeds from the completion of expected sale of the Robe Mesa Iron Ore Project.

The financial statements have been prepared on the basis that the Group is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business for the following reasons:

- The Directors believe that there is sufficient cash available for the Group to continue operating until the sale of Rob Mesa Iron Ore Project with Miracle Iron Resources Pty Ltd transaction completes, or alternatively it can raise sufficient further capital to fund its ongoing activities.
- At balance date the Company had access to $4,421,796 in undrawn short term loan facilities
- The company has received an additional $1,100,000 short term loan subsequent to balance date
- The Group has a proven history of successfully raising capital.
- The fact that future exploration and evaluation expenditures are generally discretionary in nature and may be slowed or suspended as part of the management of the Group's working capital and other forecast commitments.

The directors are satisfied that at the date of signing of this financial report, there are reasonable grounds to believe that the Group will be able to raise additional funding to continue to meet its debts as and when they fall due and it is appropriate for the financial statements to be prepared on a going concern basis.

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, and at amounts that differ from those stated in the financial statements and that 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.

2. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year (in addition to that already previous disclosed in the Company's Financial Statements ended 30 June 2023) are discussed below.

Income tax

The consolidated entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The consolidated entity recognises liabilities for anticipated tax audit issues based on the consolidated entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Deferred tax balances

Deferred tax assets are recognised for deductible temporary differences only if the Group considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Income tax note disclosed in Note 4 has been prepared in accordance with the above.

3. LOSS BEFORE INCOME TAX

	Half-Year 31 December 2023 $	**Half-Year 31 December 2022 $**
The following revenue and expense items are relevant in explaining the financial performance for the half-year:		
Other income	793	34,312
Interest revenue	23,830	15,395
	24,623	49,707

Expenses	**Half-Year 31 December 2023 $**	**Half-Year 31 December 2022 $**
Exploration costs	(1,129,573)	(3,214,192)
Finance charges – short-term loan facility	(10,000)	-
Share based payments	(726,287)	(230,363)
Depreciation	(9,898)	(10,199)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

4. INCOME TAX EXPENSE

	31 December 2023 $	31 December 2022 $
Income tax expense		
Current tax expense	13,308,916	-
Deferred tax expense / (benefit)	(27,822,886)	-
Total income tax expense / (benefit)	(14,513,970)	-
Numerical reconciliation of income tax expense to prima facie tax		
Profit / (loss) from continuing operations before income tax expense	(2,310,560)	(3,845,820)
Tax expense at the Australian tax rate of 30% (2022 – 30%)	(693,168)	(1,153,746)
Share based payment	217,886	69,109
Other	183	-
Tax losses and timing differences for which deferred tax assets has not been recognised	-	1,084,637
Tax losses and other timing differences previously not recognised to reduce current tax expense	(14,038,870)	-
Income tax expense / (benefit)	(14,513,970)	-

	31 December 2023 $	30 June 2023 $
Deferred tax assets recognised		
“Asset held for sale”	28,066,767	-
Other	122,347	-
	28,189,114	-
Deferred tax (liability) recognised		
Exploration assets and expenditure	(361,065)	2,887,099
	(361,065)	2,887,099
Net Deferred tax assets/(liability) not recognised		
Tax losses	-	14,618,521
Capital losses	-	2,169,769
Other	-	137,679
Exploration assets and expenditure	-	(2,887,099)
	-	14,038,870

On 29 December 2023 the Company entered into a binding Share Sale Agreement for the sale of Zanthus Pty Ltd, a wholly owned subsidiary that controls an 85% interest in the Robe Mesa Iron Ore Project, to Miracle Iron Resources Pty Ltd for $102 million (the **Transaction**). A deferred tax asset of $28,066,767 under AASB 112 has been recognised on the difference between the taxable value of the transaction for the period less the accounting carrying amount of the Robe Mesa Iron Ore Project classified as held for sale. In addition, current tax liability of $13,314,079 has been recognised for the period which primarily relates to the Transaction.

In recognising net deferred tax asset of $14,038,870 for tax losses and other timing differences previously not recognised, the Company is satisfied the tax loss recoupment criteria will be satisfied for the period in respect of all carried forward revenue and capital tax losses. The Company will be required to reconsider its ability to utilise its carried forward revenue and capital tax losses at 30 June 2024 being the year in which the Transaction will be taxable.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

5. CASH AND CASH EQUIVALENTS

	31 December 2023 $	30 June 2023 $
Cash and cash equivalents	465,289	2,169,445
	465,289	2,169,445
Total financing facilities – all unused at reporting date		
Short-term loan – related party[1]	500,000	-
Short-term loan – others[2]	3,921,796	-
	4,421,796	-

Note 1: In early December 2023 the Company secured a short-term funding facility of $500,000 from Yandal Investments Pty Ltd (an entity owned by CZR Resources Ltd’s major shareholder Mark Creasy). The loan facility is unsecured, can be drawn in tranches of not less than $50,000, interest is payable at 12.0% per annum and a facility fee of $10,000 is payable. The funds will be repayable by no earlier than 1 April 2024.

Note 2: At the end of December, the Company entered into a share sale agreement with Miracle Iron Resources Pty Ltd (Miracle Iron) pursuant to which the Company agreed to sell, and Miracle Iron has agreed to purchase, 100% of the issued share capital in Zanthus Resources Pty Ltd (Zanthus) (the Company’s wholly owned subsidiary) and indirectly its controlling interest in the Robe Mesa Project. Refer to the Company’s ASX Announcement dated 11 January 2023 titled “CZR enters into binding agreement to sell Robe Mesa Iron Ore Project for $102 million” for more details.

As part of this transaction Miracle Iron has agreed to fund till completion of the transaction forecasted budget expenditure relating to Robe Mesa expenditure up to $3,921,796. Miracle Iron will pay into Zanthus's account the forecast expenditure amounts for each relevant month in the agreed budget (or such other revised amount as may be agreed between the parties). If completion occurs, all budget expenditure amounts will remain due by Zanthus to Miracle Iron. However if the Share Sale Agreement is terminated such that Completion does not occur, Zanthus must repay (and if Zanthus doesn't repay, the Company must repay) all budget expenditure amounts within 10 business days of a Competing Proposal being entered into or the next capital raising (of at least the lesser of $4,000,000 or the amounts advanced by Miracle Iron pursuant to the budget) after the termination of the Share Sale Agreement, such capital raising to be undertaken by the Company within three months of termination of the Share Sale Agreement. The loan funds are unsecured and no interest is payable.

6. ASSETS OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

	31 December 2023 $	30 June 2023 $
Other receivables	15,209	-
Exploration assets	9,428,900	-
	9,444,109	-

The assets identified above represents the assets of Zanthus Resources Pty Ltd, a subsidiary of CZR Resources Ltd which the Company has agreed to sell per a Share Sale Agreement dated 29 December 2023 with Miracle Iron Resources Pty Ltd (refer to the Directors’ Report for more information).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

7. EXPLORATION ASSETS

A reconciliation of the movements in the capitalised exploration assets is detailed below:

	31 December 2023 $	30 June 2023 $
Opening balance at the beginning of the period	14,061,375	13,499,466
Acquisition of tenements	-	847,158
Tenements impaired	-	(285,249)
Classified as held for sale (note 3)	(9,428,900)	-
Closing Balance	4,632,475	14,061,375

Exploration costs are only carried forward to the extent that they are expected to be recouped through the successful development or sale 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.

Exploration assets of Zanthus Resources Pty Ltd, a subsidiary of CZR Resources Ltd is currently for sale and is expected to be sold within 5 months as per a Share Sale Agreement entered into with Miracle iron Resources Pty Ltd dated 29 December 2023 (refer to the Directors' Report for more information). As a result of the pending sale Exploration assets of Zanthus Resources Pty Ltd have been reclassified as a current asset under the category Assets of disposal group classified as held for sale (refer Note 3).

8. ISSUED CAPITAL

	As At 31 December 2023 $	As At 30 June 2023 $
Ordinary shares	51,905,388	51,905,388

	31 December 2023 No.	31 December 2023 $	30 June 2023 No.	30 June 2023 $
Movements in ordinary shares on issue				
Shares on issue at 1 July	235,734,646	51,905,388	3,486,323,277	45,817,644
- Shares issued – rights issue	-	-	326,930,161	3,923,162
- Share consolidation (17 for 1 Basis)	-	-	(3,588,942,910)	-
- Shares issued – rights issue shortfall	-	-	8,130,000	1,658,520
- Shares issued – FMG Pilbara	-	-	3,294,118	658,824
- Issue costs	-	-	-	(152,762)
At period end	235,734,646	51,905,388	235,734,646	51,905,388

Options

	2023 No.	2023 Weighted average exercise price ($)
Outstanding at beginning of period	15,580,032	0.304
Issued during the period – Employees	-	-
Issued during the period – Directors[1]	588,236	0.000017
Cancellation of options	-	-
Outstanding at the end of the period	16,168,268	
Vested and exercisable at the end of the period	5,509,437	0.289

Note 1: On 30/11/2023 following shareholders approval the Company issued 588,236 Managing Director incentive options with an exercise price of $0.000017 expiring on 30/11/2027 (refer Note 9 for more details).

Performance Rights

	31 December 2023 No.
Outstanding at beginning of period	257,354
Issued during the period – Directors[1]	2,800,000
Outstanding at the end of the period	3,057,354

Note 1: On 30/11/2023 following shareholders approval the Company issued 2,800,000 Performance Rights to Directors for nil consideration which expire on 30/11/2027 (refer Note 9 for more details)

9. SHARE BASED PAYMENTS

	31 December 2023 $	31 December 2022 $
Share based payment expense relating to options	602,024	202,613
Share based payment expense relating to performance rights	124,263	27,750
Total share based payment expense	726,287	230,363

As a result of the expected sale of the Robe Mesa Project, the amortisation of some share based payments for options and performance rights have been accelerated, as additional conditions for vesting are expected to be now met.

Options

On 30 November 2023, shareholders approved the issue of 588,236 Managing Director incentive options with an exercise price of $0.000017 and expiring on 30 November 2027. The options vest once various performance milestones have been met (see below for details). None of the above options had vested as 31/12/23.

The fair value of the options was determined using the Black-Scholes option valuation methodology and applying the following inputs:

	Managing Director Incentive Options[1]
Grant Date	30 Nov 2023
Issue Date	30 Nov 2023
Number of Options	588,236
Exercise Price	$0.000017
Expiry Date	30 Nov 2027
Risk Free Rate	4.04%
Volatility	80.8%
Value per Option	$0.245
Total Value of Options	$144,109

[1] Vesting Conditions of Managing Director Incentive Options:

Tranche	**Performance Incentive Option Milestones**	**No. of Employee Incentive Options**
Tranche 1	Financial Investment Decision (FID) by the Board to proceed with the development of the Company's Robe Mesa Project.	294,118
Tranche 2	Commencement of the sale of direct shipping ore (First Shipment) of the Company's Robe Mesa Project.	294,118
		588,236

No remuneration options were exercised during the half year ended 31 December 2023.

Performance Rights

On the 30 November 2023, shareholders approved the issue of 2,800,000 Performance Rights to Directors. 50% of the Performance Rights vest if the director remains a director of the Company 12 months after issue and the remaining 50% vest if the Performance Rights Holder remains a director of the Company 24 months after issue of the Performance Rights. The performance Rights expire 4 years from the date of issue.

The fair value of the Performance Rights was determined by applying the following inputs:

	Director Performance Rights
Grant Date	30 Nov 2023
Issue Date	30 Nov 2023
Number of Performance Rights	2,800,000
Conversion Price	nil
Expiry Date	30 Nov 2027
Value per Right	$0.245
Total Value of Performance Rights	$686,000

No remuneration performance rights were exercised during the half year ended 31 December 2023.

10. SEGMENT INFORMATION

The Group operates predominantly in one geographical segment, being Western Australia, and in one industry, being mineral exploration. The reporting segment is represented by the primary statements forming this financial report.

11. CONTINGENT LIABILITIES

Prior to Balance date the Company entered into an agreement with SQ1 Group Pty Ltd (SQ1) as an adviser to the Miracle Iron Proposed Transaction and has agreed to pay SQ1 a fee equal to 2.3% of the cash consideration actually received by the Company from Miracle Iron for the Proposed Transaction provided the Proposed Transaction completes within 12 months of the initial introduction which occurred in October 2023. The cash consideration is to be received by the Company in two tranches:

1) $81.6 million on Completion; and
2) $20.4m on the earlier of first shipment or 30 June 2025.

Completion is conditional upon shareholder approval (received subsequent to balance date on 28 February 2024), FIRB and Chinese government approvals and other conditions customary for a transaction of this nature.

As at the date of the report, other than the above, the Directors are not aware of any material contingent liabilities that would require disclosure.

12. COMMITMENTS

Exploration commitments	**31 December 2023 $**	**30 June 2023 $**
Payable:		
Within one year	1,181,636	600,251
Later than one year but not later than 5 years	1,225,216	814,793
Later than 5 years	1,099,952	1,137,078
	3,506,804	2,552,122

13. RELATED PARTY TRANSACTIONS

Transactions with related parties

In December 2023 the Company secured a short-term funding facility of $500,000 from Yandal Investments Pty Ltd (an entity owned by CZR Resources Ltd's major shareholder Mark Creasy). The loan facility is unsecured, can be drawn in tranches of not less than $50,000, interest is payable at 12.0% per annum and a facility fee of $10,000 is payable. The funds will be repayable by no earlier than 1 April 2024. To date no funds have been drawn down on the facility.

On the 30 November 2023 following shareholders approval, 588,236 Options and 2,800,000 Performance Rights were issued to directors Stefan Murphy (588,236 Options and 1,400,000 Performance Rights), Russell Clark (700,000 Performance Rights) and Annie Guo (700,000 Performance Rights) – Refer Note 9 for further details.

Other than as disclosed above, transactions with related parties during the half-year were on the same basis as stated in the 30 June 2023 Annual Report.

14. SUBSEQUENT EVENTS

In January 2024 a third party has loaned the Company $1,100,000. The loan is payable after completion of the sale of 100% of the issued capital of Zanthus Pty Ltd which is expected to occur before 31 May 2024.

On the 28 February 2024, CZR shareholders voted overwhelmingly in favour of the sale by the Company of 100% of the issued capital of Zanthus Resources Pty Ltd, which holds an 85% interest in the Yarraloola Joint Venture which comprises the Robe Mesa Project to Miracle Iron Resources Pty Ltd.

Other than above, there has been no matters or circumstances that have arisen after reporting date that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial periods.

15. FAIR VALUE OF FINANCIAL INSTRUMENTS

Due to their short term nature, the carrying amounts of the current receivables and current payables are assumed to approximate their fair value.

DIRECTORS' DECLARATION
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 21 to 34:

    (a) comply with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

    (b) give a true and fair view of the economic entity's financial position as at 31 December 2023 and of its performance for the half-year ended on that date.

2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Russell Clark
Chairman

Dated this 14th day of March 2024

**INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of CZR Resources Ltd

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of CZR Resources Ltd (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

(i) Giving a true and fair view of the Group's financial position as at 31 December 2023 and of its financial performance for the half-year ended on that date; and

(ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the 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 the same terms if given to the directors as at the time of this auditor's review report.

Material uncertainty relating to going concern

We draw attention to Note 1 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 conclusion is not modified in respect of this matter.

**INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

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 internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's 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 Group'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.

BDO Audit (WA) Pty Ltd

BDO

Neil Smith

Director

Perth, 14 March 2024