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GREEN CRITICAL MINERALS LIMITED

HALF-YEAR REPORT 31 DECEMBER 2023

ABN 12 118 788 846



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HALF-YEAR REPORT - 31 DECEMBER 2023

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This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by Green Critical Minerals Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Corporate directory

Directors

Dr Leon Pretorius Executive Chairman and CEO
Charles Thomas Non-Executive Director
Christopher Zielinski Non-Executive Director

Company Secretary

Anna MacKintosh

Principal Registered Office

349 Hay Street
Subiaco WA 6008

Share Registry

Link Market Services Limited
Level 21, 10 Eagle Street
Brisbane QLD 4000
www.linkmarketservices.com.au

Auditor

Nexia Brisbane Audit Pty Ltd
Level 28, 10 Eagle Street
Brisbane QLD 4000
www.nexia.com.au

Banker

National Australia Bank

Stock Exchange Listing

Australian Securities Exchange Ltd ("ASX")
ASX code: GCM

Website

<https://www.gcminerals.com.au>

Directors' report

Your directors present their report on Green Critical Minerals Limited (referred to hereafter as the 'consolidated entity' or 'the Group') for the half-year ended 31 December 2023.

Directors

The following persons were directors of Green Critical Minerals Limited during the whole of the half-year and up to the date of this report, unless otherwise stated:

Dr Leon Pretorius
Charles Thomas
Christopher Zielinski

Principal Activities

The principal activities of the Group during the half-year were:

- (a) the carrying out of mineral exploration activities on its mineral exploration tenements; and
- (b) assessing other business development and research opportunities associated with the minerals industry.

There were no significant changes in the principal activities during the half-year.

Review of Operations

The loss for the consolidated entity after providing for income tax amounted to \$682,990 (2022: \$1,230,732).

McIntosh Graphite Project

Following receipt of the ALS metallurgical test work, GCM conducted a detailed product marketing assessment for Emperor flake graphite concentrate identifying a range of upstream and downstream applications to drive the commercial viability of the McIntosh Graphite project.

Emperor mineralisation achieved concentrate grade purities of >97% C(t) from the entire section of the Emperor deposit after 6 stages of cleaning, however, review has highlighted optimal target purity for Emperor based on its flake size distribution is 95% C(t) which meets the majority of upstream and downstream purity requirements.

Furthermore, review of the latest metallurgical results has highlighted that target purity of 95% C(t) may be achieved within 3 to 4 cleaners as opposed to 6, further emphasising the high quality of Emperor flake concentrate.

GCM with the guidance of its metallurgical expert will assess ways of optimising the process flowsheet with the objective of achieving the target purity of 95% C(t) utilising a simple flowsheet to minimize capital and reduce operating costs.

Directors' report (continued)

Preliminary testing conducted by ALS suggests that the McIntosh signature has a homogenous flake size distribution required for the secondary battery anode industry with ~70% of flake size distribution between 45-150 microns (-100 Mesh). This metric meets spheroidisation feedstock specifications and long-term supply requirements by end users.

Further highlighting the quality of the Emperor flake signature, the remaining ~30% <45micron (-325 mesh) flake graphite also achieved purity targets of 95-98% C(t) with >90% recoveries. This suggests secondary <45micron flake graphite can be further upgraded into high value downstream products for a range of traditional and advanced applications.

Markets and applications preliminary identified as suitable for McIntosh flake graphite include batteries (energy storage), thermal management, lubricants, and dispersions, engineered products, and polymers / rubber.

Boulia Project

The results of its soil sampling programme at Boulia were reported in November 2023.

The analytical results have indicated that the ore forming elements are derived from shallowly buried intrusions that have magnetic bodies on their margins. The rare earths are mostly concentrated in alluvium sourced from an older plateau to the southeast. The ultimate source of the REE anomalism remains unknown.

The maximum values (wide spaced soils) were 16.9 ppb gold, 115 ppm molybdenum and 74 ppm copper. These levels reflect the varying metal solubilities through the alkaline Toolebuc cover limestones. Molybdenum solubility and migration is enhanced in alkaline environments whereas copper and gold mobilities are strongly suppressed.

The Cretaceous age porphyries have not previously been recognised in western Queensland, although the related volcanic tuffs are known to occur throughout the Eromanga Basin.

Copper, gold and molybdenum is known to occur within this age of porphyry in several eastern Queensland locations, notably at Calgoa – Mt. Suthers and Mt. Flora. The presence of limestone and dolomite Georgina basin sediments improves the likelihood of skarns and better grades at Boulia.

The migration of these metals upwards to the current surface was through the action of hot groundwaters circulating above the still hot porphyry intrusion not far below. This circulation of hot water is evidenced by areas of alteration, epithermal veining and recrystallisation of the poorly outcropping Toolebuc formation, which comprises most of the sampled area.

GCM has exploited its first mover advantage by recently lodging two contiguous EPM applications 28948 and 28950 over the northern extensions of the inferred mineral belt (Figure 6). This will secure tenure over several new large-scale targets under the alluvial cover.

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Directors' report (continued)

North Barkly Project

In October 2023 the Company reported that it expanded its North Barkly project area with 6 additional exploration applications lodged. A new metal province was recognised by the RC and Aircor Drilling conducted in the previous quarter. (Refer ASX announcement dated 13 October 2023).

In November 2023 the Company confirmed that extensive rare earths enrichments of likely economic grade occur within the project area. The final Drilling Assays confirmed 15kn Clay Hosted Rare earth Trend averaging 1,268ppm TREO.

Scout drilling across two lines, spaced 5km apart, has confirmed a globally significant clay hosted rare earths deposit. Sitting beneath an expansive 200km >200ppm rare earths soil anomaly, with indications that the most lucrative part of the rare earth's enrichment may yet be uncovered as very wide spaced drilling was conducted on two lines spaced 5km apart. Ongoing Investigations: Preliminary leach extraction tests are currently underway to determine if the rare earths are Ionic Clay Hosted (IOC).

Torrington Project

The Company updated the market in July 2023 regarding an exciting development at the Company's 100% owned Torrington Project in northern NSW about 250km SSW of Brisbane by road.

Diamond core samples from hole TOR001C drilled in 2017 were re-examined and two samples collected from the remaining stored sawn half core were submitted for lithium analysis, returning significant Li₂O grades of 0.35% and 0.45%. This grade range and mineralisation style are strikingly similar to the San Jose lithium deposit (ASX INF), which is Europe's second-largest hard rock lithium deposit. This correlation raises our confidence in the newly recognised lithium potential of the Torrington Project.

The formation of lithium-rich micas in the metasedimentary host rocks is believed to be the result of the infiltration of granite-derived lithium and fluorine-rich aqueous fluids through fractures related to shearing. This geological process has resulted in the occurrence of distinct layers of lithium-bearing metasediments within the tungsten-rich silexite orebodies, indicating the coexistence of several critical minerals in the mineralised system.

Refer ASX announcement dated 27 July 2023 for further detail.

Corporate

- A Placement was conducted in August and funds were raised via the issue of 133,200,000 fully paid ordinary shares to Sophisticated and Professional investors at a price of A\$0.01 per share. The Placement also included (subject to shareholder approval) a free-attaching 1:2 unlisted option with a strike of \$0.028 and expiry of 12 October 2025.
- In conjunction with the Placement, the Company also offered Eligible Shareholders the opportunity to participate in a Share Purchase Plan (SPP) on the same terms as the Placement.

Directors' report (continued)

The SPP closed on 11 September and raised a total of AU\$169,064 before costs and a total of 16,906,394 shares were issued.

The 72,053,197 free attaching options (to be issued to the SPP and Placement participants) were approved at the Annual General Meeting that took place in November 2023.

3 million options were issued to Directors in December 2023 as participants in the SPP.

- By mutual agreement, Mr Mark Lynch-Staunton left his position as Chief Executive Officer to focus on personal matters. Mr Lynch-Staunton worked up to 30th September 2023 for an appropriate handover.
- Annual General Meeting was conducted 20 November 2023 and all resolutions were passed via a poll.

Post December 2023 half year

Boulia Project

Post the December 2023 half-year an update on the Boulia Project was provided in the ASX announcement dated 12 January 2024.

GCM has conducted exploration activities to further its understanding of the Molybdenum, Uranium and Vanadium prospectivity of the Boulia Project. These activities included soil sampling, reprocessing the existing radiometric data and reviewing historical information.

Completion of these activities has identified four target areas and resulted in GCM submitting an application for an additional area where a good correlation between radiometric and geochemical data exists and rare outcrops are present.

Further activities are scheduled for 2024, including sampling of the four target areas and a drilling campaign of the shallow magnetic bodies.

Red Fox Resources Pty Ltd Investment

On 17 January 2024 the Company provided an update on its 30.4% interest in Red Fox Resources Pty Ltd ("Red Fox"). Red Fox announced on their website that it has signed an earn in and joint venture agreement with gold and copper miner Evolution Mining (ASX: EVN) over three Exploration Permits for Minerals held 100% by Red Fox Resources Pty Ltd in the Ernest Henry area north of Cloncurry. Refer to ASX announcement dated 17 January 2024 for further details.

Chief Executive Officer

Post the December 2023 half-year, the Company announced the appointment of a Chief Executive Officer, Clinton Booth. For details on this appointment, refer to ASX announcement dated 11 January 2024.

Directors' report (continued)

MINERAL TENEMENT LIST - ALL IN AUSTRALIA

The table below sets out the Company's interest in Exploration Tenements as at 31 December 2023

Project	Tenement. No.	% Interest	Expires	Location
Torrington 1	EL 8258	100%	16/04/2025	NSW
Torrington 2	EL 8355	100%	18/03/2024	NSW
Mallapunyah	EL 33128	100%	23/08/2028	NT
Wallhallow	EL 33129	100%	23/08/2028	NT
Backblocks	EL 33130	100%	23/08/2028	NT
Backblocks North	EL 3467	100%	27/11/2029	NT
Glencoe	EPM 24834	100%	08/09/2025	QLD
Canary	EPM 28251	100%	19/02/2026	QLD
Prickly Bush	EPM 28253	100%	12/02/2026	QLD

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the consolidated entity during the financial half-year.

Subsequent events occurring after balance sheet date

No matters or circumstances have arisen since 31 December 2023 other than outlined in the Review of Operations section, that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in future financial years.

Auditor's Independence Declaration

The auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 9.

This report is made in accordance with a resolution of Directors.



Leon Pretorius

Executive Chairman and CEO

15 March 2024

Auditor's Independence Declaration under section 307C of the Corporations Act 2001

To the Board of Directors of Green Critical Minerals Limited

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2023 there have been no contraventions of:

- (i) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

This declaration is in respect of Green Critical Minerals Limited and the entities it controlled during the period.

Nexia Brisbane Audit Pty Ltd

Nexia Brisbane Audit Pty Ltd



Gavin Ruddell
Director

Date: 15 March 2024

Advisory. Tax. Audit.

Registered Audit Company 299289

Nexia Brisbane Audit Pty Ltd (ABN 49 115 261 722) is a firm of Chartered Accountants. It is affiliated with, but independent from Nexia Australia Pty Ltd. Nexia Australia Pty Ltd is a member of Nexia International, a leading, global network of independent accounting and consulting firms. For more information please see www.nexia.com.au/legal. Neither Nexia International nor Nexia Australia Pty Ltd provide services to clients.

Liability limited under a scheme approved under Professional Standards Legislation.

Consolidated statement of profit or loss and other Comprehensive income for the half-year ended 31 December 2023

	Notes	Half-year December 2023 \$	Half-year December 2022 \$
Revenue		18,493	14,360
Other Income		33,333	116,667
Expenses			
Depreciation and amortisation expense		(44,382)	(1,737)
Employee benefits expense		(292,010)	(108,468)
Research and development expensed		-	(290)
Share of net profit/(loss) of equity- accounted associates	5	9,417	(27,131)
Foreign currency (expense) / gain		20,244	(72,050)
Exploration expenditure written off		-	(746,012)
Exploration expenditure expenses		(18,423)	(19,982)
Share based payments expense		(15,139)	(45,750)
Administration expenses		(394,523)	(340,339)
Loss before income tax expense		(682,990)	(1,230,732)
Income tax benefit		-	-
Loss for the half-year		(682,990)	(1,230,732)
Other comprehensive income for the half-year, net of tax			
May be reclassified subsequently to profit or loss when specific conditions are met.			
Exchange differences on translating foreign operations, net of tax		(21,252)	64,360
Total comprehensive income for the half- year		(704,242)	(1,166,372)
		Cents	Cents
Earnings per share attributable to the ordinary equity holders of the Company:			
Basic earnings per share		(0.062)	(0.21)
Diluted earnings per share		(0.062)	(0.21)

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

Consolidated statement of financial position

As at 31 December 2023

	Notes	31 December 2023 \$	30 June 2023 \$
ASSETS			
Current assets			
Cash and cash equivalents		851,573	2,297,527
Trade and other receivables		81,418	217,886
Total current assets		932,991	2,515,413
Non-current assets			
Plant and equipment		20,236	24,013
Right of Use Asset		175,955	216,560
Exploration and evaluation assets	4	10,646,258	9,028,355
Investments accounted for using the equity method	5	356,230	346,813
Financial assets at fair value through profit or loss		208,333	175,000
Trade and other receivables		42,760	51,760
Total non-current assets		11,449,772	9,842,501
Total assets		12,382,763	12,357,914
LIABILITIES			
Current liabilities			
Trade and other payables	6	214,585	847,887
Current lease liability		80,366	77,610
Total current liabilities		294,951	925,497
Non-Current Liabilities			
Non-current lease liability		101,132	142,016
Total Liabilities		396,083	1,067,513
Net assets		11,986,680	11,290,401
EQUITY			
Contributed equity	7	22,591,773	21,206,391
Reserves		2,179,488	2,185,601
Accumulates losses		(12,784,581)	(12,101,591)
Total equity		11,986,680	11,290,401

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

For the half-year ended 31 December 2023

	Contributed equity \$	Accumulated losses \$	Reserves			Total \$
			Share based payments reserve \$	Contingent consideration reserve \$	Foreign currency translation reserve \$	
Balance at 1 July 2022	15,112,958	(9,960,129)	1,316,089	101,712	(73,944)	6,496,686
Loss for the year	-	(1,230,732)	-	-	-	(1,230,732)
Other comprehensive income	-	-	-	-	64,360	64,360
Total comprehensive income	-	(1,230,732)	-	-	64,360	(1,166,372)
Transactions with owners in their capacity as owners:						
Contributions of equity, net of transaction costs	2,845,357	-	-	-	-	2,845,357
Acquisition of GCM Graphite	2,950,474	-	779,783	-	-	3,730,257
Share Based Payment transactions	-	-	45,750	-	-	45,750
Balance at 31 December 2022	20,908,789	(11,190,861)	2,141,622	101,712	(9,584)	11,951,678
Balance at 1 July 2023	21,206,391	(12,101,591)	2,166,139	101,712	(82,250)	11,290,401
Loss for the year	-	(682,990)	-	-	-	(682,990)
Other comprehensive income	-	-	-	-	(21,252)	(21,252)
Total comprehensive income	-	(682,990)	-	-	(21,252)	(704,242)
Transactions with owners in their capacity as owners:						
Contributions of equity, net of transaction costs	1,385,382	-	-	-	-	1,385,382
Share based payment transactions	-	-	15,139	-	-	15,139
Transfer to/ (from) reserves (1)	-	39,655	(39,655)	-	-	-
Balance at 31 December 2023	22,591,773	(12,744,926)	2,141,623	101,712	(103,502)	11,986,680

(1) Forfeiture of performance rights

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

Consolidated statement of cash flows

For the half-year ended 31 December 2023

	Half-year December 2023 \$	Half-year December 2022 \$
Cash flows from operating activities		
Receipts from customers	-	81,264
Payments to suppliers and employees	(641,466)	(588,879)
Finance Costs	(6,872)	-
Interest received	18,493	14,360
	<hr/>	<hr/>
Net cash outflow from operating activities	(629,845)	(493,255)
	<hr/>	<hr/>
Cash flows from investing activities		
Payments for exploration and evaluation	(2,173,015)	(671,844)
Refund /(payment) for security deposits	9,000	(1,000)
	<hr/>	<hr/>
Net cash outflow from investing activities	(2,164,015)	(672,844)
	<hr/>	<hr/>
Cash flows from financing activities		
Proceeds on issue of shares	1,501,064	3,089,676
Proceeds from exercise of options to be allotted to issued shares	-	300,000
Payment of capital raising costs	(115,682)	(244,319)
Repayment of lease principal	(38,128)	
	<hr/>	<hr/>
Net cash inflow from financing activities	1,347,254	3,145,357
	<hr/>	<hr/>
Net increase (decrease) in cash and cash equivalents	(1,446,606)	1,979,258
Effect of foreign currency translation	652	(612)
Cash and cash equivalents at the beginning of the half- year	2,297,527	2,443,545
	<hr/>	<hr/>
Cash and cash equivalents at the end of the half-year	851,573	4,422,191
	<hr/>	<hr/>

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

Notes to the financial statements for the half-year ended 31 December 2023

Note 1 Corporate Information

Green Critical Minerals Limited (the **Company**) is a company limited by shares, incorporated and domiciled in Australia. The Company's shares are listed on the Australian Securities Exchange.

The address of the registered office and principal place of business is set out in the Corporate Directory at the front of this report.

The financial statements are for the Group consisting of Green Critical Minerals Limited and its subsidiaries (the **consolidated entity** or the **Group**).

Note 2 Summary of significant accounting policies

These general purpose interim financial statements for the half-year reporting period ended 31 December 2023 have been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Act 2001, as appropriate for for-profit oriented entities.

These financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

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

The half-year financial report of Green Critical Minerals Limited for the six months ended 31 December 2023 was authorised for issue in accordance with a resolution of the directors as at the date of the directors declaration, as required by the Corporation Act 2001.

a) **Going Concern**

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

As disclosed in the financial statements, the Group achieved a net loss of \$682,990 (2022: \$1,230,732) and net operating cash outflows of \$629,846 (2022: \$493,255) for the half-year ended 31 December 2023. As at 31 December 2023 the Group had a cash balance inclusive of short term deposits of \$851,573.

The ability of the Group to maintain continuity of normal business activities and to pay its debts as and when they fall due is dependent on its ability to successfully raise additional capital and/or successful exploration and subsequent exploitation of areas of interest through sale or development. These circumstances give rise to the existence of a material

Notes to the financial statements for the half-year ended 31 December 2023

Note 2 Summary of significant accounting policies (continued)

uncertainty that may cast significant doubt on the Group's ability to continue as a going concern.

The directors believe that the going concern basis of preparation is appropriate due to the following reasons:

- there is sufficient cash available at balance date for the Group to continue operating; and
- the Group has a proven history of successfully raising funds

Should the Group be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial report. This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts or classification of liabilities and appropriate disclosures that may be necessary should the Group be unable to continue as a going concern.

b) Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

The Group has considered the implications of new or amended Accounting Standards, but determined that their application to the financial statements is either not relevant or not material.

c) Critical accounting estimates and judgements

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed below.

Exploration and evaluation costs

Exploration and evaluation costs have been capitalised on the basis that the Company intends to commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised.

Notes to the financial statements for the half-year ended 31 December 2023

Note 2 Summary of significant accounting policies (continued)

c) Critical accounting estimates and judgements (continued)

In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mineral interest. Factors that could impact the future commercial production at the project include the level of reserves and resources, future technology changes which could impact the cost of production, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

Share based payment transactions

The Company measures the cost of equity settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using a Black Scholes option pricing model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions, including share price volatility, interest rates and vesting periods would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact the profit or loss and equity.

Note 3 Segment information

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (Chief Operating Decision Makers) in assessing performance and determining the allocation of resources. The Group is managed primarily on a geographic basis that is the location of the respective areas of interest (tenements) in Australia and Canada. Operating segments are determined on the basis of financial information reported to the Board, which is at the Group level. The Group does not have any products/services where it derives revenue.

Basis of accounting for purposes of reporting by operating segments

a. Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors, being the chief operating decision makers with respect to operating segments, are determined in accordance with accounting policies that are consistent with those adopted in the annual financial statements of the Group.

b. Segment assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of the economic value from the asset. In most instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Notes to the financial statements for the half-year ended 31 December 2023

Note 3 Operating segments (continued)

c. Segment liabilities

Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables.

d. Unallocated items

The following items for revenue, expenses, assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- Interest income
- Corporate administrative and other expenses
- Corporate share-based payments
- Corporate marketing and project development expenses
- Research and development tax incentive

e. Segment information

Segment performance

	Australia \$	Canada \$	Unallocated \$	Total \$
31 December 2023				
Interest revenue	-	-	18,493	18,493
Other income	-	20,244	33,333	53,577
Total group income	-	20,244	56,826	72,070
Segment net profit / (loss) before tax	(18,423)	20,237	(684,803)	(682,990)
31 December 2022				
Interest revenue	-	-	14,360	14,360
Other income	-	-	116,667	116,667
Total group income	-	-	131,027	131,027
Segment net profit / (loss) before tax	(793,126)	(83,600)	(354,006)	(1,230,732)

Notes to the financial statements for the half-year ended 31 December 2023

Note 3 Operating segments (continued)

Segment assets

	Australia \$	Canada \$	Unallocated \$	Total \$
31 December 2023	11,210,821	4,890	1,167,052	12,382,763

	Australia \$	Canada \$	Unallocated \$	Total \$
30 June 2023	9,550,168	5,048	2,802,698	12,357,914

Segment liabilities

	Australia \$	Canada \$	Unallocated \$	Total \$
31 December 2023	-	-	396,083	396,083

	Australia \$	Canada \$	Unallocated \$	Total \$
30 June 2023	-	-	1,067,513	1,067,513

Note 4 Exploration and evaluation assets

	31 December 2023 \$	30 June 2023 \$
Exploration and evaluation assets – at cost	<u>10,646,258</u>	<u>9,028,355</u>

The capitalised exploration and evaluation assets carried forward above have been determined as follows:

Balance at the beginning of the period	9,028,355	3,273,440
Expenditure incurred during the period	1,617,903	2,770,669
Acquisitions	-	3,730,258
Expenditure written off during the period ¹	-	(746,012)
Balance at the end of the period	<u>10,646,258</u>	<u>9,028,355</u>

Notes to the financial statements for the half-year ended 31 December 2023

The recoverability of the carrying amount of the exploration and development expenditure is dependent upon the successful development and commercial exploitation or, alternatively, sale of the respective areas of interest.

1. During the prior period the Company recognised an impairment loss of \$746,012 relating to the Torrington project. The Directors determined that it was appropriate for the carrying value of the Torrington project to reflect the exploration expenditure incurred since acquisition, and write off all acquisition related costs.

Note 5 Investments accounted for using the equity method

	31 December 2023	30 June 2023
	\$	\$
Investment in Associate	<u>356,230</u>	<u>346,813</u>

Green Critical Minerals Limited holds a 30.4% interest in Red Fox Resources Pty Ltd (Red Fox). Red Fox is an exploration Company with a Gold and Silver-Lead-Zinc focus, owning seven granted tenements.

The Company continues to not have any commitments or contingent liabilities in respect of its investment in Red Fox Resources Pty Ltd.

	31 December 2023	30 June 2023
	\$	\$
Balance at the beginning of the period	346,813	393,708
Share of profit/ (loss) after income tax	<u>9,417</u>	<u>(46,895)</u>
Balance at the end of the period	<u>356,230</u>	<u>346,813</u>

Red Fox exploration activities continued during the half year with the completion of a gravity survey, geophysical modelling and geochemical sampling during the half year period.

Notes to the financial statements for the half-year ended 31 December 2023

Note 6 Trade and other payables

	Consolidated	
	31 December 2023 \$	30 June 2023 \$
CURRENT		
Trade payables	33,386	686,636
Sundry payables and accrued expenses	181,199	161,251
Total trade and other payables classified as financial liabilities at amortised cost	<u>214,585</u>	<u>847,887</u>

Note 7 Contributed Equity

	31 Dec 2023 Shares	30 June 2023 Shares	31 Dec 2023 \$	30 June 2023 \$
(a) Share capital				
Fully paid ordinary shares	1,136,585,023	986,478,629	22,591,773	21,206,391

(b) Movements in ordinary share capital

Date	Details	Note	Number of Shares	Issue Price	\$
1 July 2023	Opening balance		986,478,629	-	21,206,391
17 Aug 2023	Placement	(c)	133,200,000	\$0.01	1,332,000
11 Sep 2023	Share Purchase Plan	(d)	16,906,394	\$0.01	169,064
	Share issue expenses		-	-	(115,682)
31 Dec 2023	Closing balance		<u>1,136,585,023</u>		<u>22,591,773</u>

(c) Placement

The issue of a total of 133,200,000 fully paid ordinary shares under a Placement to sophisticated and professional investors at an issue price of \$0.01 per new share, together with one free attaching option for every 2 New Shares issued. The options are exercisable at \$0.028 per share and expire 12 October 2025.

(d) Share Purchase Plan

In conjunction with the Placement, the Company also offered Eligible Shareholders the opportunity to participate in a Share Purchase Plan (SPP) on the same terms as the Placement.

Notes to the financial statements for the half-year ended 31 December 2023

The SPP closed on 11 September and raised a total of AU\$169,064 before costs and a total of 16,906,394 shares were issued.

The 72,053,197 free attaching options (to be issued to the SPP and Placement participants) were approved at the Annual General Meeting that took place in November 2023.

3 million options were issued to Directors in December 2023 as participants in the SPP.

(e) Forfeiture of performance rights

5 million performance rights issued to the previous CEO were forfeited 30 September 2023.

(f) Capital Management

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

The capital structure of the Group includes equity attributable to equity holders, comprising of issued capital, reserves and accumulated losses. In order to maintain or adjust the capital structure, the Company may issue new shares, sell assets to reduce debt or adjust the level of activities undertaken by the company.

The Group monitors capital on the basis of cash flow requirements for operational and exploration expenditure. The Group will continue to use capital market issues to satisfy anticipated funding requirements.

The Group has no externally imposed capital requirements. The Group's strategy for capital risk management is unchanged from prior years.

Note 8 Events subsequent to reporting date

Bouliia Project

Post the December 2023 half-year, an update on the Bouliia Project was provided in the ASX announcement dated 12 January 2024.

GCM has conducted exploration activities to further its understanding of the Molybdenum, Uranium and Vanadium prospectivity of the Bouliia Project. These activities included soil sampling, reprocessing the existing radiometric data and reviewing historical information.

Completion of these activities has identified four target areas and resulted in GCM submitting an application for an additional area where a good correlation between radiometric and geochemical data exists and rare outcrops are present.

Further activities are scheduled for 2024, including sampling of the four target areas and a drilling campaign of the shallow magnetic bodies.

Notes to the financial statements for the half-year ended 31 December 2023

Red Fox Resources Pty Ltd Investment

On 17 January 2024 the Company provided an update on its 30.4% interest in Red Fox Resources Pty Ltd (“Red Fox”). Red Fox announced on their website that it has signed an earn in and joint venture agreement with gold and copper miner Evolution Mining (ASX: EVN) over three Exploration Permits for Minerals held 100% by Red Fox Resources Pty Ltd in the Ernest Henry area north of Cloncurry. Refer to ASX announcement dated 17 January 2024 for further details.

Chief Executive Officer

Post the December 2023 half-year, the Company announced the appointment of a Chief Executive Officer, Clinton Booth. For details on this appointment, refer to ASX announcement dated 11 January 2024.

Note 9 Contingent liabilities

Deferred consideration

On 17 November 2022, the Company entered into a Share Sale and Purchase Agreement (“SSPA”) with Rocco Tassone to acquire up to 80% of the graphite rights for the advanced McIntosh Graphite Project in Western Australia. Under the SSPA, performance rights were granted subject to certain performance based vesting conditions. On vesting, the performance rights will convert to ordinary shares. Details of the vesting conditions are as follows:

	Number of performance rights	Vesting conditions
Tranche 1	81,957,616	GCM announcing a JORC 2012 defined resource of no less than a total of 30M tonnes from the Tenements using a cut off grade of 3% TGC.
Tranche 2	81,957,616	GCM announcing a JORC 2012 defined resource of no less than a total of 40M tonnes from the Tenements using a cut off grade of 3% TGC.
Tranche 3	81,957,616	GCM announcing a JORC 2012 reserve of no less than 1M tonnes of TGC from the Tenements.
Total	245,872,848	

As the milestone conditions are not probable of being met as at the reporting date, the deferred consideration has not been brought to account.

Notes to the financial statements for the half-year ended 31 December 2023

Note 10 Commitments

Under the Share Sale and Purchase Agreement with Rocco Tassone for the Company to acquire up to 80% of the graphite rights for the advanced McIntosh Graphite Project in Western Australia, the Company has committed to:

- a) Exploration expenditure of \$1 million by 17 November 2024 to earn 51%;
- b) Exploration expenditure of \$1 million by 17 November 2025 to earn 80%.

Note 11 Related party transactions

Related party transactions were consistent with those reported in the previous annual financial report for the year ended 30 June 2023.

Directors' Declaration

The Directors of the Company declare that:

1. The financial statements and accompanying notes as set out on pages 10 to 23, are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the half-year ended on that date.
2. In the Directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:



Dr Leon Pretorius

Executive Chairman and CEO

Brisbane

15 March 2024

Independent Auditor's Review Report to the Members of Green Critical Minerals Limited

Report on the Half-Year Financial Report

Conclusion

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

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

- (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 & 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.

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

Material Uncertainty Related to Going Concern

The financial statements have been prepared on a going concern basis which contemplates that the Group will continue to meet its commitments and can therefore continue normal business activities and realise its assets and discharge its liabilities in the ordinary course of business. The ability of the Group to execute its currently planned exploration, evaluation and business activities necessitates the need to periodically raise additional funds. Accordingly, when necessary, the Directors of the Company investigate various options for raising additional funds which may include, amongst other initiatives, issuing new capital, successful exploitation or a sale of areas of interest.

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Independent Auditor's Review Report to the Members of Green Critical Minerals Limited (continued)

Material Uncertainty Related to Going Concern (continued)

As stated in Note 1, these events or conditions, along with other matters 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 opinion is not modified in respect of this matter.

Responsibility of the Directors for the Financial Report

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

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the 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.

Nexia Brisbane Audit Pty Ltd

Nexia Brisbane Audit Pty Ltd



Gavin Ruddell

Director

Date: 15 March 2024