# NEW WORLD RESOURCES LIMITED

A.B.N. 23 108 456 444

**Interim Financial Report**

**31 December 2023**

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# CORPORATE INFORMATION

**Directors**

Richard Hill (Non-Executive Chairman)

Michael Haynes (Managing Director)

Nick Woolrych (Executive Director and Chief Operating Officer)

Anthony Polglase (Non-Executive Director)

**Company Secretary**

Ian Cunningham

**Registered Office & Principal Place of Business**

Unit 24-26, Level 3, 22 Railway Road
Subiaco WA 6008
Telephone: (08) 9226 1356
Website: www.newworldres.com

**Auditor**

Stantons
Level 2, 40 Kings Park Road
West Perth WA 6005
Telephone: (08) 9481 3188
Facsimile: (08) 9321 1204

**Share Registry**

Automic Registry Services Pty Ltd
Level 5
191 St Georges Terrace
Perth W.A. 6000
Telephone: (08) 9324 2099
Facsimile: (08) 9321 2337

**Home Exchange**

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

**ASX Code: NWC**

# DIRECTORS' REPORT

The Directors of New World Resources Limited **("**New World" or "the Company"**)** submit the financial report of the Group (comprising the Company and its controlled entities) for the half-year ended 31 December 2023. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

**DIRECTORS**

The names of Directors who held office during or since the end of the interim period and until the date of this report are noted below. Directors were in office for the entire period unless otherwise stated.

| | |
|---|---|
| Richard Hill | Non-Executive Chairman |
| Michael Haynes | Managing Director |
| Nick Woolrych | Executive Director and Chief Operating Officer (appointed Non-Executive Director on 9 December 2022, transitioned to Executive Director and Chief Operating Officer on 31 July 2023) |
| Anthony Polglase | Non-Executive Director |

**PRINCIPAL ACTIVITIES**

The principal activities of the entities within the Group during the half-year was exploration for mineral resources.

As at 31 December 2023, the Group had cash and cash equivalents of $8,348,134, a loss for the half-year of $1,644,598 and a net cash inflows from operating, investing and financing activities of $5,725,981.

**REVIEW OF OPERATIONS**

The Board is pleased to provide the following review of operations for the half-year ended 31 December 2023 ("HY2024").

During the past six months New World focused its efforts on the exploration and redevelopment of the Antler Copper Deposit in Arizona, USA.

The Company also continued to advance exploration at its Javelin VMS Project, located 75km to the southeast of the Antler Project. This project complements the Antler Project as any high-grade mineralisation discovered there could potentially be mined as a satellite deposit(s), with ore trucked to the processing plant the Company intends constructing at the Antler Project.

The location of these projects is illustrated in Figure 1.

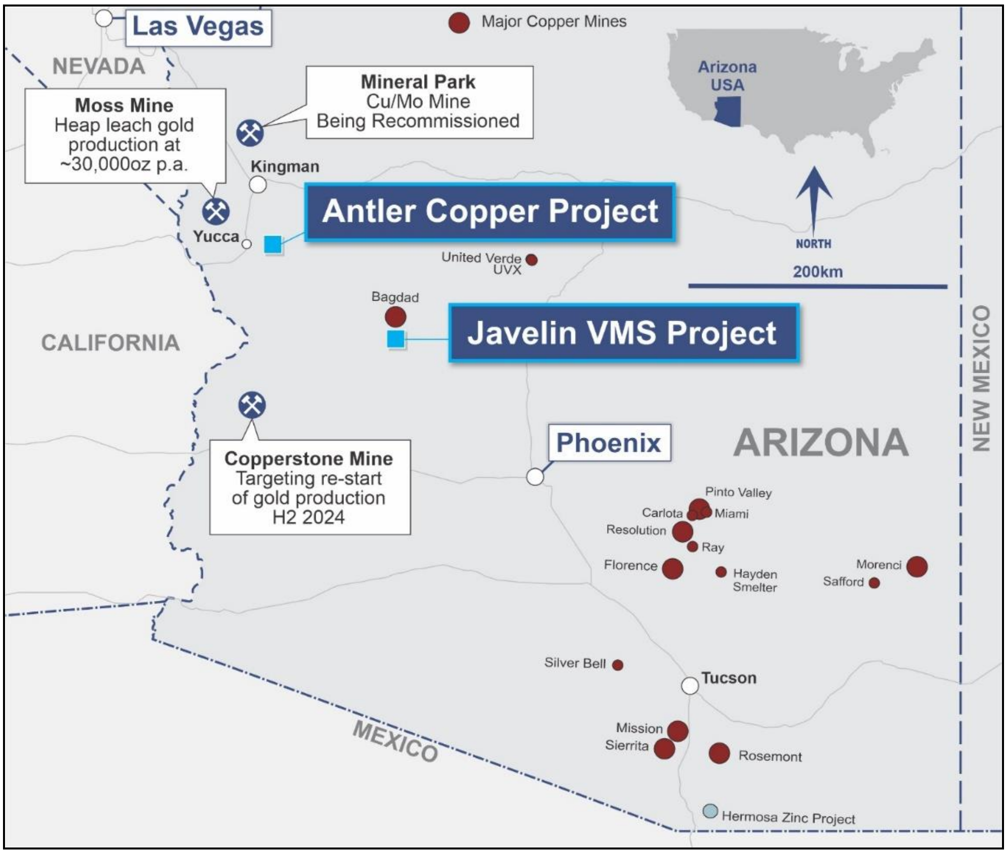


**Figure 1. Location of New World's Antler Copper and Javelin VMS Projects in Arizona, USA.**

## <u>ANTLER COPPER PROJECT, ARIZONA, USA</u>

### Project History

The Antler Deposit was discovered in the late 1800s. Mineralisation is mapped (at surface) to extend over more than 750m of strike.

Intermittent production from the Deposit between 1916 and 1970 totalled approximately 70,000 tonnes of ore at grades that averaged around 2.9% Cu, 6.9% Zn, 1.1% Pb, 31 g/t Ag and 0.3 g/t Au.

Between 1970 and 1975, following completion of the most recent episode of mining, a total of 19 holes were drilled from the surface and underground with the objectives being to:

(i) Increase confidence in the grade and distribution of mineralisation immediately below the mined levels (predominantly below the "7th Level" which was developed 150m below surface) in advance of anticipated resumption of mining; and

(ii) Explore for additional mineralisation.

Despite intersection of extensive and high-grade mineralisation in these drilling programs, mining never resumed, and no further work had been undertaken at the Project – until New World's involvement.

In March 2020 New World entered into agreements that provided it a 4-year option to purchase a 100% interest in the Antler Deposit. New World immediately commenced exploration drilling. Following considerable exploration success, in October 2021, New World exercised its option, early, thereby taking 100%-ownership of the deposit.

### JORC Mineral Resource Estimate

During November 2022 an independent consultant prepared an updated JORC Mineral Resource Estimate ("MRE") for the Antler Copper Deposit. Utilising assay results available for all drilling completed to the end October 2022, at a 1.0% Cu-equivalent cut-off, the updated MRE (the "November 2022 Resource") comprises:

**11.4Mt @ 2.1% Cu, 5.0% Zn, 0.9% Pb, 32.9g/t Ag and 0.36g/t Au**

**<u>(11.4Mt @ 4.1% Cu-equivalent)</u>**

There is a very high-level of confidence in the November 2022 Resource, with 79% of the mineralisation classified in the high-confidence "Indicated" category (see Table 1).

The robust nature of the November 2022 Resource is reinforced when a rigorous 2.0% Cu-equivalent cut-off grade is applied. This results in only a 5% reduction in tonnes of contained metal (on a copper equivalent basis). At this higher cut-off, the MRE comprises:

**9.8Mt @ 2.4% Cu, 5.6% Zn, 0.9% Pb, 34.3g/t Ag and 0.35g/t Au**

**(9.8Mt @ 4.5% Cu-equivalent)**

The size, very high-grade, and robust nature of the November 2022 Resource provides the Company considerable confidence that the Antler Copper Deposit can be brought back into production in the near-term.

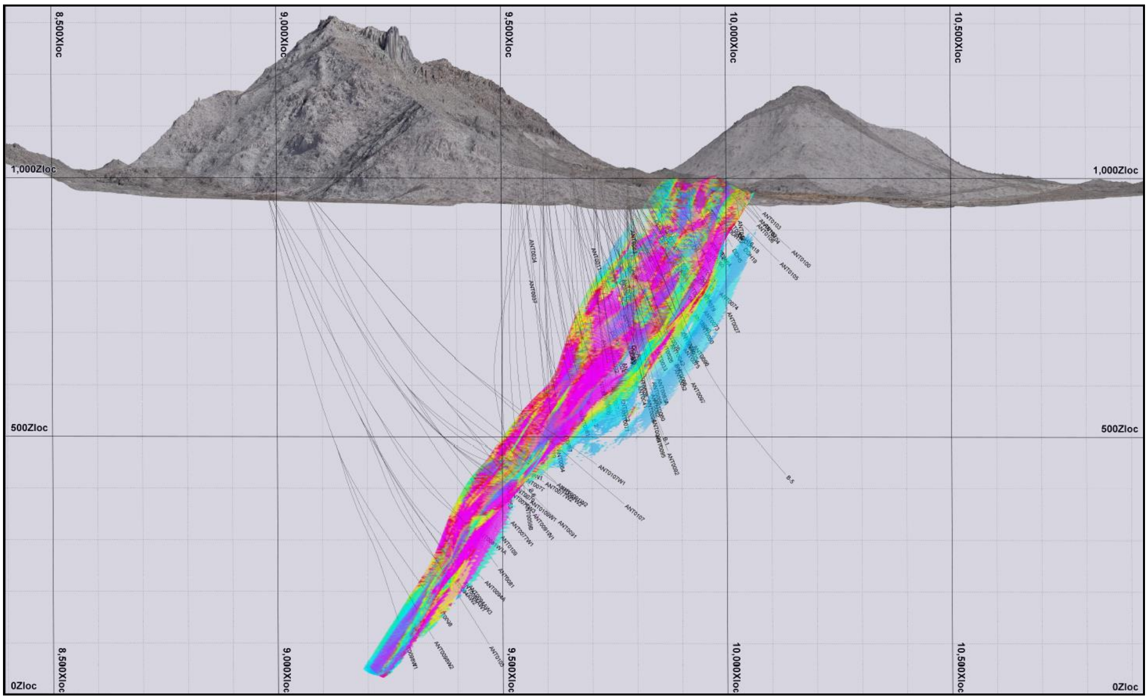


**Figure 2. Cross Section showing all Indicated and Inferred Blocks greater than 1.0% Cu-equivalent for the Antler Resource Block Model – looking north (local grid).**

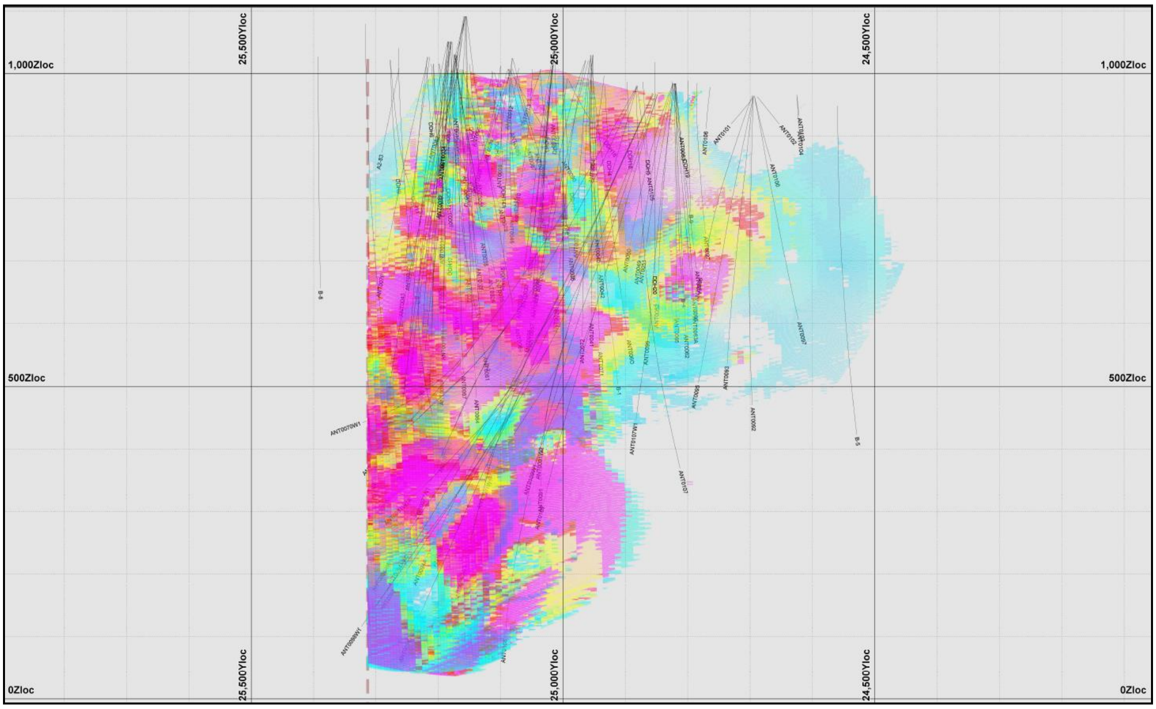


**Figure 3. Long Section showing all Indicated and Inferred Blocks greater than 1.0% Cu-equivalent for the Antler Resource Block Model – looking east (local grid).**

**Table 1. JORC Mineral Resource Estimate for the Antler Copper Deposit at a range of cut-off grades**

**Above 1.0% Cu-equivalent**

| Classification | Tonnes | Cu (%) | Zn (%) | Pb (%) | Ag (g/t) | Au (g/t) |
|---|---|---|---|---|---|---|
| **Indicated** | 9,063,649 | 2.25 | 5.11 | 0.90 | 35.94 | 0.40 |
| **Inferred** | 2,371,673 | 1.55 | 4.46 | 0.85 | 21.32 | 0.17 |
| **Total** | **11,435,323** | **2.10** | **4.97** | **0.89** | **32.9** | **0.36** |

**Above 2.0% Cu-equivalent**

| Classification | Tonnes | Cu (%) | Zn (%) | Pb (%) | Ag (g/t) | Au (g/t) |
|---|---|---|---|---|---|---|
| **Indicated** | 8,209,669 | 2.42 | 5.51 | 0.91 | 36.41 | 0.38 |
| **Inferred** | 1,588,114 | 2.02 | 5.83 | 0.87 | 23.16 | 0.19 |
| **Total** | **9,797,783** | **2.36** | **5.56** | **0.91** | **34.27** | **0.35** |

## 2023 Scoping Study

In May 2023, the Company announced results from a Scoping Study that evaluated the potential development of the November 2022 Resource (the "**2023 Scoping Study**").

Forecast commodity prices were: copper – US$8,500/tonne; zinc – US$2,800/tonne; lead – US$2,000/tonne; silver – US$20/oz; and gold – US$1,800/oz. An AUD: USD Exchange Rate of 0.70 was assumed.

The key outcomes of the 2023 Scoping Study included:

- **Mining a total of 15.4Mt from an underground mining operation at a rate of 1.3-1.5Mtpa over an initial 13+ year operating period;**
- **Producing 381,400 tonnes of copper-equivalent metal in concentrate over the initial operating period (including 190,300 tonnes of copper-in-concentrate);**
- **Producing an average of 32,700 tonnes of copper-equivalent metal-in-concentrate per year once steady-state production is achieved. This includes an average of 16,400 tonnes, and up to 18,700 tonnes of copper-in-concentrate per year; and**
    - **Revenue during the period under study of US$3.0bn (A$4.3bn);**
    - **Free cash flow over the initial operating period of US$1.5bn (A$2.1bn) after all capital expenditure;**
    - **Pre-production capital of US$252m (including US$44.2m contingency);**
    - **Steady-state production averaging 1.3Mtpa over 10 years that generates US$153m (A$219m) of free-cash per year;**
    - **C1 cash costs, on a copper-equivalent basis, of US$1.68/lb over the initial operating period;**
    - **C1 cash costs for copper, after co-product credits, of negative US$0.50/lb over the initial operating period;**
    - **NPV$_7$ of US$835m (A$1.2bn; pre-tax); and**
    - **IRR of 40.2% (pre-tax).**

## Location, Infrastructure and Ownership

The Antler Deposit is located 15km east of the unincorporated town of Yucca in northwestern Arizona, USA. An interstate highway and transcontinental rail line both service Yucca. There is a skilled workforce of 30,000 people living in the town of Kingman, 40km to the north.

Unsealed roads extend directly to the historical headframe at the Antler Deposit. A mains power transmission line already comes to within 750m of the headframe, albeit the power lines will need to be upgraded for mining operations.

The Antler Deposit outcrops over 750m of strike within two patented mining claims. One of New World's US-subsidiaries owns a 100% interest in these two patented claims (that cover a total of 40 acres) – where both the surface rights and the mineral rights are privately-owned.

New World also holds a 100% interest in an additional 240 unpatented mining claims on adjoining federal lands (covering 4,050 acres), where mineral exploration and mining is overseen by the Bureau of Land Management ("BLM"; see Figure 6).

In March 2022 New World entered into a 5-year option agreement that provides it with the right to purchase the surface rights covering 838.9 acres of land in close proximity to the Antler Deposit. This includes 320 acres that are immediately to the south of and adjoin the patented mining claims (see Figure 4).

To develop the Antler Project, New World intends constraining almost all of its surface disturbances to the patented and privately-owned lands (see Figure 5). This should help streamline the mine permit approval process.

In February 2023 New World entered into an option agreement that provided it with the right to purchase a 40-acre parcel of privately-owned land approximately 14km west of the Antler Deposit, adjacent to Alamo and Boriana Mine Roads which connect the Antler Deposit to the town of Yucca. This 40-acre parcel is located within a broad, north-south trending corridor where the alluvium in the Sacramento Valley has been interpreted (in publicly available reports issued by the Arizona Department of Water Resources) to be saturated (see Figure 4). During mid-2023 the Company drilled a single water well on that parcel. Subsequent flow rate tests indicated that all water required for mining and processing operations is likely to be sourced from that single water well. Accordingly the Company exercised its option and took ownership of the 40-acres.

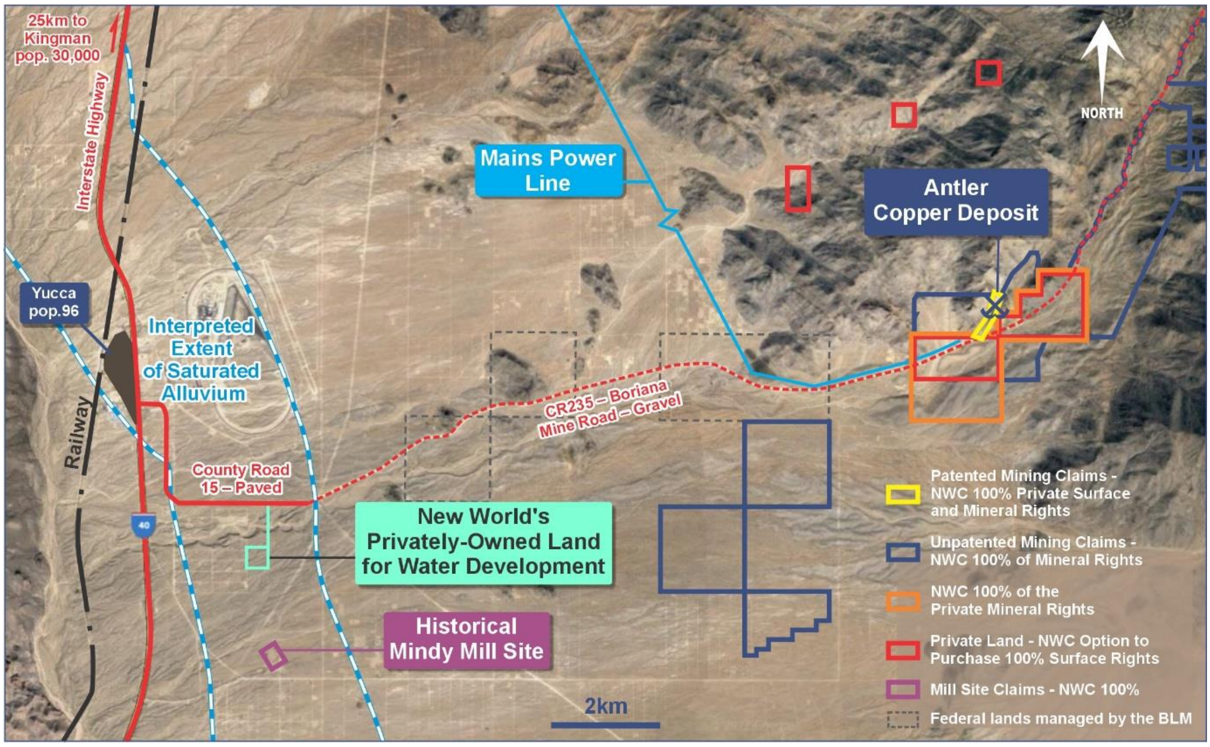


**Figure 4. Infrastructure in the Antler Project Area.**

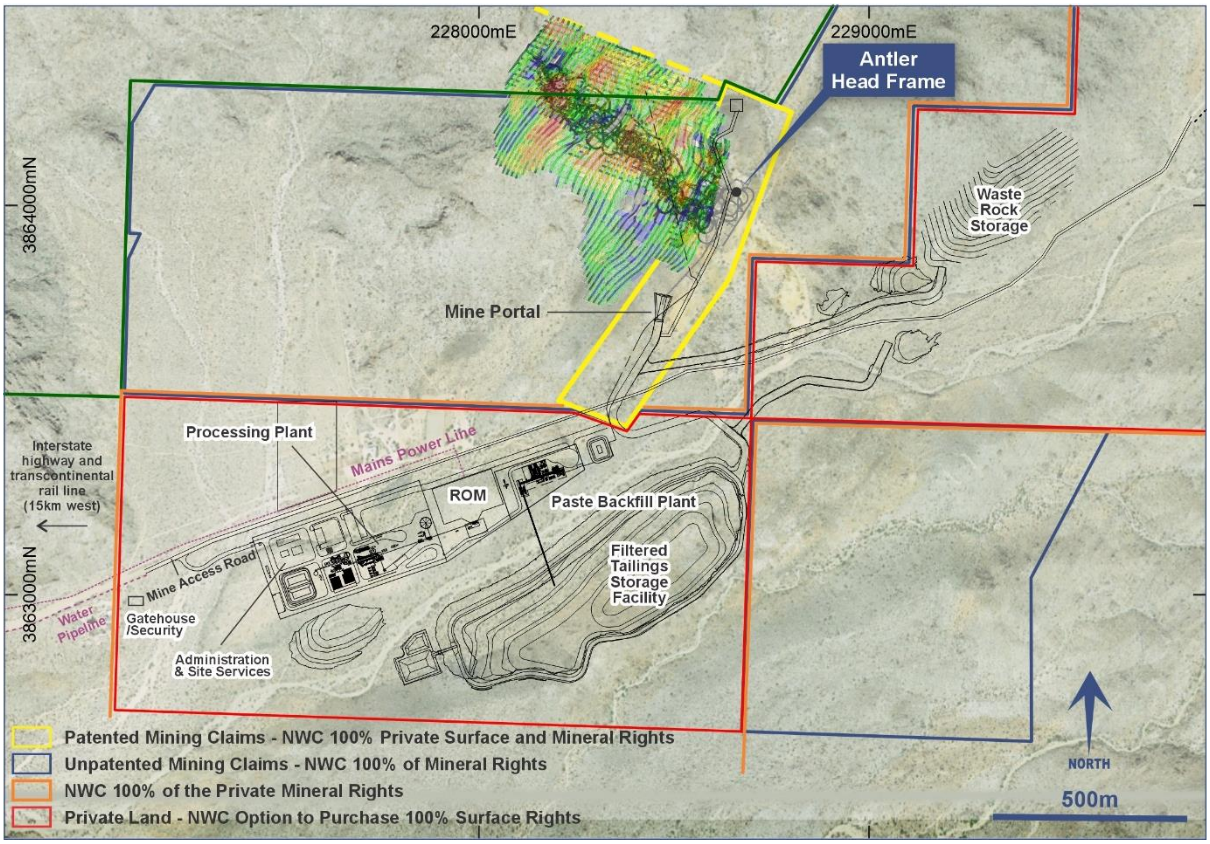


**Figure 5. Proposed Site Development Plan**

## Project Expansion

During December 2023 the Company completed the strategic purchase of a 100% interest in two parcels of mineral rights that cover approximately 1,000 acres immediately adjacent to the Antler Copper Deposit. The new mineral rights include:

(i) 640 acres (an area measuring 1,600m x 1,600m) located immediately south of the Antler Copper Deposit ("Private Block A"; see Figure 6); and

(ii) 360 acres located as close as 120 metres due east of the Antler Deposit ("Private Block B"; see Figure 6).

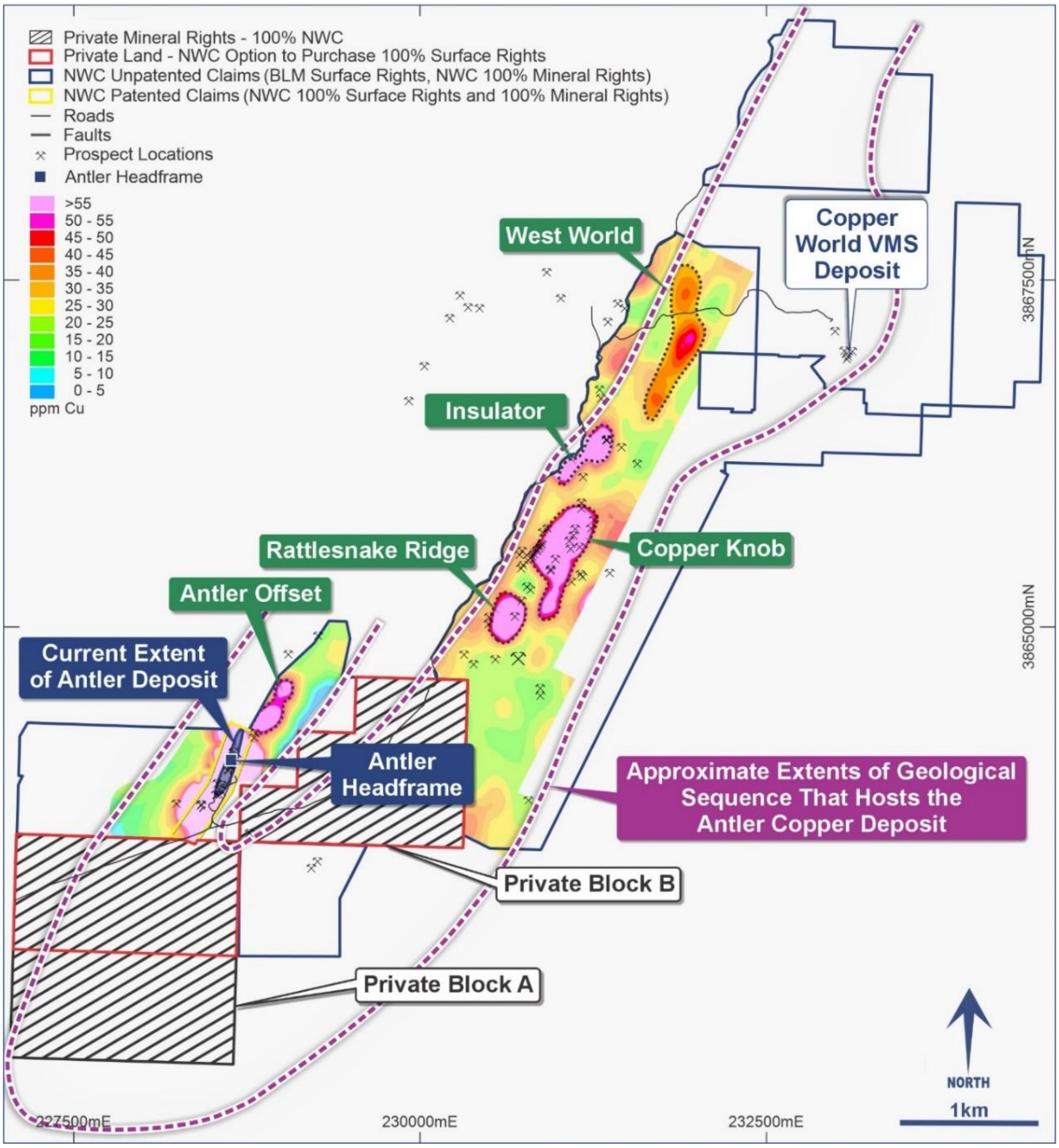


**Figure 6. Location of the new mineral rights which New World has acquired (Private Blocks A and B) in relation to the Antler Copper Deposit, copper-in-soil geochemistry anomalism and the extensions of the geological sequence that hosts the Antler and Copper World VMS Deposits.**

The mineralisation at the Antler Deposit remains open at depth and to the south, with the block model of the mineralisation (that was used to generate the 11.4Mt November 2022 Resource) extending to within <110 metres of the northern boundary of Private Block A. There is no previous drilling to the south of the block model, including within Private Block A.

Private Block A and Private Block B are both located over mapped extensions of the geological sequence that hosts the Antler Deposit. As there are no records of any exploration drilling having ever been undertaken in these two areas, the Company believes there is considerable potential to discover extensions to, or repetitions of, the VMS mineralisation that has been discovered to date at the Antler Deposit.

As these newly acquired areas are considered to be highly prospective, the Company immediately initiated a concerted exploration program to help delineate targets in advance of initial drill testing, including:

- Acquisition of Induced Polarisation ("IP") data over the new areas;
- Acquisition of drone magnetic data over the new areas; and
- Systematic soil geochemistry sampling and geological mapping on a regular grid over areas not covered by transported alluvium.

A very strong coincident IP chargeability/magnetic anomaly was delineated in February 2024, located just 350m south-west of the Antler Deposit (see Figures 7 and 8).

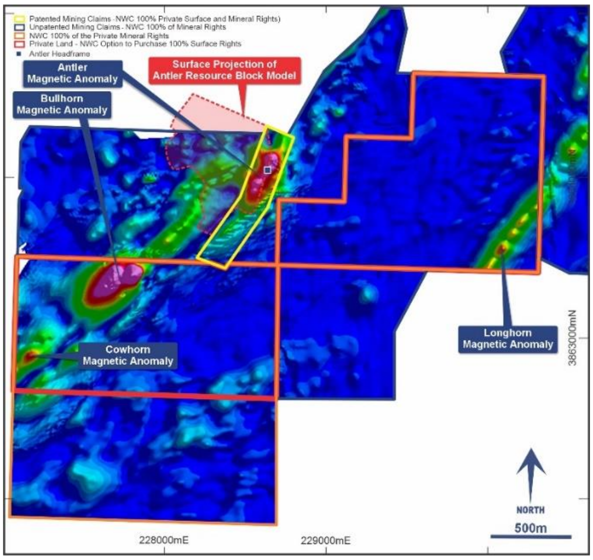


**Figure 7. Image of the analytic signal of Total Magnetic Intensity data acquired over the Antler Copper Deposit and the look-a-like Bullhorn Target 400m to the SW**

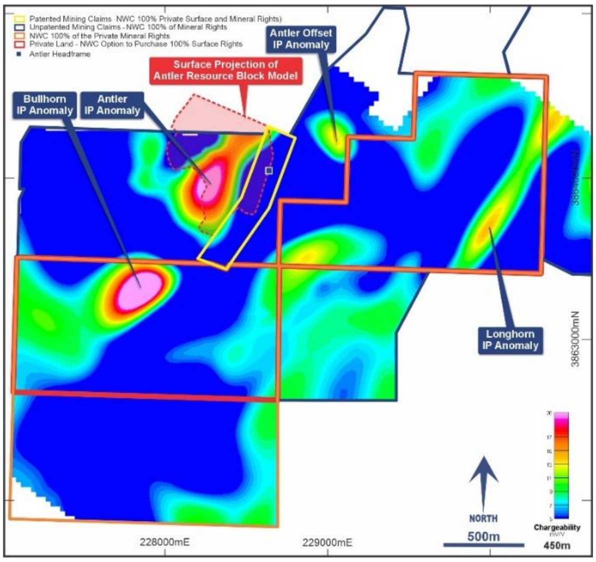


**Figure 8. 450m depth slice of 3D IP data acquired over the Antler Copper Deposit and the look-a-like Bullhorn Target 400m to the SW**

The magnetic and IP anomalies are both 400m long. They are located in the same geological sequence of metavolcanics that hosts the Antler Copper Deposit – which is a volcanogenic massive sulphide ("VMS") deposit.

Globally, VMS deposits typically occur in clusters. There is considerable magnetite and magnetic pyrrhotite associated with the alteration and mineralisation at the Antler Deposit. This, coupled with the massive sulphides that make up the majority of the mineralisation (including chalcopyrite, sphalerite, galena and pyrite) gives rise to both strong magnetic and IP responses at Antler.

So the coincident, strong magnetic/IP anomalies at the Bullhorn Target could stem from a similar combination of VMS alteration and mineralisation.

A 3-5 hole (1,500-2,000m) diamond core drilling program to begin to test the Bullhorn target commenced in March 2024.

## Exploration Potential

The Antler Deposit itself remains open at depth, with some of the better results from exploration drilling at the project to date being returned from some of the deepest holes yet drilled (see Figure 9), including intersections of:

- **10.8m @ 2.0% Cu, 6.7% Zn, 0.7% Pb, 22.6 g/t Ag and 0.20 g/t Au from 934.0m**

  **<u>(10.8m @ 4.5% Cu-equivalent); and</u>**

  **15.9m @ 4.8% Cu, 10.9% Zn, 0.8% Pb, 42.6 g/t Ag and 0.52 g/t Au from 948.8m**

**(15.9m @ 8.7% Cu-equivalent) in ANT94W3**

**For a combined total of:**

**26.8m @ 7.0% Cu-equivalent – in the second deepest hole yet drilled in the South Shoot;**

- **10.7m @ 8.1% Cu, 15.6% Zn, 3.2% Pb, 107.8 g/t Ag, 0.98 g/t Au**

  **(10.7m @ 13.7% Cu-equivalent) – in the deepest hole yet drilled in the South Shoot; and**

- **21.3m @ 3.3% Cu, 4.4% Zn, 1.4% Pb, 64.8 g/t Ag and 0.72 g/t Au**

  **(21.3m @ 5.3% Cu-equivalent) – in the deepest hole yet drilled in the Main Shoot.**

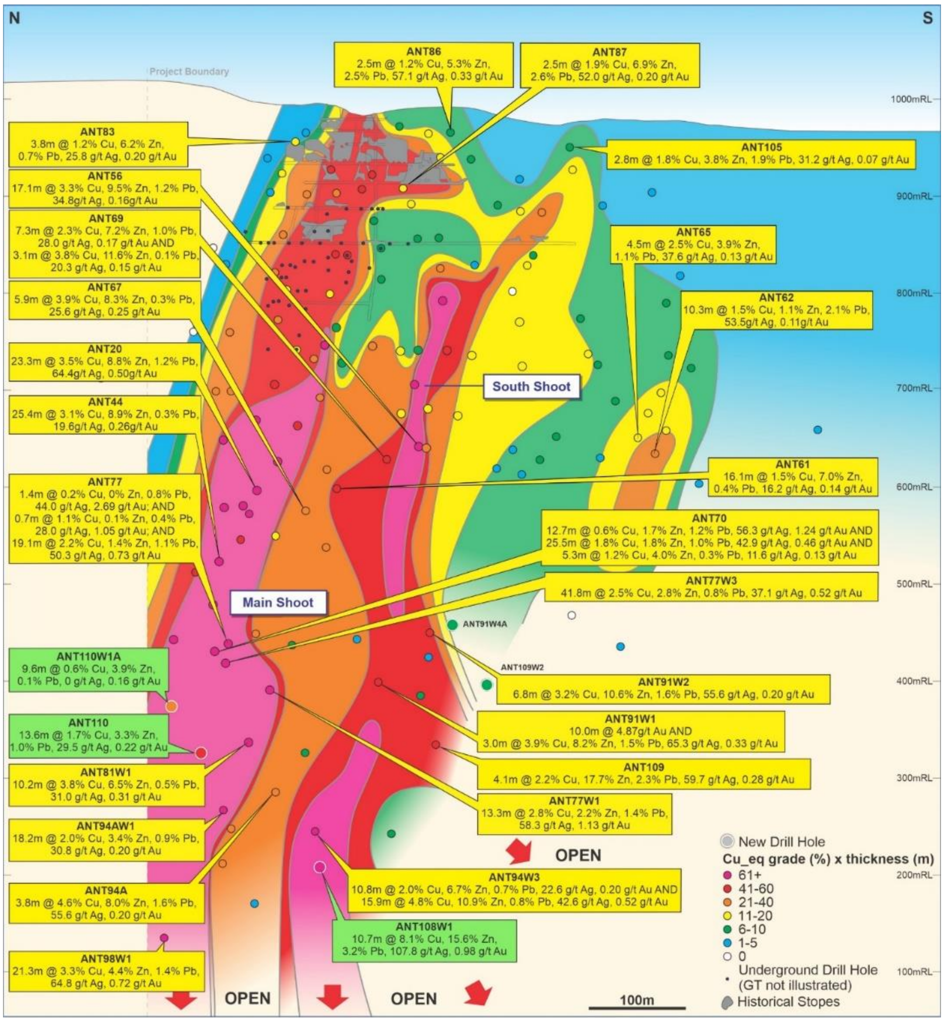


**Figure 9. Long Section of grade x thickness for copper equivalent results from the Antler Copper Deposit showing historical underground workings, grade-thickness results for all surface drilling and select significant intersections in previous drilling.**

Despite the clear opportunity to grow the resource at depth, further drilling to test for down-dip extensions of both the Main and South Shoots at the Antler Deposit has been deferred, given that the delineation of additional resources at depth is unlikely to impact the mining schedule until the later years of an initial mining operation.

Instead, the Company's nearer-term objective is to seek to delineate additional shallow resources at proximal targets. With exploration success at shallower targets, the Company could potentially expand the existing Mineral Resource and evaluate the staged expansion of the processing facility it intends constructing at the Antler Project and/or extend the life of the proposed operation.

Multiple, shallow, high-priority exploration targets have been defined, including:

1. The north-eastern and south-western extensions of a 1,500m+ long strong copper-in-soil geochemistry anomaly that coincides with Antler Deposit, including the Antler Offset Target (see Figure 6);

2. Multiple very strong coincident copper-in-soil geochemistry/IP chargeability anomalies that extend over >3,000m of strike to the north-east of, and in the same geological sequence that hosts the Antler Deposit, including the:

   - Rattlesnake Ridge;
   - Copper Knob;
   - Insulator; and
   - West World Prospects (see Figure 6).

   Extensive mineralisation and shallow historic workings are present at surface along this entire >3,000m-long corridor, with no records of any drilling having been undertaken to test any of these target areas previously; and

3. Very strong IP chargeability anomalism over 1.2km x 1.0km at the Javelin VMS Project area – a potential source of satellite ore to the Antler processing facility (see below).

During December 2023 permits to undertake drilling to test these targets were approved.

Initial drilling to test these targets is scheduled to commence once initial drilling programs at the Bullhorn Target and Javelin VMS Projects are completed.

## Mine Permit Applications

To obtain all permits required to develop the Antler Copper Project, New World will need to:

1. Have a Mine Plan of Operations (MPO) approved by the Bureau of Land Management (BLM) – the Federal government agency that regulates activities on all Federal lands in the vicinity of the Antler Copper Project.

   The MPO is a comprehensive document that details all aspects of the proposed mining operation.

   The Company submitted an MPO (to the BLM) in January 2024.

   The BLM is now assessing the MPO for "completeness". Once any information shortfalls are addressed, the BLM will consider the MPO to determine the potential impacts the Company's proposed operations may have on Federal lands. An appropriate evaluation process will then be implemented, with the scope of the evaluation to be determined in accordance with the potential impacts. A public comment period is expected.

   New World is committed to developing the Antler Project in accordance with industry best practices across its entire operation. The Company deliberately proposes minimising any impact on the environment and the local community by:

   - Utilising underground mining only (with no open pit);
   - Returning around 45% of tailings back underground as paste-fill – thereby minimizing the quantity of tailings that will remain at surface;
   - Utilising a dry-stack tailings storage facility for the tailings that remain at surface – widely considered to be industry best practice;
   - Locating the processing plant adjacent to the mining operation – thereby minimising operational-related impacts on the surrounding community and environment; and
   - Locating all mining and processing infrastructure on privately-owned land – thereby minimising disturbance of public (Federal and State) lands.

   While advantageous to all stakeholders, this approach also simplifies the Federal permitting process.

   Notwithstanding this deliberate low impact approach, New World anticipates approval of the MPO will be the longest lead-time component of its mine permitting process. It has therefore submitted the MPO first – before finalizing and submitting other requisite applications (see below).

2. Because the mining operation and almost all associated surface infrastructure will be constructed on privately-owned land, approvals to develop specific components of the mining operation, including the processing plant, waste rock storage areas and a tailings storage facility, will be granted by various Arizonan State government agencies and/or the local Mohave County (rather than Federal government agencies).

   The lead time for approval of these additional requisite permits is expected to be a maximum of 15 months (from the date of submission).

   Now that the MPO has been submitted (with the longest expected approval lead-time), the Company intends progressively finalizing and submitting, to other regulatory authorities, additional permit applications for the specific (individual) components of the proposed mining operation. The Company intends submitting the first of these State permit applications during H1 2024.

   The Company expects it will have all State and County permits approved prior to the final approval of the MPO.

The State and Federal mine permit approval processes will run in parallel – with significant consultation and coordination between the relevant agencies.

### Pre-Feasibility Study

Numerous work-streams necessary to complete the Pre-Feasibility Study ("PFS") continued to progress well during the second half of 2023.

The Company deliberately expedited completion of select components of the PFS work for which specific details were required for inclusion in the MPO.

Following assessment of the expected distribution of payable metals into concentrates, a short program of additional metallurgical testwork was recently commissioned to endeavour to further enhance the recovery of metals into the desired concentrates. This should improve both: (i) the payability; and (ii) the already strong marketing credentials, of the concentrates produced. The Company has commenced detailed discussion with offtakers and end-users in relation to the concentrates from the Antler Project, with the terms provided being utilised in the PFS modelling.

In conjunction with finalising and submitting the MPO (see above), the preferred approach to many components of the Project development, where multiple alternatives were being considered, was finalised. Once the additional metallurgical testwork is completed, designs for the preferred development path will be finalised and capital and operating cost estimates refined.

## JAVELIN VMS PROJECT, ARIZONA, USA

New World holds a contiguous series of mining claims in an area located approximately 75km to the southeast of the Antler Copper Deposit, just south of the large Bagdad porphyry copper deposit (the 5th largest copper deposit in the US; see Figure 1). These 100%-owned mining claims comprise the Company's Javelin VMS Project.

These mining claims cover almost 10km of the strike extensions of the geological sequence that hosts numerous high-grade VMS Cu-Zn-Pb-Ag-Au deposits that are of similar age and style to the Antler Deposit (see Figure 10). Notable deposits in this district include:

- The Old Dick Mine – where 614,000 tonnes @ 3.36% Cu and 10.6% Zn were mined between 1943 and 1965;
- The Bruce Mine – where 746,000 tonnes @ 3.65% Cu and 12.7% Zn were mined between 1968 and 1977; and
- The Pinafore Deposit – where there is a historic resource estimate of 635,000 tonnes @ 3.4% Cu and 7.1% Zn.

New World commenced early-stage exploration programs at the Javelin VMS Project in early 2023.

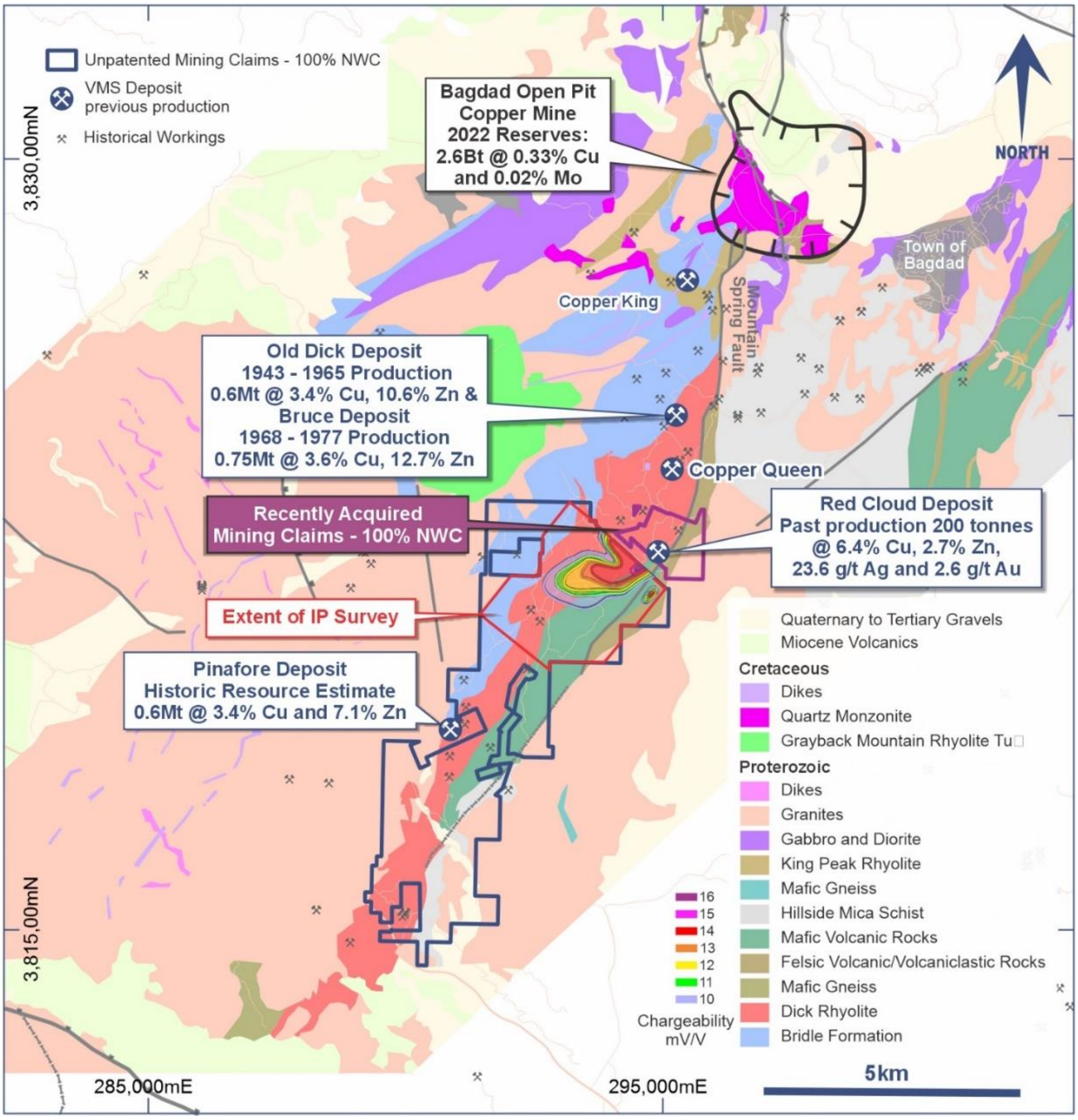


**Figure 10. Geology of the Javelin VMS Project in Arizona, USA.**

In July 2023 the Company announced that it had delineated a very strong IP chargeability anomaly over an area of 1.2km x 1.0km in the northern part of its Project area – the “Discus IP Anomaly” (see Figures 10 and 11). The strong anomalism was evident at the northern end of the surveyed area, on five (of eleven) NW-SE oriented survey lines spaced 200-300m apart (see Figure 11). The source of the anomalism was modelled to be shallowest at the northeastern end, with it progressively deepening towards the southwest (see Figures 12-14).

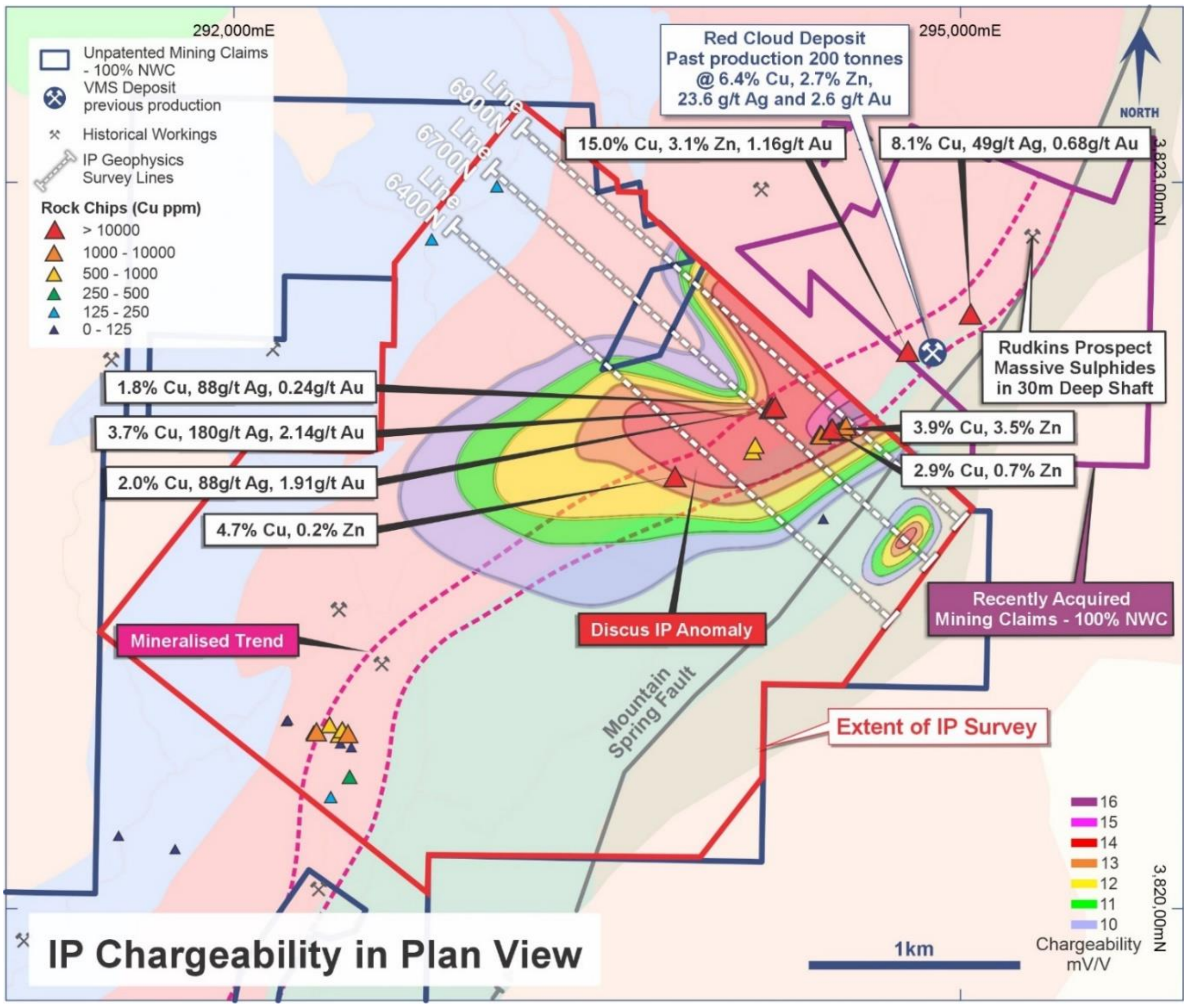


**Figure 11. Plan view showing location of rock samples and select assay results, collected recently over the strong Discus IP Anomaly at the Javelin VMS Project. Contours show chargeability at the 650m RL (approximately 350-400m below surface) superimposed upon mapped geology.**

Subsequent reconnaissance mapping and sampling work over and around the Discus IP Anomaly revealed considerable outcropping mineralisation and alteration. Assays returned from multiple rock samples confirmed that widespread high-grade base and precious metal mineralisation is present at surface, with assays from individual samples including:

- **15.0% Cu, 3.1% Zn and 1.16 g/t Au;**
- **8.1% Cu, 49 g/t Ag and 0.68 g/t Au;**
- **4.7% Cu and 0.2% Zn;**
- **3.9% Cu and 3.5% Zn; and**
- **3.7% Cu, 180 g/t Ag and 2.14 g/t Au**

Considerable chalcopyrite (copper-sulphide) has been located at multiple sites, which confirms that primary, not just supergene, copper mineralisation is present in the target area. This reinforces the potential for the Discus IP Anomaly to be associated with VMS mineralisation at depth.

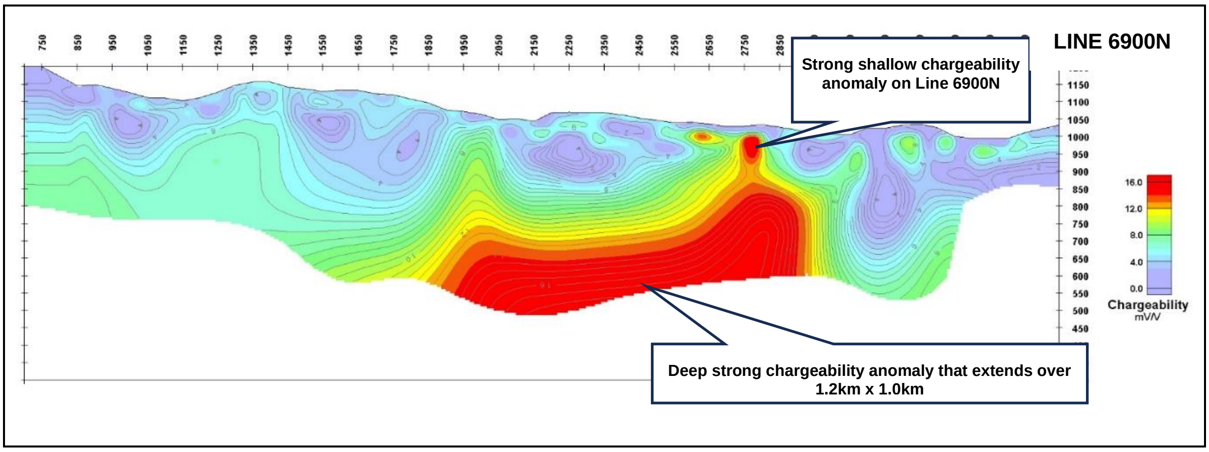


**Figure 12. Cross-section of chargeability data from Line 6900N.**

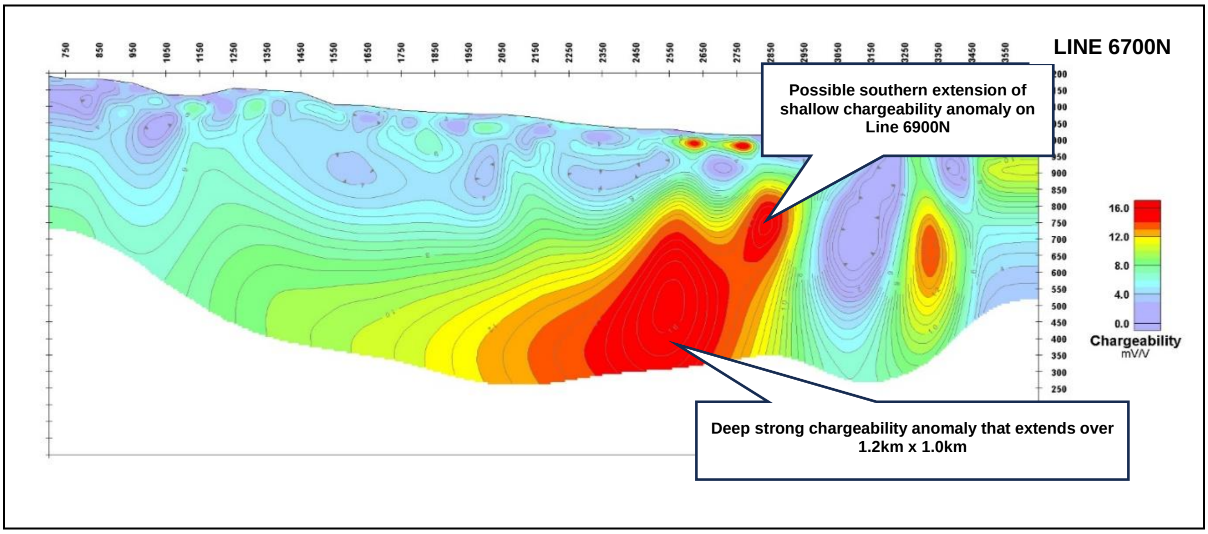


**Figure 13. Cross-section of chargeability data from Line 6700N.**

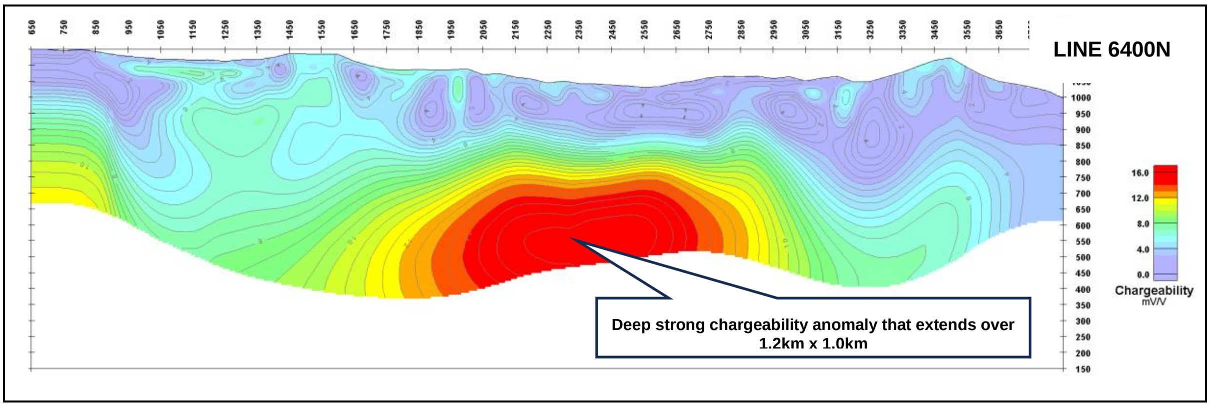


**Figure 14. Cross-section of chargeability data from Line 6400N.**

## Expansion of Project Area

During the second half of 2023 the Company staked additional mining claims (100% NWC) covering an area of almost 500 acres slightly northeast and along strike from the Discus Copper Prospect. This new area included and encompasses the high-grade and past-producing Red Cloud VMS Deposit as well as the Rudkins Prospect, where the presence of massive sulphides was reportedly previously (see Figures 10 and 11).

Very high-grade VMS mineralisation was mined from the Red Cloud Deposit previously. Total production is reported to have been:

- **200 tonnes @ 6.4% Cu, 2.6 g/t Au, 2.7% Zn and 23.6 g/t Ag**

Red Cloud is one of a cluster of six VMS deposits that are all located within 10km of each other, where production of high-grade mineralisation has been reported previously.

At the Rudkins Prospect, located 700m along strike to the northeast of the Red Cloud Deposit, massive sulphide mineralisation is reportedly present in a 30m-deep shaft that lies adjacent to an adit.

New World now holds a 100% interest in almost the entire 2.0km-long corridor that is highly prospective for VMS mineralisation that extends from the Discus Copper Prospect through to the Rudkins Prospect (see Figure 11). The Company considers that there is considerable potential to discover additional VMS mineralisation along this entire 2.0km-long corridor.

The Company recently conducted systematic soil sampling over this new area. Samples have been submitted to a laboratory for analysis, with assay results expected during the March quarter of 2024.

The Company is planning to undertake IP surveying over this new area during H1 2024 – to determine whether strong IP anomalism may also be present below those samples. Such anomalism would help define initial drill targets.

### Commencement of Drilling

The Company commenced an initial diamond core drilling program at the Javelin Project in January 2024. The primary objective is to begin to test the Discus Prospect.

An initial program of 4-6 drill holes, for approximately 1,500m, is planned.

Drilling is expected to continue through most of the March quarter.

## CORPORATE

### Personnel

In July 2023, following seven months as a Non-Executive Director, highly experienced mining executive Nick Woolrych transitioned to a full-time role as an Executive Director and the Company's Chief Operating Officer. Nick is focused on expediting mine permit approvals while concurrently managing mine development activities (including the PFS and forthcoming definitive feasibility study).

In February 2024 the Company appointed Kyle Lindahl to the position of Vice President, Project Development, based in the United States. Kyle has extensive experience in the North American and global underground mining sectors, both as a technical consultant and with major mining companies.

These two appointments further strengthen the Company's mining and development team, as it transitions from "explorer" to "near-term producer".

### $5.0m Placement

During July 2023 the Company completed a $5.0 million placement to RCF Opportunities Fund II L.P. ("**RCF**"), a fund managed by US private equity firm RCF Management L.L.C., via the issue of 156,250,000 ordinary shares ("**Shares**") at $0.032 per Share.  The Company also issued RCF 62,500,000 free attaching unlisted options for each Share subscribed for, each of which is exercisable at $0.04 and on or before 17 August 2026.

### Sale of Royalty

During the second half of 2023 the Company entered into a binding agreement with UK-listed Trident Royalties Plc ("Trident") whereby Trident purchased a 0.9% Net Smelter Return royalty (the "NSR Royalty") on future metal production from the Antler Copper Project, for $11 million. Key terms included:

- the 0.90% NSR Royalty applies to the Antler Copper Deposit and surrounding, currently defined, exploration targets ("Project Area Royalty"); and
- a 0.45% NSR Royalty applies to any additional mineral rights the Company acquires within 5km of the current extents of the Antler Copper Project ("AOI Royalty");
- New World retains the right to buy-back:
  - 0.3% of the Project Area Royalty, to reduce it from 0.90% to 0.60%, for $9 million; and/or
  - 0.15% of the AOI Royalty, to reduce it from 0.45% to 0.30%, for $4 million,

  at any time within three months of the Company obtaining at least 75% of the funding required for the development and construction of the Antler Copper Project.

The royalty financing provided the Company with substantial funding on terms that were considerably more attractive and less dilutionary than alternative conventional equity funding.

**EVENTS SUBSEQUENT TO REPORTING DATE**

On 8 February 2024, the Company issued 6,000,000 unlisted performance rights, each with a nil exercise price and expiry date of 8 February 2027 to the Company's recently appointed VP of Project Development.

Apart from the above event there are no matters or circumstances that have arisen since the balance date which significantly affects 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.

**AUDITOR'S INDEPENDENCE DECLARATION**

Section 307C of the Corporations Act 2001 requires our auditor, Stantons, to provide the directors of the company with an Independence Declaration in relation to the review of the interim financial report. This Independence Declaration is set out on page 18 and forms part of this directors' report for the half-year ended 31 December 2023.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to s.306(3) of the Corporations Act 2001.

………………………………………………..
Richard Hill
**Chairman**
15 March 2024

***Additional Information for the Review of Operations***

***Previously Reported Results***

*There is information in this report relating to:*

*(i) the Mineral Resource Estimate for the Antler Copper Deposit, which was previously announced on 28 November 2022; and*

*(ii) exploration results which were previously announced on 26 September and 4 and 11 October, 22 November and 5 December 2022, 7 and 13 June, 31 July and 13 and 30 November 2023 and 5 February 2024.*

*Other than as disclosed in those announcements, the Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements, and that all material assumptions and technical parameters have not materially changed. The Company also confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.*

***Forward Looking Statements***

*Information included in this report constitutes forward-looking statements. When used in this announcement, forward-looking statements can be identified by words such as "anticipate", "believe", "could", "estimate", "expect", "future", "intend", "may", "opportunity", "plan", "potential", "project", "seek", "will" and other similar words that involve risks and uncertainties.*

*Forward-looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licences and permits and diminishing quantities or grades of resources and reserves, political and social risks, changes to the regulatory framework within which the Company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation as well as other uncertainties and risks set out in the announcements made by the Company from time to time with the Australian Securities Exchange.*

*Forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, its directors and management of the Company that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements.*

*The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. The Company does not undertake to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this report, except where required by applicable law and stock exchange listing requirements.*

Stantons

PO Box 1908
West Perth WA 6872
Australia

Level 2, 40 Kings Park Road
West Perth WA 6005
Australia

Tel: +61 8 9481 3188
Fax: +61 8 9321 1204

ABN: 84 144 581 519
www.stantons.com.au

15 March 2024

Board of Directors
New World Resources Limited
Unit 24-26, Level 3
22 Railway Road
Subiaco WA 6008

Dear Sirs

**RE: NEW WORLD RESOURCES LIMITED**

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of New World Resources Limited.

As Audit Director for the review of the financial statements of New World Resources Limited for the half-year ended 31 December 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

(ii) any applicable code of professional conduct in relation to the review.

Yours faithfully

**STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD**
**(An Authorised Audit Company)**

Martin Michalik

**Martin Michalik**
**Director**

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

| | Note | Consolidated<br>31 December 2023<br>$ | <br>31 December 2022<br>$ |
|---|---|---|---|
| **Continuing operations** | | | |
| Other income | | 260,839 | 12,381 |
| Administration | | (447,500) | (73,513) |
| Depreciation expense | | (4,868) | (5,198) |
| Directors' costs | | (169,375) | (138,197) |
| Facilitation fee on royalty sale | | (640,000) | - |
| Share based payment expense | | (151,504) | (261,506) |
| Performance rights payment expense | | (95,905) | (242,179) |
| Other expenses | | (396,285) | (307,340) |
| **Loss before income tax** | | **(1,644,598)** | **(1,015,552)** |
| Income tax benefit | | - | - |
| **Net loss for the period** | | **(1,644,598)** | **(1,015,552)** |
| **Other comprehensive income:** | | | |
| ***Items that will not be subsequently reclassified to profit or loss*** | | | |
| Changes in fair value of financial assets | 11 | 26,520 | 61,333 |
| ***Items that may be reclassified to profit or loss*** | | | |
| Exchange differences on translation of foreign operations | | (1,603,579) | (57,979) |
| **Other comprehensive loss for the period** | | **(1,577,059)** | **3,354** |
| **Total comprehensive loss for the period** | | **(3,221,657)** | **(1,012,198)** |
| Basic and diluted loss per share from continuing operations (cents per share) | | **(0.07)** | **(0.06)** |

The accompanying notes form part of these consolidated financial statements.

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION
# AS AT 31 DECEMBER 2023

| | Notes | Consolidated 31 December 2023 $ | Consolidated 30 June 2023 $ |
|---|---|---|---|
| **Assets** | | | |
| **Current Assets** | | | |
| Cash and cash equivalents | | 8,348,134 | 2,621,730 |
| Trade and other receivables | | 570,190 | 724,147 |
| Prepayments | | 242,198 | 678,628 |
| **Total Current Assets** | | **9,160,522** | **4,024,505** |
| **Non-Current Assets** | | | |
| Financial assets - fair value OCI | 11 | 281,915 | 220,000 |
| Property, plant and equipment | | 58,197 | 41,635 |
| Deferred exploration and evaluation expenditure | 2 | 46,193,808 | 49,025,370 |
| **Total Non-Current Assets** | | **46,533,920** | **49,287,005** |
| **Total Assets** | | **55,694,442** | **53,311,510** |
| **Liabilities** | | | |
| **Current Liabilities** | | | |
| Trade and other payables | | 2,597,782 | 1,942,658 |
| **Total Current Liabilities** | | **2,597,782** | **1,942,658** |
| **Total Liabilities** | | **2,597,782** | **1,942,658** |
| **Net Assets** | | **53,096,660** | **51,368,852** |
| **Equity** | | | |
| Issued capital | 3 | 135,721,046 | 130,640,990 |
| Reserves | | 15,935,774 | 17,643,424 |
| Accumulated losses | | (98,560,160) | (96,915,562) |
| **Total Equity** | | **53,096,660** | **51,368,852** |

The accompanying notes form part of these consolidated financial statements.

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

| | Issued Capital | Accumulated Losses | Option Reserve | Share-based Payment Reserve | Perf. Rights Reserve | Fair Value Reserve | Foreign Exchange Reserve | Total Equity |
|---|---|---|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ | $ | $ | $ |
| **Balance at 1 July 2022** | **115,324,351** | **(94,416,882)** | **8,378,799** | **3,540,287** | **551,396** | **(94,667)** | **2,997,925** | **36,281,209** |
| Loss for the period | - | (1,015,552) | - | - | - | - | - | (1,015,552) |
| Changes in fair value of financial assets – fair value OCI | - | - | - | - | - | 61,333 | - | 61,333 |
| Exchange differences on translation of foreign operations | - | - | - | - | - | - | (57,979) | (57,979) |
| **Total comprehensive loss for the period** | **-** | **(1,015,552)** | **-** | **-** | **-** | **61,333** | **(57,979)** | **(1,012,198)** |
| Options issued during the half-year | - | - | - | 261,506 | - | - | - | 261,506 |
| Performance rights vested during the half-year | - | - | - | - | 242,179 | - | - | 242,179 |
| Performance rights converted to shares during the half-year | 188,956 | - | - | - | (188,956) | - | - | - |
| Shares issued during the half-year | 16,160,000 | - | - | - | - | - | - | 16,160,000 |
| Share issue costs during the half -year | (1,034,076) | - | - | - | - | - | - | (1,034,076) |
| **Balance at 31 December 2022** | **130,639,231** | **(95,432,434)** | **8,378,799** | **3,801,793** | **604,619** | **(33,334)** | **2,939,946** | **50,898,620** |
| **Balance at 1 July 2023** | **130,640,990** | **(96,915,562)** | **8,378,799** | **4,096,150** | **748,614** | **33,333** | **4,386,528** | **51,368,852** |
| Loss for the period | - | (1,644,598) | - | - | - | - | - | (1,644,598) |
| Changes in fair value of financial assets – fair value OCI | - | - | - | - | - | 26,520 | - | 26,520 |
| Exchange differences on translation of foreign operations | - | - | - | - | - | - | (1,603,579) | (1,603,579) |
| **Total comprehensive loss for the period** | **-** | **(1,644,598)** | **-** | **-** | **-** | **26,520** | **(1,603,579)** | **(3,221,657)** |
| Options issued during the half-year | - | - | - | 151,504 | - | - | - | 151,504 |
| Performance rights vested during the half-year | - | - | - | - | 95,905 | - | - | 95,905 |
| Performance rights converted to shares during the half-year | 378,000 | - | - | - | (378,000) | - | - | - |
| Shares issued during the half-year | 5,000,000 | - | - | - | - | - | - | 5,000,000 |
| Share issue costs during the half -year | (297,944) | - | - | - | - | - | - | (297,944) |
| **Balance at 31 December 2023** | **135,721,046** | **(98,560,160)** | **8,378,799** | **4,247,654** | **466,519** | **59,853** | **2,782,949** | **53,096,660** |

The accompanying notes form part of these consolidated financial statements.

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

| | Consolidated | |
|---|---|---|
| | 31 December 2023<br>$ | 31 December 2022<br>$ |
| | Inflows/(Outflows) | |
| **Cash flows from operating activities** | | |
| Payments to suppliers and employees | (804,395) | (631,687) |
| Interest received | 17,174 | 12,381 |
| Net cash (used) in operating activities | (787,221) | (619,306) |
| | | |
| **Cash flows from investing activities** | | |
| Payments for property, plant and equipment | (20,651) | - |
| Payments for exploration and evaluation expenditure | (8,736,473) | (9,699,888) |
| Receipts from sale of investments | 208,270 | - |
| Net cash (used) in investing activities | (8,548,854) | (9,699,888) |
| | | |
| **Cash flows from financing activities** | | |
| Proceeds from sale of royalty (net of costs) | 10,360,000 | - |
| Proceeds from issue of shares | 5,000,000 | 16,160,000 |
| Transaction costs of issue of shares | (297,944) | (1,034,076) |
| Net cash provided by financing activities | 15,062,056 | 15,125,924 |
| | | |
| Net increase in cash and cash equivalents | 5,725,981 | 4,806,730 |
| Cash and cash equivalents at the beginning of the period | 2,621,730 | 4,360,320 |
| Effects of foreign currency exchange | 423 | (77,337) |
| **Cash and cash equivalents at the end of the period** | 8,348,134 | 9,089,713 |

The accompanying notes form part of these consolidated financial statements.

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

## NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

### Statement of compliance

These interim consolidated financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

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

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2023 and any public announcements made by New World and its subsidiaries ("the Group") during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period, except as noted in the note on adoption of new and revised accounting standards. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

The interim financial statements were authorised for issue on 15 March 2024.

### Basis of preparation

The interim financial statements have been prepared on a historical cost basis, except Financial Assets Fair Value OCI. Cost is based on the fair value of the consideration given in exchange for assets. The Company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

For the purpose of preparing the interim report, the half-year has been treated as a discrete reporting period.

### Significant accounting judgments and key estimates

The preparation of interim financial reports requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim report, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 30 June 2023.

### Going concern

The financial report has been prepared on the basis of accounting principles applicable to a going concern, which assumes the commercial ealization of the future potential of New World's assets and the discharge of its liabilities in the normal course of business.

As at 31 December 2023, the Group had cash and cash equivalents of $8,348,134, a loss for the half-year of $1,644,598 and a net cash inflows from operating, investing and financing activities of $5,725,981.

The Group's ability to continue as a going concern is dependent upon it maintaining sufficient funds for its operations and commitments. The Directors consider the basis of going concern to be appropriate for the following reasons:

- current level of cash and cash equivalents;
- the quality of the Group's exploration assets and underlying prospects to raise additional equity capital;
- the discretionary nature of a significant proportion of the Group's planned exploration spend; and
- the potential to farm-down or dispose of its mineral interests.

Accordingly, the Directors believe that New World will obtain sufficient funding to enable it to continue as a going concern and that it is appropriate to adopt that basis of accounting in the preparation of the financial report.

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

## NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**Adoption of new and revised Accounting Standards**

***New and amended accounting standards and interpretations adopted by the Group***

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

## NOTE 2: DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

| | Consolidated | |
|---|---|---|
| | 31 December 2023 | 30 June 2023 |
| Costs carried forward in respect of areas of interest in the following phases: | $ | $ |
| **Exploration and evaluation phase – at cost** | | |
| Balance at beginning of period/year | 49,025,370 | 33,689,364 |
| Expenditure incurred | 9,412,735 | 14,392,566 |
| Sale of royalty* | (11,000,000) | - |
| | 47,438,105 | 48,081,930 |
| Net exchange differences on translation | (1,244,297) | 943,440 |
| **Total deferred exploration and evaluation expenditure** | 46,193,808 | 49,025,370 |

*The carrying value has been adjusted for the proceeds received from the sale of the Trident NSR Royalty (refer Note 7).

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent upon the successful development and commercial exploitation or sale of the respective areas.

## NOTE 3: ISSUED CAPITAL

| | Consolidated | |
|---|---|---|
| | 31 December 2023 $ | 30 June 2023 $ |
| Issued capital | 143,025,542 | 137,647,542 |
| Share issue costs | (7,304,496) | (7,006,552) |
| | 135,721,046 | 130,640,990 |

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

**NOTE 3: ISSUED CAPITAL (continued)**

| | Six months to 31 December 2023 No. | Year to 30 June 2023 No. | Six months to 31 December 2023 $ | Year to 30 June 2023 $ |
|---|---|---|---|---|
| *Movements in ordinary shares on issue (prior to share issue costs)* | | | | |
| At the beginning of the period/year | 2,105,492,045 | 1,596,902,822 | 137,647,542 | 121,295,576 |
| Shares issued pursuant to placement (i) | - | 505,000,000 | - | 16,160,000 |
| Shares issued on conversion of performance rights (ii) | - | 3,374,206 | - | 188,956 |
| Shares issued on exercise of options (iii) | - | 215,017 | - | 3,010 |
| Shares issued pursuant to placement (iv) | 156,250,000 | - | 5,000,000 | - |
| Shares issued on conversion of performance rights (v) | 6,750,000 | - | 378,000 | - |
| At the end of the period/year | 2,268,492,045 | 2,105,492,045 | 143,025,542 | 137,647,542 |

(i) The Company issued 505,000,000 Shares at an issue price of $0.032 per share in August, October and December 2022, pursuant to placements.

(ii) The Company issued 3,374,206 Shares in December 2022 in relation to the conversion of performance rights.

(iii) The Company issued 215,017 Shares in February 2023 in relation to a cashless exercise of 1 million options.

(iv) The Company issued 156,250,000 Shares at an issue price of $0.032 per share in August 2023, pursuant to a placement (“August 2023 Placement”).

(v) The Company issued 6,750,000 Shares in December 2023 in relation to the conversion of performance rights.

**NOTE 4: SEGMENT REPORTING**

During the financial period ended 31 December 2023, the Group’s exploration and evaluation activities focussed solely on its projects in North America.

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

### NOTE 5: OPTION AND SHARE-BASED PAYMENTS RESERVE

| | Consolidated | |
|---|---|---|
| *Option Reserve* | 31 December 2023 $ | 30 June 2023 $ |
| Balance at beginning and end of the period/year | 8,378,799 | 8,378,799 |
| | | |
| *Share-Based Payments Reserve* | | |
| Balance at beginning of the period/year | 4,096,150 | 3,540,287 |
| 2,000,000 unlisted contractor options exercisable at 4.6 cents on or before 17 July 2025 | - | 27,578 |
| 7,000,000 unlisted employee/consultant options exercisable at 4.6 cents on or before 17 July 2025 | - | 96,521 |
| 24,000,000 unlisted employee/consultant options exercisable at 4.9 cents on or before 8 December 2026 | 72,844 | 137,407 |
| 19,750,000 unlisted director options exercisable at 4.9 cents on or before 8 December 2026 | 53,622 | 271,892 |
| 5,000,000 unlisted director options exercisable at 4.9 cents on or before 8 December 2026 | 20,362 | 22,465 |
| 7,500,000 unlisted director options exercisable at 4.9 cents on or before 8 December 2026 | 4,676 | - |
| Balance at end of the period/year | 4,247,654 | 4,096,150 |

| | Six months to 31 December 2023 No. | Year to 30 June 2023 No. |
|---|---|---|
| Movements in number of options over ordinary shares on issue | | |
| At beginning of the period/year | 63,250,000 | 78,541,177 |
| Issue of employee, consultant and contractor options (i) | - | 33,000,000 |
| Issue of director options(ii) | 7,500,000 | 24,750,000 |
| Issue of free attaching options (iii) | 62,500,000 | - |
| Lapse of options | (6,500,000) | (72,041,177) |
| Options exercised | - | (1,000,000) |
| At end of period/year | 126,750,000 | 63,250,000 |

(i) The Company issued options to its employees, consultants and contractors – 33,000,000 options were issued on 18 July and 9 December 2022.

(ii) The Company issued options to its directors – 24,750,000 options were issued on 16 February 2023 and 7,500,000 were issued on 20 November 2023.

(iii) The Company issued 62,500,000 free attaching options pursuant to the August 2023 Placement.

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

**NOTE 5: OPTION AND SHARE-BASED PAYMENTS RESERVE (continued)**

**Share-based payment transactions**
The following share based payment arrangements were in place during the current and prior period:

| | Number | Grant date | Expiry date | Exercise price $ | Fair value at grant date |
|---|---|---|---|---|---|
| Placement and broker options | 40,000,000 | 29 November 2019 | 27 September 2022 | 0.02 | $239,865 |
| Placement options | 25,000,000 | 4 October 2019 | 27 September 2022 | 0.02 | $nil |
| Class I unlisted options | 44,500,000 | 29 November 2019 | 28 November 2022 | 0.04 | $279,702 |
| Class I unlisted options | 7,000,000 | 1 December 2020 | 30 November 2023 | 0.065 | $280,255 |
| Class I unlisted options | 2,000,000 | 18 July 2022 | 17 July 2025 | 0.046 | $27,578 |
| Class I unlisted options | 7,000,000 | 18 July 2022 | 17 July 2025 | 0.046 | $96,521 |
| Class I unlisted options | 24,000,000 | 9 December 2022 | 8 December 2026 | 0.049 | $412,221* |
| Class I unlisted options | 24,750,000 | 9 December 2022 | 8 December 2026 | 0.049 | $799,775* |
| Free-attaching options | 62,500,000 | 18 August 2023 | 17 August 2026 | 0.04 | $nil |
| Class I unlisted options | 7,500,000 | 20 November 2023 | 8 December 2026 | 0.049 | $101,172* |

* subject to vesting conditions, hence the full fair value has not been recognised.

The fair value of the equity settled share options granted is estimated as at the date of grant using the Black and Scholes option valuation method taking into account the terms and conditions upon which the options were granted as follows:

**December 2023**
The following share options were issued during the period in relation to the provision of services to the Company:
- 7,500,000 unlisted options were issued at 4.9 cents exercisable on or before 8 December 2026.

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. The options were valued using the Black and Scholes option valuation method with the following inputs:
- Expected volatility 70%
- Risk free interest rate 4.075%

All other inputs relate to the Company's share price at the date of grant and the expiry date of the options.

An amount of $151,504 was recognised during the half-year ended 31 December 2023.

**June 2023**
The following share options were issued during the previous year in relation to the provision of services to the Company:
- 2,000,000 unlisted options were issued at 4.6 cents exercisable on or before 17 July 2025.
- 7,000,000 unlisted options were issued at 4.6 cents exercisable on or before 17 July 2025.
- 24,000,000 unlisted options were issued at 4.9 cents exercisable on or before 8 December 2026.
- 24,750,000 unlisted options were issued at 4.9 cents exercisable on or before 8 December 2026.

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. The options were valued using the Black and Scholes option valuation method with the following inputs:
- Expected volatility 68%, 77% and 80.78%
- Risk free interest rate 3.07% and 3.44%

All other inputs relate to the Company's share price at the date of grant and the expiry date of the options.

An amount of $555,863 was recognised during the year ended 30 June 2023.

**June 2022**
No share options were issued in relation to the provision of services to the Company.

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

## NOTE 5: OPTION AND SHARE-BASED PAYMENTS RESERVE (continued)

**June 2021**
The following share options were issued during the 2021 financial year in relation to the provision of services to the Company:

- 7,000,000 unlisted options were issued at 6.5 cents exercisable on or before 30 November 2023.

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. The options were valued using the Black and Scholes option valuation method with the following inputs:

- Expected volatility 100%
- Risk free interest rate 0.12%

All other inputs relate to the Company's share price at the date of grant and the expiry date of the options.

## NOTE 6: PERFORMANCE RIGHTS

| | Consolidated | |
|---|---|---|
| | Six months to 31 December 2023 $ | Year to 30 June 2023 $ |
| At beginning of period/year | 748,614 | 551,396 |
| Issued during the period/year | 29,987 | - |
| Vested during period/year | 65,918 | 386,174 |
| Converted to shares during the period/year | (378,000) | (188,956) |
| At end of period/year | 466,519 | 748,614 |
| | No. | No. |
| Movements in performance rights over ordinary shares on issue | | |
| At beginning of period/year | 22,666,668 | 26,040,874 |
| Performance rights issued | 25,000,000 | - |
| Performance rights exercised | (6,750,000) | (3,374,206) |
| Performance rights lapsed | (14,250,000) | - |
| At end of period/year | 26,666,668 | 22,666,668 |

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

**NOTE 6: PERFORMANCE RIGHTS (continued)**

25,000,000 Performance Rights were issued during the half-year-end 31 December 2023 with the following vesting conditions:

| Tranche | % of Performance Rights | Vesting Period | Performance Hurdle |
|---|---|---|---|
| 1 | 32 | 3 Years | Approval of Mine Plan of Operations (Federal permit) within 30 months of issue. |
| 2 | 20 | 3 Years | Approval of key state permits – Aquifer Protection Permit, Underground Injection Permit, Air Quality Control Permit within 2 years of issue. |
| 3 | 20 | 3 Years | Commencement decline development at the Antler Project within 2 years of issue. |
| 4 | 16 | 3 Years | The 20-day VWAP of the Company's shares traded on ASX is greater than $0.064 within 2 years from issue. |
| 5 | 12 | 3 Years | Announcement of maiden ore reserve on the Antler Project which supports a decision to commence a feasibility study within 1 year of issue. |

28,500,000 Performance Rights were issued during the year-end 30 June 2023 with the following vesting conditions:

| Tranche | % of Performance Rights | Vesting Period | Performance Hurdle |
|---|---|---|---|
| 1 | 25 | 3 Years | The Company announces on ASX a JORC mineral resource estimate for the Antler Copper Project, of 5 million tonnes or more of mineralisation with a minimum cut-off grade of 1.0% copper equivalent. To be signed off by a competent person other than a director or employee of the Company. |
| 2 | 25 | 3 Years | The Company announces on ASX a JORC mineral resource estimate for the Antler Copper Project, of 10 million tonnes or more of mineralisation with a minimum cut-off grade of 1.0% copper equivalent. To be signed off by a competent person other than a director or employee of the Company.<br><br>There shall be pro-rata vesting of the Tranche 2 performance rights if a mineral resource estimate of between 5-10 million tonnes is announced. |
| 3 | 25 | 3 Years | The Company announces on ASX a positive pre-feasibility study for the Antler Copper Project, following which the Board decides to proceed to undertaking a feasibility study.<br><br>If a decision is made to progress from a scoping study to a feasibility study, all the Tranche 3 rights shall vest upon satisfaction of the Tranche 4 vesting conditions. |
| 4 | 25 | 3 Years | The Company announces on ASX a positive definitive feasibility study for the Antler Copper Project.<br><br>There shall also be automatic vesting of all Tranche 1-3 Performance Rights at the end of year 3, in the event that the performance hurdles for Tranche 4 are achieved. |

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

**NOTE 6: PERFORMANCE RIGHTS (continued)**

5,000,000 Performance Rights were issued during the year-end 30 June 2023 with the following vesting conditions:

| Tranche | % of Performance Rights | Vesting Period | Performance Hurdle |
|---|---|---|---|
| 1 | 33.33 | 1 Year | Provision of continual services to the Company and remains a director. |
| 2 | 33.33 | 2 Years | Provision of continual services to the Company and remains a director. |
| 3 | 33.34 | 3 Years | Provision of continual services to the Company and remains a director. |

**NOTE 7: CONTINGENT LIABILITIES**

**Trident NSR Royalty**

During the period to 31 December 2023, the Company completed the sale of a 0.9% Net Smelter Return royalty (the "NSR Royalty") on future metal production from the Company's Antler Copper Project in Arizona, USA to Trident Royalties Plc for $11 million. Key terms include:

- the 0.90% NSR Royalty applies to the Antler Copper Deposit and surrounding, currently defined, exploration targets ("Project Area Royalty");
- a 0.45% NSR Royalty applies to any additional mineral rights the Company acquires within 5km of the current extents of the Antler Copper Project ("AOI Royalty");
- New World retains the right to buy-back:
  - 0.3% of the Project Area Royalty, to reduce it from 0.90% to 0.60%, for $9 million; and/or
  - 0.15% of the AOI Royalty, to reduce it from 0.45% to 0.30%, for $4 million,

  at any time within three months of the Company obtaining at least 75% of the funding required for the development and construction of the Antler Copper Project.

**Private Blocks A and B**

During the period to 31 December 2023, the Company also completed the purchase of a 100% interest in two parcels of mineral rights that cover approximately 1,000 acres immediately adjacent to the Antler Copper Deposit, being:

(i) 640 acres located immediately south of the Antler Copper Deposit ("Private Block A"); and
(ii) 360 acres located due east of the Antler Deposit ("Private Block B").

The consideration payable included assignment of a 3.0% net smelter return royalty on any future production from Private Block A or B.

There have been no other changes in contingent liabilities since the last annual reporting date.

**NOTE 8: FINANCIAL INSTRUMENTS**

The Directors consider that the carrying value of the financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair value.

**NOTE 9: EVENTS SUBSEQUENT TO REPORTING DATE**

On 8 February 2024, the Company issued 6,000,000 unlisted performance rights to the Company's recently appointed VP of Project Development.

Apart from the above event there are no matters or circumstances that have arisen since the balance date which significantly affects 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.

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

**NOTE 10: COMMITMENTS**

**Jones Hill Deposit**

The Company has entered into option agreements with two unrelated parties ("Vendors"), each of which hold 10 Federal mining claims over and around the Jones Hill VMS Deposit (Jones Hill Deposit), which forms part of the larger Tererro VMS Project. The agreements provide the Company with a twelve-year option to acquire a 100% interest in the Jones Hill Deposit. Remaining commitments related to the Jones Hill Deposit at reporting date but not recognised as liabilities, include the following:

1. The Company has until 16 June 2031 to conduct further exploration and to evaluate the development of a mining operation.
2. Until the Company completes a positive feasibility study into the development of Jones Hill, annual cash payments of US$10,000 on or before 16 June each year, to extend its option for a further 12 months;
3. Once the Company completes a positive feasibility study into the development of Jones Hill, subsequent annual cash payments of US$20,000 on or before 16 June each year, to extend its option for a further 12 months;
4. To exercise its option to acquire a 100% interest in the mining claims, the Company is required to pay each Vendor US$500,000 (total US$1,000,000). The option can be exercised at any time during the twelve-year option period. Title in the mining claims will be transferred to the Company at the time this payment is made;
5. On commencement of commercial production, the Company is required to pay each Vendor US$1,000,000 (total US$2,000,000); and
6. 24 months after commencement of commercial production, the Company is required to pay each Vendor US$1,000,000 (total US$2,000,000).

**Antler Copper Deposit**

On 17 November 2020, the Group exercised its option to acquire 100% of the Antler Copper Project from SW Metals Inc. ("SWM"). Remaining obligations related to the Antler Copper Deposit at reporting date but not recognised as liabilities, are:

1. Annual payment of US$75,000, which is payable on or before 6 March of each year until commencement of commercial production;
2. A further payment of US$1,000,000 two months after commencement of commercial production (the "Production Payment");
3. Ten further cash payments of US$100,000 each, on each monthly anniversary of the Production Payment;
4. Once the Group has been reimbursed, from initial operational cash flows, 100% of the option costs and initial capital required to bring the Antler Project into production, a 10% net proceeds interest in the cash flows (pre-tax) from subsequent production ("NPI"); and
5. the Group can purchase the NPI (in whole or part) via purchase of SWM stock, on a single occasion in exchange for the payment of US$10,000,000 plus an escalation factor calculated for the period from 9 March 2024 to the date of payment at a rate of 12% per cent per annum compounded annually, or the proportionally reduced amount in the event of a partial acquisition.

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

## NOTE 10: COMMITMENTS (continued)

### Cavalliere Ranch

On 2 March 2022, the Company announced that entered into a purchase option and sale agreement ("Property Option Agreement") that provides the Company with the right to acquire a 100% interest in 838.9 acres of private property immediately adjacent to the Antler Copper Project ("the Property"). The Company can exercise its option to acquire the Property at any time up until 25 February 2027.

Remaining commitments related to the Property Option Agreement at reporting date but not recognised as liabilities are as follows:

1. Annual payments, on or before 25 February, of US$175,000 to maintain the option for a further 12 months ("Annual Option Payments");

2. Option exercise payment of US$2,000,000 ("Purchase Price") to acquire a 100% interest in the Property. 50% of the initial option payment, being US$250,000 paid in March 2022, and 50% of the Annual Option Payments will be credited towards the Purchase Price; and

3. Once the Company (a) no longer requires the Property for mining or other commercial purposes; and (b) has completed all reclamation obligations, it will provide the vendor the right to repurchase the Property for US$1.00.

### Other

The Company's US subsidiaries also own other US mining claims which require annual renewal payments by 1 September each year. Failure to make a renewal payment would result in the forfeiture of the underlying claim. There are no additional minimum expenditure obligations in relation to these mining claims.

## NOTE 11: FINANCIAL ASSET

The financial asset consists of investments in an ASX listed company. The fair value has been determined by reference to the published price on the ASX. At the balance date, the Company held 1,658,324 (2023: 1,333,333) ordinary shares in Buxton Resources Limited. The resulting change in the fair value profit of $26,520 (30 June 2023: profit of $128,000) has been recognised in Other Comprehensive Income.

| | Consolidated | |
|---|---|---|
| | Six months to 31 December 2023 | Year to 30 June 2023 |
| | $ | $ |
| At beginning of period/year | 220,000 | 92,000 |
| Additions | 243,665 | - |
| Disposals | (208,270) | - |
| Changes in fair value | 26,520 | 128,000 |
| At end of period/year | 281,915 | 220,000 |

## DIRECTORS' DECLARATION

In the opinion of the Directors of New World Resources Limited:

1. The attached consolidated financial statements and condensed notes thereto are in accordance with the Corporations Act 2001 including:

    a. complying with Accounting Standard *AASB 134: Interim Financial Reporting* and other mandatory professional reporting requirements; and

    b. 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 then ended; and

2. There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

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

____________________________

Richard Hill
Chairman
15 March 2024

Stantons

PO Box 1908
West Perth WA 6872
Australia

Level 2, 40 Kings Park Road
West Perth WA 6005
Australia

Tel: +61 8 9481 3188
Fax: +61 8 9321 1204

ABN: 84 144 581 519
www.stantons.com.au

**INDEPENDENT AUDITOR'S REVIEW REPORT**
**TO THE MEMBERS OF**
**NEW WORLD RESOURCES LIMITED**

## Report on the Half-Year Financial Report

### *Conclusion*

We have reviewed the half-year financial report of New World Resources Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, condensed notes comprising 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 causes us to believe that the accompanying half-year financial report of New World Resources Limited does not comply with the *Corporations Act 2001* including:

(a) giving a true and fair view of New World Resources Limited'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 Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to 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* has been given to the directors of the Company on 15 March 2024.

### *Responsibility of the Directors for the Financial Report*

The directors of New World Resources Limited 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 Company'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.

**STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD**
**(An Authorised Audit Company)**

Stantons International Audit & Consulting Pty Ltd

**Martin Michalik**
Director

West Perth, Western Australia
15 March 2024