Half-Year Financial Statements 2023

Condensed Consolidated Financial Statements for the half-year ended 31 December 2023

Premier1 Lithium Limited
(formerly SensOre Ltd.)
ABN 16 637 198 531 | ASX: PLC

Forward-looking statements

Certain information contained in this report, including any information on Premier1 Lithium Limited 's (**Premier1 Lithium** or the **Company**) plans or future financial or operating performance and other statements that express management's expectations or estimates of future performance, constitute forward-looking statements. Forward-looking statements can generally be identified by the use of forward-looking words, such as 'expect', 'anticipate', 'likely', 'intend', 'should', 'could', 'may', 'predict', 'plan', 'propose', 'will', 'believe', 'forecast', 'estimate', 'target' and other similar expressions. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements. Forward-looking statements are provided as a general guide only and should not be relied on as an indication or guarantee of future performance.

Forward-looking statements are based on a number of estimates and assumptions that, while considered reasonable by management at the time, are subject to significant business, economic and competitive uncertainties. Premier1 Lithium cautions that such statements involve known and unknown risks, uncertainties and other factors that may cause the actual financial results, performance or achievements of Premier1 Lithium to be materially different from the Company's estimated future results, performance or achievements expressed or implied by those forward-looking statements. These factors include: the inherent risks involved in exploration and development of mineral properties, financing risk, changes in economic conditions, changes in the regulatory environment and other government actions, changes in other factors, such as business and operational risk management, many of which are beyond the control of Premier1 Lithium. There can be no assurance that actual outcomes will not differ materially from these statements.

Past performance information given in this report is given for illustrative purposes only and is not necessarily a guide to future performance. No representation or warranty is made by any person as to the likelihood of achievement or reasonableness of any forward-looking statements, forecast financial information or other forecast. Nothing contained in this report is, or shall be relied upon as, a promise, representation, warranty or guarantee as to the past, present or future performance of Premier1 Lithium.

Except as required by applicable regulations or by law, Premier1 Lithium does not undertake any obligation to publicly update, review or release any revisions to any forward-looking statements to reflect new information, future events or circumstances after the date of this report.

Nothing in this report should be construed as either an offer to sell or a solicitation to buy or sell Premier1 Lithium securities.

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DIRECTORS' REPORT

The directors of Premier1 Lithium Limited (formerly SensOre Ltd) (Premier1 Lithium, Premier1, or the **Company**) present the financial report of the Company and its subsidiaries (the **Group**) for the half-year ended 31 December 2023 and the review report thereon.

Directors

The names of directors in office during the period and up to the date of this report are:

Richard Taylor
Nicholas Limb
Anja Ehser (appointed 17 January 2024)

Robert Peck (resigned 25 January 2024)
Robert Rowe (resigned 25 January 2024)
Adrian Manger (resigned 25 January 2024)
Anthony O'Sullivan (resigned 25 January 2024)

Review of Operations & Principal Activities

Corporate

In 2023, Premier1 Lithium embarked on an exciting collaboration with Deutsche Rohstoff A.G. (DRAG) building a lithium portfolio of AI generated targets. Under the Exploration Ventures AI Pty Ltd (EVAI) joint-venture with DRAG, Premier1 Lithium acquired options and farmin rights to the Abbotts North Project, Montague (with Gateway Mining), Yalgoo (separately with Venture Minerals and Firetail Resources). Field validation identified outcropping pegmatites at Abbotts North, including rock chips with values up to 1.25% Lithium Oxide (Li_2O), validating the big data and machine learning processes that led to the targets. This highly prospective portfolio has become the core focus of Premier1 Lithium.

On 18 December 2023, Premier1 Lithium announced a significant change to its operations and principal activities with proposed demerger of its technology business, acquisition of the remaining 70% interest in Exploration Ventures AI Pty Ltd (EVAI) that the Company did not already own, and a $3 million placement to be used to progress exploration activities.

The demerger resulted in the technology assets becoming part of Tully Investors Limited (Tully) (an entity established on 5 December as an investment holding company), which will develop the technology, software and services. The demerger will allow greater focus on core activities for each of the business units and will provide an opportunity to unlock value for shareholders.

Since inception, the Company has held its technology and IP assets in a separate subsidiary (SensOre_X Pty Ltd). In July 2022, the Company acquired further technology assets when it acquired Intrepid Geophysics, consisting of two subsidiaries held under SensOre_A Pty Ltd. The exploration assets are held in several separate subsidiaries based on commodity and joint-venture obligations (gold and other metals in SYV, SBM and SensOre_Y) and lithium (EVAI).

Subsequent to the 31 December 2023 reporting period, at the General Meeting held on 17 January 2024 the following resolutions were passed in connection with the demerger and placement:

1. Resolution 1: Approval for an Equal Reduction in Capital: Demerger of Tully Investors Limited
2. Resolution 2: Issue of Shares and Options to Deutsche Rohstoff AG for Acquisition of 70% Interest in Lithium Assets
3. Resolution 3: Issue of Placement Shares ($3m)
4. Resolution 4: Change of Company Name to Premier1 Lithium Limited
5. Resolution 5: Appointment of Anja Ehser as a Director

In order to effect the Demerger, Premier1 Lithium and Tully (and their various subsidiaries) entered into a demerger implementation deed, pursuant to which Tully was issued Premier1 Lithium 80,274,094 fully paid ordinary shares in Tully as consideration for the Tully Assets. Premier1 Lithium distributed and transferred 80,274,094 Shares (In-specie Shares) to Premier1 Lithium Shareholders which hold Shares on the In-specie Record Date on a pro rata basis as an in-specie distribution (In-specie Distribution).

DIRECTORS' REPORT

During the six-month period to 31 December 2023, the Company did continue to focus on growing its technology and services business and realising its investment in automation and software development. Strong sales continued to be recorded over the period. The Company continued customer trials of its data platform solution for clients.
The Company also continued exploration activities on a number of highly prospective projects in its portfolio.

Figure 1 – Pre-transaction corporate structure

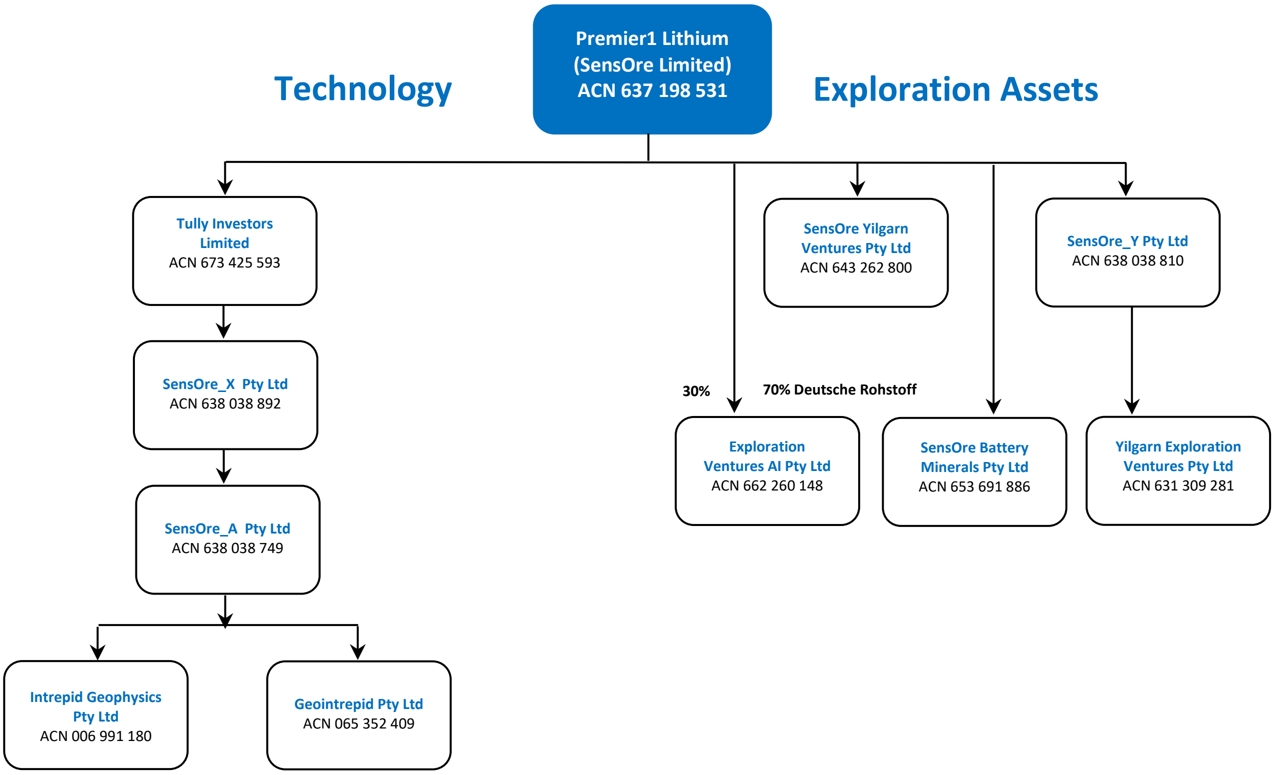


Figure 2: Premier1 Lithium Ltd Post Demerger

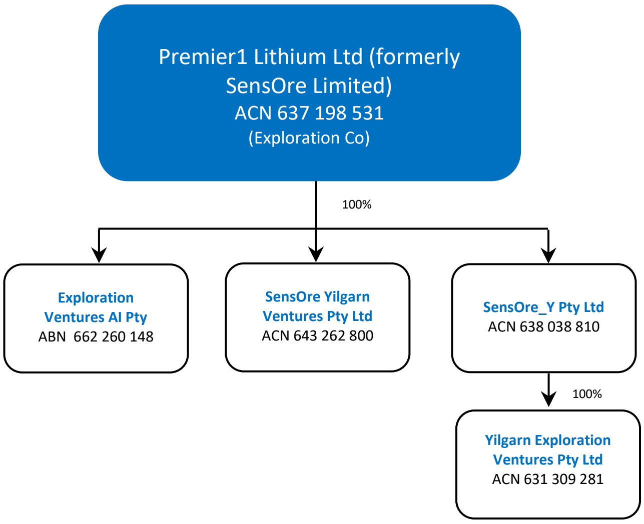
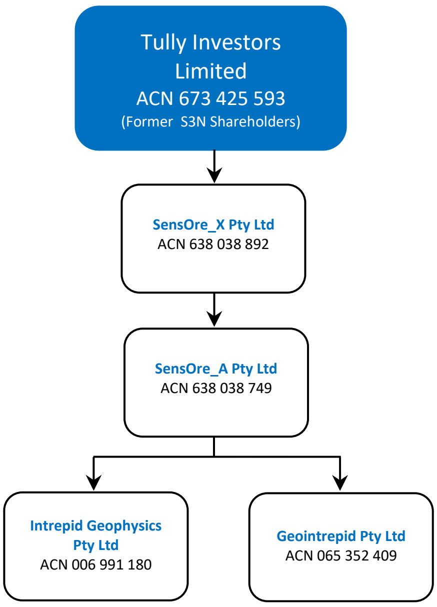


Figure 3: Former-SensOre Entities Post Demerger



DIRECTORS' REPORT

Financial results

Premier1 Lithium and its controlled entities recorded a net loss after tax of $6,317,204 for the half-year ended 31 December 2023 (31 December 2022: net loss after tax of $4,733,643).

For the half-year ended 31 December 2023 the Group recorded external revenue in relation to exploration services of $502,457 (31 December 2022: $41,425).

Revenue for the half-year ended 31 December 2023 was offset by exploration expenditure of $2,602,692 (31 December 2022: $1,553,492), personnel costs of $2,109,991 (31 December 2022: $1,587,667), consultants and contractor costs of $496,091 (31 December 2022: $1,002,797), depreciation and amortisation of $59,356 (31 December 2022: $36,336) and other administration, marketing, investor relations, maintenance and property expenses of $344,512 (31 December 2022: $441,996).

As a result of the demerger of the technology business, revenue and operating costs from this business unit are not disclosed in the same manner as previous periods, the technology business is derecognised of the results and is disclosed as discontinued operations. The Group reported strong sales revenue from the technology business consistent with prior periods.

Financial position

As at 31 December 2023, the Group held a net asset position of $7,453,683 (30 June 2023: net assets of $12,741,640) comprising:

- Cash and cash equivalents of $311,318 (30 June 2023: $1,880,952)
- Trade and other receivables of $435,694 (30 June 2023: $2,949,280)
- Assets held for sale in relation to the demerger of technology business of $6,559,578 (30 June 2023: nil)
- Exploration and evaluation assets of $1,931,338 (30 June 2023: $3,807,243)
- Technology and intellectual property assets nil, asset held for sale (30 June 2023: $6,144,051)
- Property, plant and equipment of $70,046 (30 June 2023: $368,011)
- Trade and other payables of $943,445 (30 June 2023: $878,111)
- Deferred revenue nil, refer liabilities associated with assets held for sale (30 June 2023: $516,499)
- Contingent consideration in relation to the Intrepid Geophysics, nil (30 June 2023: $517,626)
- Borrowings $10,373 (30 June 2023: $392,939)
- Other assets and liabilities totalling a net asset of $80,968 (30 June 2023: net liability of $102,722)

As a result of the demerger of the technology business, assets and liabilities from this business unit are not disclosed in the same manner as previous periods, the technology business is derecognised and reclassified as discontinued operations and subsequently disclosed as assets held for sale.

Cash flow

For the half-year ended 31 December 2023 the Group realised a net cash outflow of $1,569,634 (31 December 2022: net cash inflow of $1,904,416) comprising:

- Receipts from external customers $1,208,139 (31 December 2022: $1,787,319), Australian Tax Office $1,805,798 (31 December 2022: $1,867,317 and Government Grants $287,948 (31 December 2022: nil)
- Net proceeds from capital raising $85,000 (31 December 2022: nil)
- Proceeds from DGO's investment in YEV nil (31 December 2022: $492,705)
- Payments for capitalised $111,658 (31 December 2022: $380,913) and non-capitalised $447,181 (31 December 2022: $877,694)
- Payments to suppliers and employees of $3,615,227 (31 December 2022: $3,533,741)
- Contingent payment relation to Intrepid acquisition $969,227 (31 December 2022: nil)
- Other net cash outflows of $89,937 relating to payments for property, plant and equipment, interest, insurance premium funding and lease liabilities (31 December 2022: outflow of $254,279)

DIRECTORS' REPORT

Principle activities

The Company recently announced a significant change to its operations and principal activities, with the demerger of its technology business and $3 million placement to be used for lithium exploration activities derived from the technology.

Exploration projects

Premier1 Lithium holds an interest in several tenement packages in Western Australia directly via wholly owned subsidiaries and via agreements with third parties.

SensOre Yilgarn Ventures (SYV)

100% SYV:

- Boodanoo

SYV joint ventures:

- Moonera (farm-in 80%)

Yilgarn Exploration Ventures (YEV)

YEV joint ventures:

- Mt Magnet North (farm-in 85%)
- North Darlot (farm-in 85%)

Tenements under option agreement

SensOre Yilgarn Ventures (SYV)

100% SYV:

- 8 Mile Well

Yilgarn Exploration Ventures (YEV)

100% YEV:

- Christmas Well

New farm-in projects

During the half-year to 31 December 2023 and to the date of this report, the Premier1 Lithium Group entered into the following farm-in agreements through subsidiary Exploration Ventures AI Pty Ltd (EVAI) (note EVAI ownership moved from 30% to wholly owned subsidiary of the group post reporting date):

- Firetail Resources Limited: Yalgoo Lithium Project: EVAI to earn up to 80% of Lithium Rights on E59/E2252 by spending $3.5 million in two stages. Additional considerations of up to $600,000 on delivery of maiden Mineral Resource Estimate and Pre-feasibility Study.

Option agreement

During the half-year to 31 December 2023 the Premier1 Lithium Group entered into an option agreement with Red Wolf Resources Pty Ltd, in relation to the Christmas Well (YEV) Project and 8 Mile Well (SYV) Project. The Parties agree that:

a) In exchange for the Seller granting the Buyer an option to acquire 100% of the Tenements, the Buyer will meet all tenement expenditure, including rents, rates and minimum expenditure requirements for a period of 2 years from the Execution Date (Option Period).

b) The Buyer may exercise the option by:

   I. notifying the Seller that the tenements will become owned by an entity listed on the Australian Stock Exchange (ASX)

   II. issuing the Seller $250,000 worth of shares in an Initial Public Offering (IPO) or similar transactions that result in the assets becoming owned by a publicly listed entity, including Reverse Take Over (RTO) or similar transactions; and

   III. providing the Buyer with a 1% NSR Royalty

within the Option Period.

DIRECTORS' REPORT

Sale of tenements during the period

SensOre Yilgarn Ventures (SYV)

100% SYV:

- Tea Well East Well

Tenements surrendered/divested during the half-year ended 31 December 2023 and to the date of this report

The following tenements were surrendered during the period:

100% SYV:

- Mogul Well
  - E51/2019

100% SBM:

- Auralia
  - E69/3636
  - E69/3637
  - E69/3700
- Jenkins - E69/3986
- Scorpion - E69/3985

100% YEV:

- North Darlot
  - E37/1220

Exploration activities

During the six-months to 31 December 2023, Premier1 Lithium and its subsidiaries continued its exploration program:

Abbotts North

The application of Premier1's proprietary AI/ML, complemented through reconnaissance mapping and sampling, has identified a new pegmatite field within the Abbotts Greenstone Belt sequence.

Lithium mineralisation within the Buttamiah Prospect confirmed with rock chip samples reporting encouraging assays up to 1.25% Li_2O:
- 23ANR008 1.25% Li_2O or 5,800ppm Li, 397ppm Cs, 138ppm Ta_2O_5
- 23ANR013 0.88% Li_2O or 4,070ppm Li, 224ppm Cs, 107ppm Ta_2O_5
- 23ANR015 0.87% Li_2O or 4,050ppm Li, 512ppm Cs, 390ppm Ta_2O_5

At least three separate pegmatite dykes identified with Potassium / Rubidium ratios less than 10 indicating a highly fractionated, fertile field.

The pegmatites in the vicinity of the anomalous (>0.1% Li_2O) samples at surface are 2-3metres wide and up to 350m long. Several areas have multiple sub parallel units. Overall, the pegmatite field remains open to the north and under cover.

Announced 20 February, 2024 drilling has commenced at the priority lithium pegmatite targets at the Abbotts North Project, with 2,000m of Reverse Circulation (RC) drilling to be completed.

Moonera (Nullabor)

A drill program was undertaken at the Moonera Project in July 2023. Since then there has been communication with GSWA and MinEx CRC who are undertaking drilling across the target area through the National Drilling Initiative. The project remains prospective and mineralisation is not closed off at depth or to the north.

DIRECTORS' REPORT

Boodanoo

Drilling was delayed during the period. Boodanoo is an early-stage AI-target located on a major structure in an area previously unrecognised for its gold potential.

Mt Magnet

In 2023, follow up reviews were undertaken on anomalous gold results and a sulphide bearing shear zone previously identified at 200m-220m. The project remains prospective and mineralisation is not closed off at depth or to the north. Company continued desktop reviews and targeting on potential mineralisation over a 5km strike length that remains untested by drilling. A follow-up deeper RC and diamond drilling program is planned.

Subsequent events

Subsequent to the end of the reporting period, there have been a number of subsequent events, these are detailed below:

- Premier1 Lithium entered into a $340,000 R&D Tax Incentive financing arrangement with RH Capital Finance Co. LLC, with the full amount available drawn-down by the Company in January 2024. The facility has a minimum term of at least 91 days, post this period repayment will be the earlier of Premier1 Lithium deciding to repay the facility or the June 2024 R&D Tax Incentive claim being finalised and funds received from the Australian Taxation Office, as part of the lodgement of Premier1 Lithium 2024 Income Tax Return. Interest rate on the facility is 15% per annum;
- 17 January 2024 a General Meeting was held with five items of business. The five resolutions were as follows:
  1. Resolution 1: Approval for an Equal Reduction in Capital: Demerger of Tully Investors Limited
  2. Resolution 2: Issue of Shares and Options to Deutsche Rohstoff AG for Acquisition of 70% Interest in Lithium Assets
  3. Resolution 3: Issue of Placement Shares ($3m)
  4. Resolution 4: Change of Company Name to Premier1 Lithium Limited
  5. Resolution 5: Appointment of Anja Ehser as a Director

  All resolutions were passed at the General Meeting;
- 22 January 2024, Premier1 Lithium Ltd entered into an arms-length, back-to-back working capital facility with SensOre X Pty Ltd, under the same terms as the R&D Tax Incentive financing arrangement with RH Capital Finance Co. LLC. SensOre X Pty Ltd provided a loan drawdown notice in January, drawing the full amount available of $340,000. Repayment will be the earlier of Premier1 Lithium requesting repayment, or the June 2024 R&D Tax Incentive claim being finalised and funds received from the Australian Taxation Office, as part of the lodgement of SensOre X Pty Ltd 2024 Income Tax Return;
- 22 January 2024, Premier1 Lithium announced that new pegmatites have been identified at the Abbotts North project and first soil sample program was successful in locating previously unmapped sub-cropping pegmatites. Abbotts North project approval of the Programme of Work (PoW);
- 25 January 2024, Premier1 Lithium announced that the demerger of Tully Investors Ltd from the Company was completed. The in-specie distribution to eligible shareholders occurred in conjunction with the acquisition via shares and options from Deutsche Rohstoff A.G. of the 70% interest in Exploration Ventures AI Pty Ltd that the Company did not already own and the issue of shares to participants in the $3m placement undertaken by the Company announced on 18 December 2023. The following issues of ordinary shares and options occurred:
  1. Deutsche Rohstoff A.G. issued 34,300,000 ordinary shares and 26,000,000 options with exercise prices ranging from 7.5 cents to 10 cents, for the remaining 70% interest in Exploration Ventures AI Pty Ltd;
  2. 60,000,000 ordinary shares at 5 cents per share were issued under the $3 million placement; and
  3. 7,500,000 unquoted options (Advisor Options) over Premier1 Lithium Ltd fully paid ordinary shares were issued to PAC Partners Securities Pty Ltd.

  In order to effect the Demerger, Premier1 Lithium and Tully (and their various subsidiaries) entered into a demerger implementation deed, pursuant to which Tully was issued Premier1 Lithium (formerly SensOre) 80,274,094 fully paid ordinary shares in Tully in consideration for the Tully Assets. Premier1 Lithium (formerly SensOre) distributed and transferred 80,274,094 Shares (In-specie Shares) to Premier1 Lithium Shareholders

which hold Shares on the In-specie Record Date on a pro rata basis as an in-specie distribution (In-specie Distribution);
- February 2024, due to the downturn in projections for the nickel market, Premier1 Lithium relinquished five tenements in relation to the Aurelia project, one tenement in relation to the Jenkins project, one tenement in relation to the Scorpion project and one tenement in relation to the North Darlot project;
- 7 February 2024, heritage clearances have been received for areas covering priority lithium pegmatite targets at the Abbotts North Project;
- 20 February, 2024 drilling commenced at the priority lithium pegmatite targets at the Abbotts North Project, with 2,000m of Reverse Circulation (RC) drilling to be completed in February;
- 11 March, 2024 first phase of drilling program completed at Abbotts North, with results confirming orientation and down depth continuity of the stacked pegmatite system; and
- 13 March, 2024 commencement of drilling at the Moonera project.

Other than the above, there has not been any matter or circumstance occurring subsequent to the end of the financial period that has 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 years.

Change in state of affairs

Other than as stated above, there was no significant change in the state of affairs of the Group during the financial period.

Environmental regulations

The Company's operations are predominantly in Western Australia and are regulated by the *Mining Act 1978* and the *Environmental Protection Act 1986* and corresponding Commonwealth legislation which contain the main environmental regulations concerning Premier1's exploration activities.

Premier1's activities in the period involved exploration activities including geophysical survey work, soil and rock chip sampling, air core, reverse circulation and diamond drilling as well as rehabilitation activities. There were no reportable breaches of environmental conditions.

Future development, prospects and business strategies

With the recent demerging of the technology business, Premier1 Lithium is now solely focused exploration activities around its high-quality portfolio of Western Australian lithium and critical minerals development assets as it works to deliver value for Shareholders.

Dividends

During the financial period, no dividends were paid. The directors have not recommended the payment of a dividend in relation to the half-year ended 31 December 2023 (31 December 2022: nil).

Performance rights and share options

At the Premier1 Lithium annual general meeting the shareholders approved the Company to issue performance rights to eligible Executives and employees on terms approved by the Board, with a cycle start date of 1 March 2023 and end date of 1 March 2026 (Issue 2023AA). These performance rights were issued on 20 October 2023. Under the terms of the long-term incentive plan, the effective grant date will be the date of the annual general meeting when shareholder approval occurs, with vesting conditions measured on the three-year anniversary of the cycle start date (1 March 2026) and expiry date on the five-year anniversary of the cycle start date (1 March 2028).

During the period, no performance rights or share options over ordinary shares were exercised.

No person entitled to performance rights had or has any rights by virtue of the performance right to participate in any share issue of the Company.

Indemnification of officers and auditor

The Company's constitution requires the Company to indemnify each director and its officers against liabilities (to the extent permitted by law and subject to the *Corporations Act 2001*) for certain costs and expenses incurred by any of them in defending any legal proceedings arising out of their conduct while acting as an officer of the Company. The Company has paid premiums to insure each of its directors and officers against liabilities and has entered into deeds of indemnity with each of its directors.

Proceedings on behalf of the company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the period.

Auditor

Grant Thornton Audit Pty Ltd continues in office in accordance with the *Corporations Act 2001*.

Auditor's Independence Declaration

The auditor's independence statement is included on page 9 of the financial report.

On behalf of the directors

Nic Limb
Chairman

Richard Taylor
Director

Melbourne, 14 March 2024

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Auditor's Independence Declaration

To the Directors of Premier1 Lithium Ltd

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of Premier1 Lithium Ltd for the half-year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

b no contraventions of any applicable code of professional conduct in relation to the review.

Grant Thornton Audit Pty Ltd
Chartered Accountants

B A Mackenzie
Partner – Audit & Assurance

Melbourne, 14 March 2024

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Independent Auditor's Review Report

To the Members of Premier1 Lithium Ltd

Report on the half-year financial report

Conclusion

We have reviewed the accompanying half-year financial report of Premier1 Lithium Ltd (the Company) and its subsidiaries (the Group), which comprises the condensed consolidated statement of financial position as at 31 December 2023, and 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, 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 accompanying half-year financial report of Group does not comply with the *Corporations Act 2001* including:

a giving a true and fair view of the Group'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 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 Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES *110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report, which indicates that the Group incurred a net loss of $6,077,948 during the half-year ended 31 December 2023 and the Group had cash and cash equivalents of $311,318. 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 Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Directors' responsibility for the half-year financial report

The Directors of the Company are responsible for the preparation of the 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 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. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, 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.

Grant Thornton Audit Pty Ltd
Chartered Accountants

B A Mackenzie
Partner – Audit & Assurance

Melbourne, 14 March 2024

DIRECTORS' DECLARATION

The directors declare that in the director's opinion:

(a) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

(b) the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and give a true and fair view of the financial position as at 31 December 2023 and performance of the Group for the half-year ended on that date.

This declaration is made in accordance with a resolution of the Board of directors made pursuant to s.303(5) of the *Corporations Act 2001*.

On behalf of the directors

Nic Limb **Chairman**	**Richard Taylor** **Director**

Melbourne, 14 March 2024

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME

For the half-year ended 31 December 2023

		Consolidated	
		Half-year ended	
		31 Dec 2023	31 Dec 2022
	Note	A$	A$
Continuing operations:			
Revenue	3	502,457	41,425
Other income	3	302,341	11,004
Employee benefit expenses	4	(2,109,991)	(1,587,667)
Administration expenses		(344,512)	(441,996)
Depreciation and amortisation expenses	4	(59,356)	(36,336)
Exploration preparation expenses		(2,602,692)	(1,553,492)
Consultants and contractor expenses		(496,091)	(1,002,797)
Finance costs		(44,321)	(4,496)
Other expenses	5	(1,221,535)	(91,119)
Net loss on revaluation of financial instrument		(243,504)	(68,169)
Loss before tax from continuing operations		**(6,317,204)**	**(4,733,643)**
Income tax benefit		-	-
Loss for the period from continuing operations		**(6,317,204)**	**(4,733,643)**
Discontinuing operations:			
Profit from discontinued operations	6	239,256	640,590
LOSS FOR THE PERIOD		**(6,077,948)**	**(4,093,053)**
Other comprehensive income		-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		**(6,077,948)**	**(4,093,053)**
Loss for the period attributable to:			
- owners of the parent entity		(6,077,948)	(3,689,323)
- non-controlling interests		-	(403,730)
		(6,077,948)	**(4,093,053)**
Total comprehensive loss for the period attributable to:			
- owners of the parent entity		(6,077,948)	(3,689,323)
- non-controlling interests		-	(403,730)
Total comprehensive loss for the period		**(6,077,948)**	**(4,093,053)**
Loss per share:			
From continuing and discontinued operations:			
Basic and diluted loss per share (cents)	17	(7.64)	(5.41)

Notes to the financial statements are included on pages 17 to 40

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

	Note	Consolidated 31 Dec 2023 A$	Consolidated 30 Jun 2023 A$
Current assets			
Cash and cash equivalents	18	311,318	1,880,952
Trade and other receivables	7	435,694	2,949,280
Other	8	206,827	545,082
Assets held for sale	6	6,559,578	-
Total current assets		**7,513,417**	**5,375,314**
Non-current assets			
Property, plant and equipment	9	70,046	368,011
Exploration and evaluation assets	10	1,931,338	3,807,243
Technology and intellectual property assets	11	-	6,144,051
Other	8	9,423	9,423
Total non-current assets		**2,010,807**	**10,328,728**
Total assets		**9,524,224**	**15,704,042**
Current liabilities			
Trade and other payables	12	943,445	878,111
Deferred revenue	13	-	516,499
Borrowings		10,373	392,939
Provisions	14	101,439	367,003
Provision for income tax		-	55,101
Contingent consideration		-	517,626
Lease liabilities	15	16,740	93,724
Liabilities associated with assets held for sale	6	981,441	-
Total current liabilities		**2,053,438**	**2,821,003**
Non-current liabilities			
Lease liabilities	15	-	64,326
Provisions	14	17,103	77,073
Total non-current liabilities		**17,103**	**141,399**
Total liabilities		**2,070,541**	**2,962,402**
Net assets		**7,453,683**	**12,741,640**
Equity			
Issued capital	16	28,123,842	27,590,586
Equity-settled employee benefits reserve		2,522,814	2,266,079
Reserves		3,166,314	3,166,314
Accumulated losses		(26,359,287)	(20,281,339)
Total equity		**7,453,683**	**12,741,640**

Notes to the financial statements are included on pages 17 to 40

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half-year ended 31 December 2023

	Share capital A$	Performance rights and share options reserve A$	Acquisition Reserve A$	Accumulated losses A$	Attributable to equity holders of the parent A$	Attributable to non-controlling interest A$	Total equity A$
Balance at 1 July 2022	**23,132,708**	**2,075,090**	**-**	**(11,901,290)**	**13,306,508**	**2,913,608**	**16,220,116**
Issue of ordinary shares	2,271,429	-	-	-	**2,271,429**	-	**2,271,429**
Recognition of non-controlling interest investment	-	-	-	-	**-**	492,705	**492,705**
Loss for the period ended 31 December 2022	-	-	-	(3,689,323)	**(3,689,323)**	(403,730)	**(4,093,053)**
Total comprehensive loss	**-**	**-**	**-**	**(3,689,323)**	**(3,689,323)**	**(403,730)**	**(4,093,053)**
Recognition of equity settled employee benefits	-	22,638	-	-	**22,638**	-	**22,638**
Balance at 31 December 2022	**25,404,137**	**2,097,728**	**-**	**(15,590,613)**	**11,911,252**	**3,002,583**	**14,913,835**
Balance at 1 July 2023	**27,590,586**	**2,266,079**	**3,166,314**	**(20,281,339)**	**12,741,640**	**-**	**12,741,640**
Issue of ordinary shares	846,129	-	-	-	**846,129**	-	**846,129**
Share issue costs	(312,873)	-	-	-	**(312,873)**	-	**(312,873)**
Loss for the period ended 31 December 2023	-	-	-	(6,077,948)	**(6,077,948)**	-	**(6,077,948)**
Total comprehensive loss	**-**	**-**	**-**	**(6,077,948)**	**(6,077,948)**	**-**	**(6,077,948)**
Recognition of equity settled employee benefits	-	256,735	-	-	**256,735**	-	**256,735**
Balance at 31 December 2023	**28,123,842**	**2,522,814**	**3,166,314**	**(26,359,287)**	**7,453,683**	**-**	**7,453,683**

Notes to the financial statements are included on pages 17 to 40

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the half-year ended 31 December 2023

	Note	Consolidated 31 Dec 2023 A$	Consolidated 31 Dec 2022 A$
Cash flows related to operating activities			
Receipts from customers		1,208,139	1,787,319
Receipts from Australian Tax Office – R&D Tax incentive		1,805,798	1,867,317
Receipts from government grants		287,948	-
Payments to suppliers and employees		(3,615,227)	(3,533,741)
Payments for non-capitalised exploration expenditure		(447,181)	(877,694)
Interest paid		(80,326)	(3,766)
Finance costs		(490)	-
Income tax refund paid		(12,650)	(169,960)
Additional bonus payment in relation to Intrepid acquisition agreement	5	(969,227)	-
Net cash provided by discontinued operations	6	910,400	-
Net cash used in operating activities	18	**(912,816)**	**(930,525)**
Cash flows related to investing activities			
Purchase of exploration and evaluation assets		(111,658)	(380,913)
Purchase of property, plant and equipment		-	(26,448)
Payment for investment		(225,000)	-
Interest received		11,874	11,212
Payment for acquisition of Intrepid, net of cash acquires		-	(1,005,130)
Net cash used in discontinued operations	6	(1,503)	-
Net cash used in investing activities		**(326,287)**	**(1,401,279)**
Cash flows related to financing activities			
Proceeds from capital raisings	16	85,000	-
Payment of share issue costs	16	(7,873)	-
Payment of lease liabilities		(17,166)	(14,707)
Proceeds from borrowings		800,000	-
Repayment of borrowings		(1,165,155)	(50,610)
Proceeds from investment in YEV by DGO Gold Limited		-	492,705
Net cash used in discontinued operations	6	(25,337)	-
Net cash (used in)/provided by financing activities		**(330,531)**	**427,388**
Net decrease in cash and cash equivalents held		(1,569,634)	(1,904,416)
Cash and cash equivalents at beginning of financial period		1,880,952	4,128,745
Cash and cash equivalents at end of financial period	18	**311,318**	**2,224,329**

Notes to the financial statements are included on pages 17 to 40

NOTES TO THE CONDENSED 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 Accounting Standard AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard 34 *Interim Financial Reporting*. The half-year financial report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report.

The financial statements were authorised for issue by the directors on 15 March 2024.

Basis of preparation

The condensed consolidated financial statements have been prepared on the basis of historical cost except, where applicable, for the revaluation of certain non-current assets and financial instruments.

All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the condensed consolidated financial statements are consistent with those adopted and disclosed in the Company's annual report for the year ended 30 June 2023.

Going concern

The half-year financial statements has been prepared on a going concern basis which assumes the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business. The Group incurred a net loss after tax of $6,077,948 (31 December 2022: Loss of $4,093,053) and had a net cash outflow from operating activities of $912,816 (31 December 2022: cash outflow of $930,525) during the half-year ended 31 December 2023. As at 31 December 2023, the Group had cash and cash equivalents of $311,318 (30 June 2023: $1,880,952).

The Group will continue to manage its activities and intends to put in place all such arrangements to ensure that it has sufficient cash reserves to meet its existing budgeted expenditures for the next twelve months from the date of this report. For further details of future commitments refer to note 20. In the opinion of the directors, the Group will be in a position to continue to meet its liabilities and obligations for a period of at least twelve months from the date of signing this report, because the Group has the support of its shareholders and other financiers and hence will be able to secure and execute its remaining planned activities over the same period.

The opinion of the directors has been determined after consideration of the Group's cash position and forecast expenditures and the ability to scale its operations to any funding constraints. The group has a history of successful recent capital raising activities including the recent Placement raising $3.0 million completed January 2024 and the Initial Public Offering (IPO) which raised $7.5 million before costs.

This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern. Should the Group be unable to obtain the funding outlined above, there is material uncertainty as to whether the Group will be able to continue as a going concern, and therefore whether it will be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts from those stated in the annual financial report.

Impairment of non-financial assets

At each reporting date the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent of other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually and whenever there is an indication that the asset may be impaired. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Amendments to AASBs and new interpretations that are mandatorily effective for the current reporting period

In the current period, the Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (**AASB**) that are relevant to its operations and effective for the current half-year. These amendments do not have a significant impact on these condensed consolidated financial statements. The Group has not elected to early adopt any standard, interpretation or amendment that has been issued but is not yet effective.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of half-year financial reports requires management to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Group's accounting policies

Significant judgements, estimates and assumptions made by management in the preparation of these financial statements are found in the following notes:

Note 6 – Discontinued operations
Note 10 – Exploration and evaluation assets
Note 11 – Technology and intellectual property assets
Note 15 – Right-of-use assets and lease liabilities
Note 19 – Share-based payments

Revenue recognition is excluded on the grounds that the policy adopted in the area is sufficiently objective.

Summary of significant accounting policies

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the policies stated below.

Financial risk management

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial report as at and for the year ended 30 June 2023.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the half-year ended 31 December 2023

2. Segment information

The Group's operating segments are identified on the basis of internal reports about components of the entity that are regularly reviewed by the CEO (chief operating decision maker) in order to allocate resources to the segments and to assess their performance. The Group undertook technology R&D and mineral exploration of gold, nickel and other base metals in Australia during the period.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable operating segment:

	Consolidated			
	Assets		Liabilities	
	31 Dec 2023	30 Jun 2023	31 Dec 2023	30 Jun 2023
Continuing operations:	A$	A$	A$	A$
Exploration	2,305,065	4,573,747	144,546	283,797
Corporate	659,581	1,591,505	944,554	1,123,388
Total segment assets and liabilities from continuing operations	**2,964,646**	**6,165,252**	**1,089,100**	**1,407,185**
Assets and liabilities relating to discontinuing operations:	6,559,578	9,538,790	981,441	1,555,217
Total	**9,524,224**	**15,704,042**	**2,070,541**	**2,962,402**

Technology and Intrepid segment has been excluded from both the current period and for comparison from the prior period as a result of the recent demerging of the technology business segments from the Group.

Segment revenue and results

The following is an analysis of the Group's revenue and results from operations:

	Consolidated			
	Revenue		Segment loss	
	Half-year ended		Half-year ended	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
Continuing operations:	A$	A$	A$	A$
Exploration	502,457	41,425	(2,100,235)	(1,676,728)
Corporate	302,341	11,004	(4,216,969)	(3,056,915)
Total for continuing operations	**804,798**	**52,429**	**(6,317,204)**	**(4,733,643)**
Income tax benefit			-	-
Profit from discontinued operations			239,256	640,590
Loss after tax and discontinued operations			**(6,077,948)**	**(4,093,053)**

The revenue reported above represents revenue generated from external sources. There were no intersegment sales during the year. Other income is excluded. Technology and Intrepid segments have been excluded from both the current period and for comparison from the prior period as a result of the recent demerging of the technology business segments from the Group.

Other segment information

	Consolidated			
	Depreciation and amortisation		Additions to non-current assets	
	Year ended		Year ended	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
Continuing operations:	A$	A$	A$	A$
Exploration	4,116	4,072	-	14,750
Corporate	55,240	32,264	-	5,159
Total – Continuing operations	**59,356**	**36,336**	**-**	**19,909**
Discontinuing operations	616,421	259,316	1,503	6,430
Total	**675,777**	**295,652**	**1,503**	**26,339**

Technology business unit has been excluded from both the current period and for comparison from the prior period as a result of the recent demerging of this business unit from the Group.

3. Revenue and other income

Disaggregation of revenue from contracts with customers

The Company disclosures revenue under the following types, 'Exploration Services', 'Consulting and interpretation revenue (provided on fixed price basis)' and 'Consulting and implementation revenue (provided on a time and material basis)'. The Company believes this best reflects how the nature, amount, timing and uncertainty of the Group's revenues and cash flows are affected by economic factors.

	Consolidated	
	Half-year ended	
	31 Dec 2023	31 Dec 2022
	A$	A$
Revenue from continuing operations:		
Exploration services(i)	502,457	41,425
Other income		
Government grants	224,348	-
Other(ii)	66,119	-
Interest income	11,874	11,004
Total other income	**302,341**	**11,004**

(i) Exploration services is based on revenue earned at a point in time in accordance with contractual performance obligations.

(ii) Other includes the sale of the Tea Well East project for $60,000.

Technology business unit has been excluded from both the current period and for comparison from the prior period as a result of the recent demerging of this business unit from the Group.

Revenue recognition

Revenue from contracts with customers – exploration services

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity:

- (i) identifies the contract with a customer;
- (ii) identifies the performance obligations in the contract;
- (iii) determines the transaction price which takes into account estimates of variable consideration and the time value of money;
- (iv) allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and
- (v) recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Rendering of services - exploration services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets (including property, plant and equipment) are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Research and Development Tax Incentive

The federal government's Research and Development Tax Incentive program (R&DTI) offers a tax offset for companies conducting eligible R&D activities. Companies in a tax loss position are able to obtain a refund of the tax offset. When management is able to calculate a reasonable estimate of the R&DTI refund likely to be received for a financial year, that amount is recognised in the financial year to which the refund relates. When a reasonable estimate cannot be determined, income from the R&DTI refund is recognised when it is received.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the half-year ended 31 December 2023

4. Loss for the period

Loss for the period from continuing operations includes the following expenses:

	Consolidated Half-year ended 31 Dec 2023 A$	31 Dec 2022 A$
Employee benefits expense		
Non-executive director remuneration	-	130,000
Remuneration expense	1,674,100	1,702,329
Recharge of remuneration expense to exploration expense	(69,694)	(451,190)
Other employment costs	85,979	68,965
Post-employment benefits		
Superannuation contributions	165,497	194,637
Recharge of superannuation contributions to exploration expense	(7,434)	(36,666)
Amortisation of equity-settled share-based payment	256,735	22,638
Provision for leave entitlements	4,808	(43,046)
	2,109,991	**1,587,667**
Depreciation and amortisation		
Computer equipment	15,321	19,074
Furniture and equipment	1,942	1,951
Right-of-use asset	42,093	15,311
	59,356	**36,336**

5. Other expenses

Other expenses includes the following expenses:

	Consolidated Half-year ended 31 Dec 2023 A$	31 Dec 2022 A$
Other expenses		
Intrepid acquisition payment	969,227	-
Loss on investment	225,000	
Other expenses	27,308	91,119
	1,221,535	**91,119**

Intrepid acquisition payment

In relation to the Intrepid acquisition that occurred on 8 August, 2022, in the acquisition agreement there was a right to earn a bonus of $1.00 million on the one-year anniversary of the agreement, subject to satisfactory completion of performance hurdles in relation to revenue generation and key personnel retention. These performance hurdles were satisfactorily completed and a payment of $0.969 million was made on 13 November 2023.

Loss on investment

Loss on investment relates to Premier1 Lithium's 30% equity interest Exploration Ventures AI Pty Ltd and presents our portion of the loss of the period. Note, as a subsequent event, Premier1 Lithium acquired the remaining 70% of Exploration Ventures AI Pty Ltd from Deutsche Rohstoff A.G. via the issue of shares and options in January 2024.

6. Discontinued Operations

On 18 December 2023, Premier1 Lithium announced a change to its operations and principal activities with proposed demerger of its technology business.

Shareholder approval was granted at the general meeting on 17 January 2024, as a result the following assets and liabilities were classified as discontinued operations as at 31 December 2023:

	31 Dec 2023 A$
Current:	
Cash and cash equivalents	219,020
Trade and other receivables	537,603
Other assets	35,212
Property, plant & equipment	138,047
Right-of-use assets	93,338
Technology and intellectual property	5,536,358
Assets held for sale	6,559,578
Trade and other payables	294,536
Deferred revenue	215,305
Provision for income tax payable	42,451
Lease liabilities	98,807
Provision for leave entitlements	330,342
Liabilities associated with assets held for sale	**981,441**
Net assets of disposal group	**5,578,137**

In order to effect the Demerger, Premier1 Lithium and Tully (and their various subsidiaries) entered into a demerger implementation deed, pursuant to which Tully was issued Premier1 Lithium (formerly SensOre) 80,274,094 fully paid ordinary shares in Tully in consideration for the Tully Assets. Premier1 Lithium (formerly SensOre) distributed and transferred 80,274,094 Shares (In-specie Shares) to Premier1 Lithium Shareholders which hold Shares on the In-specie Record Date on a pro rata basis as an in-specie distribution (In-specie Distribution).

Recognition and measurement

Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits and financial assets which are specifically exempt from this requirement. An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the current asset is recognised at the date of derecognition. Assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities classified as held for sale continue to be recognised.

The results of the discontinued operation, which have been include in the loss for the half year:

	31 Dec 2023 A$	31 Dec 2022 A$
Profit for the period from discontinued operations:		
Revenue	1,962,996	1,930,532
Other income	89	1,386
Employee benefit expenses	(594,631)	(533,175)
Administration expenses	(125,867)	(104,521)
Consultants and contractor expenses	(278,662)	(315,092)
Depreciation and amortisation expenses	(616,421)	(259,316)
Finance costs	(19,085)	-
Other expenses	(89,163)	(79,224)
Profit after tax for the period from discontinued operations	**239,256**	**640,590**
Cash flows from discontinued operations:		
Net cash provided by operating activities	910,400	-
Net cash used in investing activities	(1,503)	-
Net cash used in financing activities	(25,337)	-
Net cash inflows	**883,560**	**-**

7. Trade and other receivables

	Consolidated	
	31 Dec 2023 A$	30 Jun 2023 A$
Trade receivables		
Trade receivables	375,694	961,052
Other receivables		
Research and development tax incentive	-	1,865,798
Government grants receivable	-	122,430
Sale of assets[(i)]	60,000	-
Total trade and other receivables	**435,694**	**2,949,280**

(i) Other includes the sale of the Tea Well East project for $60,000.

Trade receivables

Trade receivables are measured at initial recognition at fair value and are subsequently measured at amortised cost using the effective interest method.

Allowance for expected credit losses

The Group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

8. Other assets

	Consolidated	
	31 Dec 2023	30 Jun 2023
	A$	A$
Current		
Prepayments	206,827	545,082
Non-current		
Bond – office(i)	9,423	9,423

(i) Security bond held over the Company's Perth office is refundable on termination of the lease contract.

9. Property, plant and equipment

	Consolidated 31 Dec 2023 A$	30 Jun 2023 A$
Computer equipment		
At cost	82,983	435,919
Less accumulated depreciation	(44,902)	(242,609)
Total computer equipment	**38,081**	**193,310**
Computer software		
At cost	-	43,679
Less accumulated depreciation	-	(42,914)
Total computer equipment	**-**	**765**
Furniture and equipment		
At cost	28,811	86,161
Less accumulated depreciation	(10,701)	(61,511)
Total furniture and equipment	**18,110**	**24,650**
Right-of-use assets		
At cost	91,118	251,186
Less accumulated depreciation	(77,263)	(101,900)
Total right-of-use assets	**13,855**	**149,286**
Total property, plant and equipment	**70,046**	**368,011**

Movements in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial period is outlined below:

	Note	Computer equipment A$	Computer software A$	Furniture & equipment A$	Right-of-use assets A$	Total A$
Balance at 1 July 2023		193,310	765	24,650	149,286	368,011
Depreciation		(15,321)	(228)	(1,714)	(42,093)	(59,356)
Transfer to assets held for sale	6	(139,908)	(537)	(4,826)	(93,338)	(238,609)
Closing balance at 31 December 2023		**38,081**	**-**	**18,110**	**13,855**	**70,046**

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the half-year ended 31 December 2023

10. Exploration and evaluation assets

	Consolidated	
	31 Dec 2023	**30 Jun 2023**
	A$	**A$**
Exploration and evaluation assets – at cost	9,423,103	9,016,271
Impairment of exploration and evaluation expenditure	(7,491,765)	(5,209,028)
Closing balance at 31 December 2023	**1,931,338**	**3,807,243**

	Total
	A$
Balance at 1 July 2022	**7,604,251**
Exploration expenditure capitalised during the period	232,681
Impairment of exploration and evaluation expenditure	(4,029,689)
Closing balance at 30 June 2023	**3,807,243**
Exploration expenditure capitalised during the period	406,832
Impairment of exploration and evaluation assets	(2,282,737)
Closing balance at 31 December 2023	**1,931,338**

Exploration and evaluation costs

Expenditure on exploration and evaluation is accounted for in accordance with the area of interest method. The Group's application of the accounting policy for the cost of exploring and of evaluating discoveries are accounted for under the successful efforts method.

Areas of interest are based on a geographical area. All exploration and evaluation expenditure, including general permit activity, geological and geophysical costs and new venture activity costs are expensed as incurred except for the following:

- direct drilling expenditure related to an area of interest where an assessment of the existence or otherwise of economically recoverable reserves is not yet complete at reporting date; or
- the costs of acquiring an interest in new exploration and evaluation areas of interest and tenement licences.

In the statement of cash flows, those cash flows associated with capitalised exploration and evaluation expenditure are classified as cash flows used in investing activities.

Exploration commitments

The Group has exploration expenditure obligations which are contracted for, but not provided for in the financial statements. These obligations may be varied from time to time and are expected to be fulfilled in the normal course of operations of the Group.

Impairment of exploration and evaluation assets

During the six-month period to 31 December 2023, the Company recognised an impairment loss of $2,282,737 across a number of exploration projects as a result of relinquishment of tenements and exploration results obtained through relevant drilling programs.

During the six-month period to 31 December 2023:

- SYV relinquished one tenement in relation to the Mogul Well Project, E51/2019. As such, an impairment of $3,912 was recognised against exploration and evaluation assets at the date these tenements were relinquished;

- SYV relinquished eleven tenements in relation to the 8 Mile Well Project, E37/1420, P37/9436, P37/9437, P37/9438, P37/9439, P37/9442, P37/9443, P37/9444, P37/9445, P37/9446, P37/9597. These tenements had no capitalised expenditure against them, therefore there was a no impairment loss recorded; and
- YEV relinquished eleven tenements in relation to the Christmas Well Project, E37/1371, E37/1411, P37/9211, P37/9212, P37/9213, P37/9214, P37/9215, P37/9216, P37/9217, P37/9218, P37/9219. As such, an impairment of $420,081 was recognised against exploration and evaluation assets at the date these tenements were relinquished; and
- YEV relinquished E37/1220 tenement in relation to the North Darlot Project. As such, an impairment of $1,858,744 was recognised against exploration and evaluation assets at the date these tenements were relinquished.

Post the balance date the Company relinquished a number of other tenements, however these tenements had no capitalised expenditure against them, therefore there was a no impairment loss recorded. These were as follows:
- SBM relinquished five tenements in relation to the Auralia, E69/3636, E69/3637, and E69/3700;
- SBM relinquished one tenement in relation to the Jenkins, E69/3986; and
- SBM relinquished one tenement in relation to the Scorpion, E69/3985.

Any costs incurred on the above tenements during the six-month period to 31 December 2023 that would normally be capitalised under the Group's accounting policy were recognised in the statement of profit or loss and other comprehensive income.

The Company's remaining wholly owned and joint venture tenements remain in good standing at the date of this report.

Sale of exploration and evaluation assets

During the six-month period to 31 December 2023, SensOre SYV sold three tenements in relation to Tea Well East P51/3242, P51/3243 and P51/3247 refer to sale of assets note.

Option agreement entered

The Group entered into an option agreement with Red Wolf Resources in October 2023, in relation to the Christmas Well (YEV) Project and 8 Mile Well (SYV) Project.

Summary of the terms of the agreement are outlined below:
Parties:
Red Wolf Resources Pty Ltd (Buyer)
SensOre Ltd (Seller)

The Parties agree that:

a) In exchange for the Seller granting the Buyer an option to acquire 100% of the Tenements, the Buyer will meet all tenement expenditure, including rents, rates and minimum expenditure requirements for a period of 2 years from the Execution Date (Option Period).
b) The Buyer may exercise the option by:
    I. notifying the Seller that the tenements will become owned by an entity listed on the Australian Stock Exchange (ASX)
    II. issuing the Seller $250,000 worth of shares in an Initial Public Offering (IPO) or similar transactions that result in the assets becoming owned by a publicly listed entity, including Reverse Take Over (RTO) or similar transactions; and
    III. providing the Buyer with a 1% NSR Royalty on terms contained in the Royalty Deed in Annexure A within the Option Period.

Withdrawal
Subject to the Buyer maintaining the tenements in good standing and meeting all tenement rental and minimum expenditure, the Buyer may, at its sole discretion withdraw from this Terms Sheet anytime up until the end of the Option Period by giving not less than 45 days written notice to Seller. This clause 6 survives termination of this Terms Sheet.

The Company elected to impair both the Christmas Well and 8 Mile Well Projects as part of the half-year financial statements.

The Company's remaining wholly owned and joint venture tenements remain in good standing at the date of this report.

Critical judgements in applying the Company's accounting policies:

Area of interest

An area of interest is defined by the Group as an individual geographical area whereby the presence of gold, nickel or other base metals is considered favourable or proven to exist.

Impairment of exploration and evaluation assets

The recoverability of the carrying amount of the Group's exploration and evaluation assets is dependent on successful development and commercial exploitation or, alternatively, sale of the respective area of interest. To successfully develop the exploration and evaluation assets, the Group is also required to meet its joint venture minimum expenditure obligations (where applicable) and other future funding obligations. Should the Group not succeed in securing appropriate funding to meet these obligations, the recoverability of capitalised exploration and evaluation assets could be impacted and may need to be impaired.

Each potential or recognised area of interest is reviewed half-yearly to determine whether economic quantities of reserves have been found or whether further exploration and evaluation work is underway or planned to support continued carry-forward of capitalised costs. Where a potential impairment is indicated, assessment is performed using a fair value less costs to dispose method to determine the recoverable amount for each area of interest to which the exploration and evaluation expenditure is attributed.

This assessment requires management to make certain estimates and apply judgment in determining assumptions as to future events and circumstances. The assessment includes estimates in relation to forecast commodity price curves, future production and transportation costs, the volume of economically recoverable reserves, foreign exchange rates and discount rates. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised expenditure under the policy, the Group concludes that it is unlikely to recover the expenditure by future exploitation or sale, then the relevant capitalised amount will be written off to the income statement.

11. Technology and intellectual property assets

	Consolidated	
	31 Dec 2023	30 Jun 2023
	A$	A$
Patents and trademarks	-	16,662
Technology and intellectual property assets – cost	-	5,000,000
Software acquisition through Intrepid Geophysics – at cost	-	3,553,887
Accumulated amortisation – technology and intellectual property assets	-	(2,426,498)
Total technology and intellectual property	**-**	**6,144,051**

	Patents & Trademarks $A	Technology & Intellectual Property $A	Software A$	Total A$
Opening balance at 1 July 2022	**500**	**3,708,333**	**-**	**3,708,833**
Amortisation expense	-	(500,000)	(634,831)	(1,134,831)
Additions through acquisition of Intrepid Geophysics	16,162	-	3,553,887	3,570,049
Closing balance at 30 June 2023	**16,662**	**3,208,333**	**2,919,056**	**6,144,051**
Amortisation expense	(2,304)	(250,000)	(355,389)	(607,693)
Transfer to assets held for sale	(14,358)	(2,958,333)	(2,563,667)	(5,536,358)
Closing balance at 31 December 2023	**-**	**-**	**-**	**-**

As a result of the demerging of the Technology business assets are derecognised and disclosed as assets held for sale as at 31 December 2023.

Critical judgements in applying the Company's accounting policies:

Amortisation period

The Group amortises technology and intellectual property assets acquired from Sasak Minerals Pty Ltd over a period of 10 years. In assessing the useful life of these assets, the Group has taken into account:

- the stage of development of the technology and intellectual property;
- the current usage of the technology and intellectual property in its operations; and
- the likely pattern of usage of the technology and intellectual property in the future.

Based on the above, management has assumed that the technology and intellectual property will underpin the Group's growth objective in terms of establishing a commercial product and discovering economic mineral reserves and resources. Further, the technology will continue to be an integral building block for extension of the Group's current database through the rest of continental Australia and other parts of the world.

The useful life assessment requires management to make certain estimates and apply judgment in determining assumptions as to future events and circumstances. This assessment includes estimates in relation to the usage of the technology, scalability of the technology, and the potential for new technology to impact on the acquired technology's utility to the Group. These estimates and assumptions may change as new information becomes available. If the Group concludes that this new information impacts on the underlying usefulness or useful life, management will amend the useful life or write off any capitalised amounts to the profit and loss.

The software acquired through the Intrepid acquisition is considered to have a useful life of five years and will be amortised over this period.

12. Trade and other payables

	Consolidated	
	31 Dec 2023 A$	30 Jun 2023 A$
Trade payables[(i)]	242,358	512,993
Sundry payables	621,507	167,218
GST Payable	-	50,798
Employee benefits payable	79,580	147,102
Total trade and other payables	**943,445**	**878,111**

(i) The average credit period on purchases is approximately 30 days. No interest is charged on the trade payables for the first 30 days from the date of the invoice. Thereafter, interest may be levied on the outstanding balance at varying rates. The Group has financial risk management practices in place to ensure payables are paid within the credit timeframe.

(ii) Sundry payables includes salaries and on-costs payable to Richard Taylor (CEO) after he elected to defer two months of salary from April and May 2023. In addition to this Richard Taylor (CEO), Robert Rowe (COO) and Alf Eggo (CTO) elected to defer two months of salary from November and December 2023. Deferred salary and oncosts amounted to $281,717. In addition to this there was $305,000 accrued in relation to the placement and tax advisory work in relation to the demerger $35,000.

Trade payables

Trade payables are initially measured at fair value and are subsequently measured at amortised cost. Amortised cost is the initial amount payable less any repayments.

13. Deferred revenue

	Consolidated	
	31 Dec 2023 A$	30 Jun 2023 A$
Deferred revenue	-	516,499
Total deferred revenue	**-**	**516,499**

	Consolidated	
	31 Dec 2023 A$	30 Jun 2023 A$
Opening balance	516,499	127,023
Deferred revenue recognized in current period	-	389,476
Transferred to liabilities associated with assets held for sale	(516,499)	-
Total deferred revenue	**-**	**516,499**

Deferred revenue

Deferred revenue reflects the value of advance payments made by customers who have been invoiced for services that will be provided in the future.

The Company generates revenue by providing exploration services, consulting and interpretation services (provided on fixed price basis), sales of own software (provided via a perpetual licence), sale of own software (license component of the bundled sales) and maintenance and support component of bundled sales.

As a result of the demerger of the technology business, deferred revenue from this business unit is transferred to liabilities associated with assets held for sale as at 31 December 2023.

14. Provisions

	Consolidated 31 Dec 2023 A$	Consolidated 30 Jun 2023 A$
Movement in employee benefits provision:(i)		
Carrying amount at beginning of the period	444,076	253,659
Employee entitlements recognised from business combination	-	160,697
Net change relating to discontinued operations	(330,342)	-
Employee benefits expense	4,808	29,720
Balance at end of period	**118,542**	**444,076**
Net carrying value – represented by:		
Current	101,439	367,003
Non-current	17,103	77,073
Balance at end of period	**118,542**	**444,076**

(i) The above provisions for employee benefits represent annual leave and long service leave entitlements accrued by employees.

15. Right-of-use assets and lease liabilities

The Group has leases which predominantly relate to the Company's office premises and minor office equipment. Amounts recognised in the statement of financial position and the carrying amounts of the Group's right-of-use assets and lease liabilities and the movement during the period are as follows:

	Consolidated	
	Right-of-use assets	
	Leased premises A$	Lease liabilities A$
As at 1 July 2022	**59,497**	**64,192**
Additions during the year	160,068	160,068
Depreciation expense	(70,279)	-
Interest expense	-	11,555
Lease payments	-	(77,765)
As at 30 June 2023	**149,286**	**158,050**
Net change relating to discontinued operations	(93,338)	(124,571)
Depreciation expense	(42,093)	-
Interest expense	-	465
Lease payments	-	(17,204)
As at 31 December 2023	**13,855**	**16,740**

Net carrying value of right-of-use assets	**A$**
As at 30 June 2023	149,286
As at 31 December 2023	13,855

Lease liabilities are presented in the statement of financial position as:

	Consolidated	
	31 Dec 2023	**30 Jun 2023**
	A$	**A$**
Current	16,740	93,724
Non-current	-	64,326
Balance at end of period	**16,740**	**158,050**

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expenses in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities are increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities are remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the half-year ended 31 December 2023

16. Issued capital

Share capital

	Consolidated			
	31 Dec 2023 A$	**30 Jun 2023 A$**	**31 Dec 2023 No.**	**30 Jun 2023 No.**
Fully paid ordinary shares				
At beginning of the period	27,590,586	23,132,708	77,778,538	64,780,323
- shares issued 9 August 2022	-	2,271,429	-	4,285,715
- shares issued 5 January 2023	-	50,004	-	118,500
- shares issued 24 March 2023	-	240,000	-	800,000
- shares issued 11 May 2023	-	1,000,000	-	4,000,000
- shares issued 14 June 2023	-	548,500	-	2,194,000
- shares issued 16 June 2023	-	400,000	-	1,600,000
- shares issued 30 September 2023	761,129	-	2,495,506	-
- share application - placement funds received	85,000	-	-	-
Cash costs associated with share issues	(7,873)	(52,055)	-	-
Non-cash costs associated with share issues	(305,000)	-	-	-
Ordinary fully paid shares at the end of the period	**28,123,842**	**27,590,586**	**80,274,044**	**77,778,538**

Fully paid ordinary shares carry one vote per share and a right to dividends. Each ordinary shareholder present at a general meeting, whether in person, by proxy or by representative, is entitled to one vote on a show of hands or, on a poll, one vote for each fully paid ordinary share held.

Issued capital is classified as equity and is recognised at the fair value of the consideration received by the Group. Any transaction costs arising on the issue of ordinary shares is recognised directly in equity as a reduction of the share proceeds received.

17. Earnings per share

The Group presents basic and diluted earnings per share (**EPS**) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares for the dilutive effect, if any, of the outstanding share rights which have been issued to employees.

	Consolidated	
	31 Dec 2023	31 Dec 2022
	A$ cents	A$ cents
Basic and diluted loss per share	7.64	5.41

The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted EPS are as follows:

	Period ended	
	31 Dec 2023	31 Dec 2022
	A$	A$
Loss for the period attributable to members of Premier1 Lithium	(6,077,948)	(4,093,053)
	Number	Number
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	79,524,079	68,134,359

The following potential ordinary shares are not considered dilutive as the Company recognised a loss for the period ended 31 December 2023, and are therefore excluded from the weighted average number of ordinary shares used in the calculation of diluted EPS:

	31 Dec 2023	30 Jun 2023
Unlisted performance rights	**Number**	**Number**
2020AA	873,060	873,060
2020AB	33,000	33,000
2020AC	1,248,000	1,248,000
2020AD	160,000	160,000
2020AE	150,000	150,000
2020AF	72,000	72,000
2020AG	69,120	69,120
2021AA	418,841	418,841
2021AB	11,436	11,436
2021AC	29,419	29,419
2021AD	432,456	432,456
2021AE	55,444	55,444
2021AF	148,847	148,847
2021AG	38,984	38,984
2021AH	18,713	18,713
2021AI	19,379	19,379
2022AA	913,740	913,740
2022AB	923,986	923,986
2023AA[(i)]	2,294,418	2,294,418
2022AB	(58,236)	(58,236)
	7,852,607	**7,852,607**

18. Cash flow information

(a) Reconciliation of cash and cash equivalents

	Consolidated	
	31 Dec 2023 A$	30 Jun 2023 A$
Cash at bank	236,747	1,806,381
Term deposits	74,571	74,571
Total cash and cash equivalents	**311,318**	**1,880,952**

(b) Financing facilities

The Group had no external financing facilities at 31 December 2023 (30 June 2023: nil). The Group has a small amount of borrowings resulting from an insurance premium funding agreement entered into during the prior year to fund various insurance policies held by the Company, including directors and officers insurance.

(c) Restricted cash

The Company has $74,571 (30 June 2023: $74,571) in term deposits included in cash and cash equivalents that are not readily available for use by the Group. These term deposits are held as security over the Company's office leases in the form of bank guarantees.

19. Share-based payments

Employee performance rights plan

The directors of the Company approved the PRP at the board meeting held on 26 May 2020 and the updated Long-Term Incentive Plan on 21 September 2021. In accordance with the provisions of the approved plan, the Board at its discretion may grant performance rights to any full-time or permanent part-time employee or officer, or director of the Company. The directors have formed the view that the grant of performance rights to directors and executives constitutes an appropriate and reasonable component of their remuneration, made on an arm's-length basis. As such, the financial benefit represented by the grant falls within the 'reasonable remuneration' exception outlined in s211 of the *Corporations Act 2001*. Each vested performance right converts to one ordinary share on exercise.

The following share-based payment arrangements were in existence during the current and prior reporting periods:

Unlisted performance rights	Grant date	Vesting date	Expiry date	Exercise price A$	No. of performance rights on issue 31 December 2023	No. of vested performance rights on issue 31 December 2022
2020AA	1 Feb 2020	11 Feb 2022	1 Feb 2025	0.25	873,060	873,060
2020AB	20 Feb 2020	11 Feb 2022	20 Feb 2025	0.25	33,000	33,000
2020AC	1 Apr 2020	11 Feb 2022	1 Apr 2025	0.25	1,248,000	1,248,000
2020AD	6 Apr 2020	11 Feb 2022	6 Apr 2025	0.25	160,000	160,000
2020AE	13 Apr 2020	11 Feb 2022	13 Apr 2025	0.25	150,000	150,000
2020AF	23 Apr 2020	11 Feb 2022	23 Apr 2025	0.25	72,000	72,000
2020AG	1 May 2020	11 Feb 2022	1 May 2025	0.25	69,120	69,120
2021AA	1 Feb 2021	11 Feb 2022	1 Feb 2026	0.79	418,841	418,841
2021AB	20 Feb 2021	11 Feb 2022	20 Feb 2026	0.79	11,436	11,436
2021AC	24 Mar 2021	11 Feb 2022	1 Feb 2026	0.79	29,419	29,419
2021AD	1 Apr 2021	11 Feb 2022	1 Apr 2026	0.79	432,456	432,456
2021AE	6 Apr 2021	11 Feb 2022	6 Apr 2026	0.79	55,444	55,444
2021AF	10 Apr 2021	11 Feb 2022	1 Feb 2026	0.79	148,847	148,847
2021AG	13 Apr 2021	11 Feb 2022	13 Apr 2026	0.79	38,984	38,984
2021AH	23 Apr 2021	11 Feb 2022	23 Apr 2026	0.79	18,713	18,713
2021AI	24 May 2021	11 Feb 2022	1 Feb 2026	0.79	19,379	19,379
2022AA	11 Feb 2022	11 Feb 2022	11 Feb 2027	0.85	913,740	913,740
2022AB	11 Feb 2022	11 Feb 2025	11 Feb 2027	Nil	923,986	923,986
2023AA	1 Mar 2023	1 Mar 2023	1 Mar 2028	Nil	2,294,418	-
2022AB	11 Feb 2022	11 Feb 2025	11 Feb 2027	Nil	(58,236)	-
					7,852,607	**5,616,425**

During the period, no performance rights over ordinary shares were exercised.

Director Share Options

Directors elected to receive share options in lieu of directors fees being paid in cash for the period 1 February 2023 to 30 June 2023 and as consideration for future directors fees from 1 July 2023 to 30 June 2024, further details are below:

NED	Share Options (No.)	Issue Date	Exercise Price ($)	Expiry Date	Vesting Date
R Peck	1,500,000	07 July 2023	0.38	07 July 2026	24 May 2024
N Limb	1,000,000	07 July 2023	0.38	07 July 2026	24 May 2024
A Manger	1,000,000	07 July 2023	0.38	07 July 2026	24 May 2024
A O'Sullivan	1,000,000	07 July 2023	0.38	07 July 2026	24 May 2024

These Share Options reflect the present value of fixed fee forgone using the Black-Scholes option valuation methodology.

During the period, no share options over ordinary shares were exercised.

Broker options

No Broker options were issued during the half-year ended 31 December 2023.

During the period the 125,000 broker options granted to Martin Place Securities as partial consideration for capital raising services completed in May 2021 expired.

Unlisted options	Grant date	Vesting date	Expiry date	Exercise price A$	No. of broker options on issue 31 December 2023
Bell Potter Securities (BPS)	11 Feb 2022	11 Feb 2022	11 Feb 2026	1.19	1,943,410
					1,943,410

20. Commitments

	31 Dec 2023 A$	30 Jun 2023 A$
Farm-in agreements contracted for but not complete		
- not later than 12 months	493,060	1,413,266
- between 12 months and five years	20,492,717	11,356,081
	20,985,777	**12,769,347**

The Company has entered into the following farm-in and option agreements which have resulted in potential commitments for expenditure:

- executed 28 January 2020, YEV has the potential to earn up to an 85% interest in Mt Magnet North through expenditure of $2.5 million over four years;
- executed 1 January 2021, SYV has the potential to earn up to an 80% interest in the Moonera project through expenditure of $3 million over three years from 31 December 2021;
- executed 19 January 2023, EVAI has the potential to earn up to an 80% interest in the Montague project through expenditure of $4.5 million over four and half years from 31 March 2023;
- executed 11 May 2023, EVAI has the potential to earn up to an 70% interest in the Golden Grove North project through expenditure of $4.5 million over four years from 19 June 2023;
- executed 3 November 2023, EVAI has the potential to earn up to an 80% interest in the Yalgoo project through expenditure of $3.5 million over four years from 7 November 2023;

- executed 4 November 2022 2023, EVAI has the potential to earn up to an 51% interest in the Gecko North project through expenditure of $2.5 million over four years from 1 January 2023 and a further 29% by completing a bankable feasibility study; and
- executed 6 March 2023, EVAI has the potential to earn up to an 51% interest in the South Kal project through expenditure of $5 million over four years from 3 June 2023;

The minimum expenditure commitments outlined above relating to the Group's potential joint venture interests are at the discretion of the Group and are dependent on exploration results that may or may not indicate an economic reserve or resource. Should exploration results not indicate satisfactory potential for further investment, the Group is not obliged to meet the minimum farm-in expenditure requirements for any project and will only be liable for termination or other fees outlined above.

21. Events arising since the end of the reporting period

Subsequent to the end of the reporting period, there have been a number of subsequent events, these are detailed below:

- Premier1 Lithium entered into a $340,000 R&D Tax Incentive financing arrangement with RH Capital Finance Co. LLC, with the full amount available drawn-down by the Company in January 2024. The facility has a minimum term of at least 91 days, post this period repayment will be the earlier of Premier1 Lithium deciding to repay the facility or the June 2024 R&D Tax Incentive claim being finalised and funds received from the Australian Taxation Office, as part of the lodgement of Premier1 Lithium 2024 Income Tax Return. Interest rate on the facility is 15% per annum;
- 17 January 2024 a General Meeting was held with five items of business. The five resolutions were as follows:
    1. Resolution 1: Approval for an Equal Reduction in Capital: Demerger of Tully Investors Limited
    2. Resolution 2: Issue of Shares and Options to Deutsche Rohstoff AG for Acquisition of 70% Interest in Lithium Assets
    3. Resolution 3: Issue of Placement Shares ($3m)
    4. Resolution 4: Change of Company Name to Premier1 Lithium Limited
    5. Resolution 5: Appointment of Anja Ehser as a Director

  All resolutions were passed at the General Meeting;
- 22 January 2024, Premier1 Lithium Ltd entered into an arms-length, back-to-back working capital facility with SensOre X Pty Ltd, under the same terms as the R&D Tax Incentive financing arrangement with RH Capital Finance Co. LLC. SensOre X Pty Ltd provided a loan drawdown notice in January, drawing the full amount available of $340,000. Repayment will be the earlier of Premier1 Lithium requesting repayment, or the June 2024 R&D Tax Incentive claim being finalised and funds received from the Australian Taxation Office, as part of the lodgement of SensOre X Pty Ltd 2024 Income Tax Return;
- 22 January 2024, Premier1 Lithium announced that new pegmatites have been identified at the Abbotts North project and first soil sample program was successful in locating previously unmapped sub-cropping pegmatites. Abbotts North project approval of the Programme of Work (PoW);
- 25 January 2024, Premier1 Lithium announced that the demerger of Tully Investors Ltd from the Company was completed. The in-specie distribution to eligible shareholders occurred in conjunction with the acquisition via shares and options from Deutsche Rohstoff A.G. of the 70% interest in Exploration Ventures AI Pty Ltd that the Company did not already own and the issue of shares to participants in the $3m placement undertaken by the Company announced on 18 December 2023. The following issues of ordinary shares and options occurred:
    1. Deutsche Rohstoff A.G. issued 34,300,000 ordinary shares and 26,000,000 options with exercise prices ranging from 7.5 cents to 10 cents, for the remaining 70% interest in Exploration Ventures AI Pty Ltd;
    2. 60,000,000 ordinary shares at 5 cents per share were issued under the $3 million placement; and
    3. 7,500,000 unquoted options (Advisor Options) over Premier1 Lithium Ltd fully paid ordinary shares were issued to PAC Partners Securities Pty Ltd.

In order to effect the Demerger, Premier1 Lithium and Tully (and their various subsidiaries) entered into a demerger implementation deed, pursuant to which Tully was issued Premier1 Lithium (formerly SensOre) 80,274,094 fully paid ordinary shares in Tully in consideration for the Tully Assets. Premier1 Lithium (formerly SensOre) distributed and transferred 80,274,094 Shares (In-specie Shares) to Premier1 Lithium Shareholders which hold Shares on the In-specie Record Date on a pro rata basis as an in-specie distribution (In-specie Distribution);

- February 2024, due to the downturn in projections for the nickel market, Premier1 Lithium relinquished five tenements in relation to the Aurelia project, one tenement in relation to the Jenkins project, one tenement in relation to the Scorpion project and one tenement in relation to the North Darlot project;
- 7 February 2024, heritage clearances have been received for areas covering priority lithium pegmatite targets at the Abbotts North Project;
- 20 February, 2024 drilling commenced at the priority lithium pegmatite targets at the Abbotts North Project, with 2,000m of Reverse Circulation (RC) drilling to be completed in February;
- 11 March, 2024 first phase of drilling program completed at Abbotts North, with results confirming orientation and down depth continuity of the stacked pegmatite system; and
- 13 March, 2024 commencement of drilling at the Moonera project.

Other than the above, there has not been any matter or circumstance occurring subsequent to the end of the financial period that has 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 years.

22. Dividends

The directors recommend that no dividend be paid for the half-year ended 31 December 2023 nor have any been paid or declared during the period (30 June 2023: nil).

GLOSSARY OF ABBREVIATIONS & DEFINED TERMS

TERM	
$ or A$ or AUD	Australian dollars
AASB	Australian Accounting Standards Board
ABN	Australian Business Number
ACN	Australian Company Number
AI	Artificial intelligence
AI-Target(s)	AI-enhanced deposit predictions
ASX	Australian Securities Exchange
Board	The board of directors of the Company
CEO	Chief executive officer
CGM	CGM (WA) Pty Ltd
Company	Premier1 Lithium. ACN 637 198 531
COO	Chief operating officer
CTO	Chief technology officer
DGO	DGO Gold Limited ACN 124 562 849
Director	A member of the Board
DPT or DTP®	Discriminant Predictive Targeting®
EPS	Earnings per share
FY23	Financial year ending 30 June 2023
Group	The Company and its controlled entities
GST	Goods and services tax
IP	Intellectual property
IPO	Initial public offering
OCI	Other comprehensive income
PRP	Performance rights plan
R&D	Research and development
SBM	SensOre Battery Minerals Pty Ltd ACN 653 691 886
SEH	SensOre Exploration Holdings Pty Ltd ACN 650 587 830
Premier1 Lithium	Premier1 Lithium Ltd. ACN 637 198 531
SYV	SensOre Yilgarn Ventures Pty Ltd ACN 643 262 800
YEV	Yilgarn Exploration Ventures Pty Ltd ACN 631 309 281

CORPORATE DIRECTORY

Directors

Richard Taylor (executive director and CEO)
Nic Limb (non-executive chairman)
Anja Ehser (non-executive director)

Executive

Richard Taylor (CEO and company secretary)

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