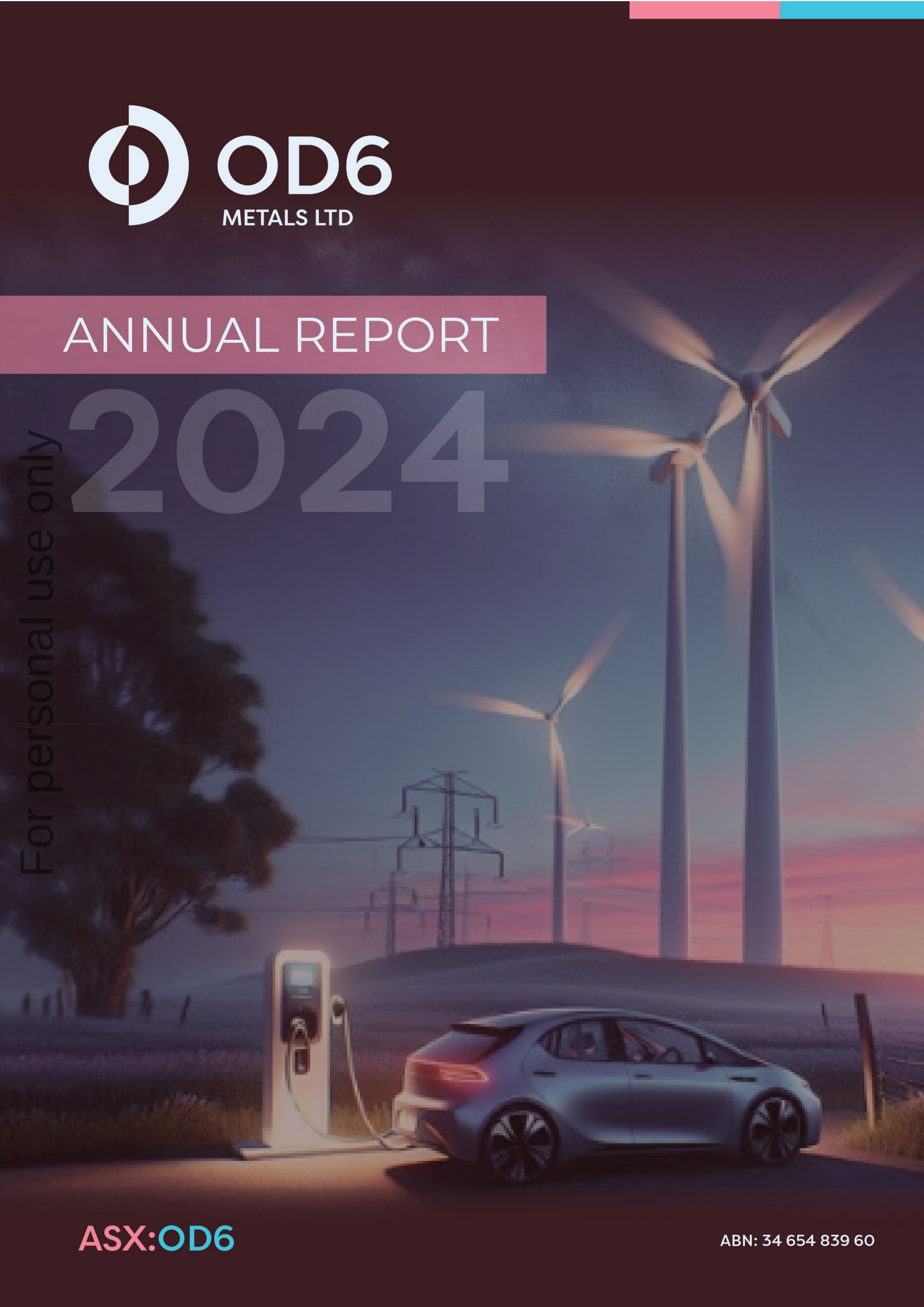




# ANNUAL REPORT

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# 2024



ASX:OD6

ABN: 34 654 839 60

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## **ACKNOWLEDGEMENT OF COUNTRY**

OD6 Metals Limited acknowledges the Esperance Nyungar and Ngadju Peoples of the land and waters upon which our exploration is focused and the Whadjuk People of the land upon which our offices are based. We pay our respects to the Traditional Owners and their elders past, present and emerging.

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## CHAIR'S LETTER

Dear Shareholder

As the outgoing Chair of OD6 Metals Ltd and on behalf of the Board and Management during the reporting year, it is my pleasure to present this letter to you as part of the 2024 Annual Report.

On behalf of the Board of Directors, I acknowledge the Ngadju people and the Esperance Nyungar people, the Traditional Owners of the land upon which we work. We pay our respects to the respective Traditional Owner groups and their elders, past, present and emerging. We also thank the Traditional Owners and their representatives for their support on-country during the past year.

Further we would also like to recognise the Esperance community who have provided significant support to the Company over the last two years, including welcoming parts of our exploration team who have been living in the vibrant town.

The aims of OD6 Metal's Environmental, Social and Governance (ESG) approach are to minimize the Company's environmental impact, look after our people, grow with our communities and create value for our stakeholders. We continue to strive to ensure our activities are underpinned by high standards of business ethics, governance and regulatory compliance, along with acting with integrity to responsibly deliver future rare earth resources for a low carbon future.

The Company's second year as a listed entity has seen it continue to build on the foundations put in place last year and importantly fulfil the short-term commitments made in the 2022 Prospectus. The remarkable progress at the Splinter Rock Project has surpassed our expectations with exploration results delivering Australia's largest and highest grade clay hosted Rare Earth Elements (REE) deposit, in non-farming districts to the north east of Esperance in Western Australia.

In May 2024 OD6 Metals announced a doubling in size of its Total Mineral Resource Estimate (MRE) at the Splinter Rock Project, to 682Mt @ 1,338ppm TREO at 1,000ppm cut-off grade (Indicated + Inferred). Included in this figure is the High Grade Indicated MRE at our Inside Centre prospect with 119Mt @ 1,632ppm TREO at 1,000ppm cut-off grade<sup>1</sup>.

As shareholders are aware, OD6 Metals continues to follow a disciplined approach where we look to pursue a "Best of the Best" strategy that involves identifying the best geo-metallurgical prospects. One such priority area is the Inside Centre Prospect, that contains a high grade indicated resource, with all the key characteristics, in terms of tonnes, grade, thickness, strip-ratio, high metallurgical recovery and low reagent consumption.

The company has ongoing collaborations with some of Australia's leading research organisations, namely, ANSTO, CSIRO, Murdoch University and Monash University. These partners have continued to do significant works that have enabled substantial progress in comprehending basin composition, regolith characteristics, REE mineralogy and metallurgical recovery potential.

Of note, the researchers at CSIRO applied new complex algorithms and machine learning technology techniques to model basins to predict clay thicknesses, depth of surface cover and granite boundaries, which identified high-priority target areas for on-going work.

ANSTO, a world leader in rare earth extraction and impurity removal, has completed three phases of leaching testwork designed to test multiple different clay types, in order to identify the initial leaching conditions to maximise REE recovery, which has averaged around 60%. Work is continuing as part of the Phase Four metallurgical test program with the aim of producing a Mixed Rare Earth Carbonate (MREC).

The Company's commitment to remain at the forefront of Australia's REE sector, is reflected through the research into engineering aspects, including identifying the best path to efficiently provide what is required for large scale development, the studies into producing reagents on-site, as well as utilising the excellent renewable energy resources available to the Esperance district.

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<sup>1</sup> [ASX Ann: Mineral Resource Estimate Doubles at Splinter Rock Rare Earth Project 29 May 2024](#)

## CHAIR'S LETTER (CONTINUED)

We recognise that the above achievements are not possible without the support of our shareholders and we thank all of those investors who participated in the successful Share Placement and Share Purchase Plan in March and April 2024. OD6 Metals also received a significant research and development (R&D) tax offset for the 2023 Financial Year. The Company expects to continue R&D works and anticipates being able to claim future tax offsets over the coming years.

Despite a number of headwinds impacting critical minerals exploration, discovery and development across the world, the Directors are determined to continue to drive momentum. We believe that Rare Earth Elements (REE) are crucial for a world in an energy industry transition and Australia must provide a globally significant role in this future.

The REE market has seen a substantial decrease in pricing value from the highs of above US\$120 per kilogram NdPr to the current levels of US\$45 per kilogram NdPr which has impacted the sector as a whole. As a result of these lower prices, almost all REE companies, including OD6 Metals, have experienced a reduction in share value, along with the potential viability of developing projects.

Future demand is still forecast to be strong with pricing needing to increase to enable projects to be financed to meet this demand without having supply shortages. This low commodity price environment has led to many of the existing producers and development ready miners forced to modify strategies in order to reflect considerably reduced profit margins.

As such OD6 Metals is taking a conservative approach to timeframes involving drilling, testwork, studies and overall general expenditure. Directors are maintaining an open mind on whether the company should look at additional projects, to compliment the Splinter Rock Project, in the short to medium term.

Although the journey has not been without its challenges the Directors have not wavered in pursuing a well-defined, strategic course and on behalf of the Board, I thank everyone in our team for their genuine belief and commitment during the year as we strive to develop a world class asset.

This will be my last Annual Report as Chair, as I hand over to the very capable and well regarded incoming Independent Non-Executive Chairman, Wayne Bramwell. With Board renewal such a vital part of a healthy business we are delighted to welcome Wayne to the team and his involvement will power growth with our on-going aim to create shareholder value from the Australian critical minerals industry.

Yours faithfully

Dr Darren Holden  
Founding Non-Executive Chair  
10 September 2024

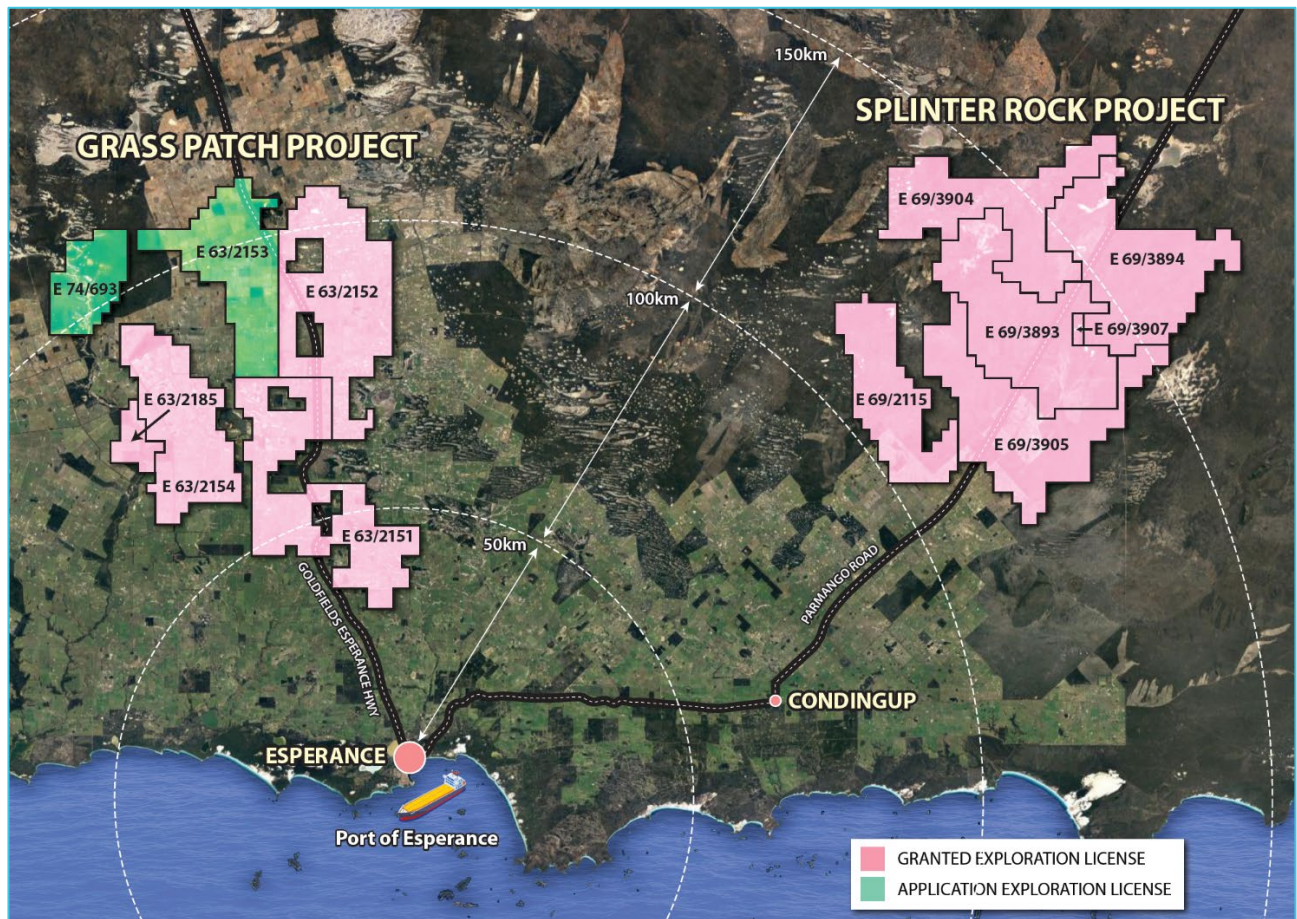


## MANAGING DIRECTOR'S OVERVIEW

In providing this Managing Director's Overview for the 2024 OD6 Metals Annual Report, we will summarise the status of the Company, highlight significant achievements during the year and outline the increased focus on the Splinter Rock Project, with its favourable combination of resource size, grade and metallurgical recoveries.

OD6 Metals has been pursuing exploration and development opportunities within the critical mineral sector and has successfully identified clay hosted rare earth elements (REEs) at its 100% owned Splinter Rock and Grass Patch Projects:

- Splinter Rock Project: a 2,579km<sup>2</sup> tenement package located approximately 150km northeast of Esperance, Western Australia, comprising six granted exploration licences.
- Grass Patch Project: a 2,248km<sup>2</sup> tenement package located approximately 30km to 100km north of Esperance, Western Australia, comprising four granted exploration licences.



REEs are increasingly important in the global economy, in particular the high value Magnetic Rare Earths (MagREE) Neodymium (Nd), Praseodymium (Pr), Dysprosium (Dy) and Terbium (Tb). Which are utilised in advanced electronics and permanent magnets in electric motors in electric vehicles, wind turbines and robotics.

In terms of location, OD6 Metals Projects are close to the large, well established coastal town Esperance, with the potential to provide a local workforce for any future development. The Esperance Bulk Port hosts more than 200 ships each year, with Cape size and container vessel capacity. There is a well-maintained road network connecting the Splinter Rock Project to a town which also boasts proven renewable energy infrastructure.

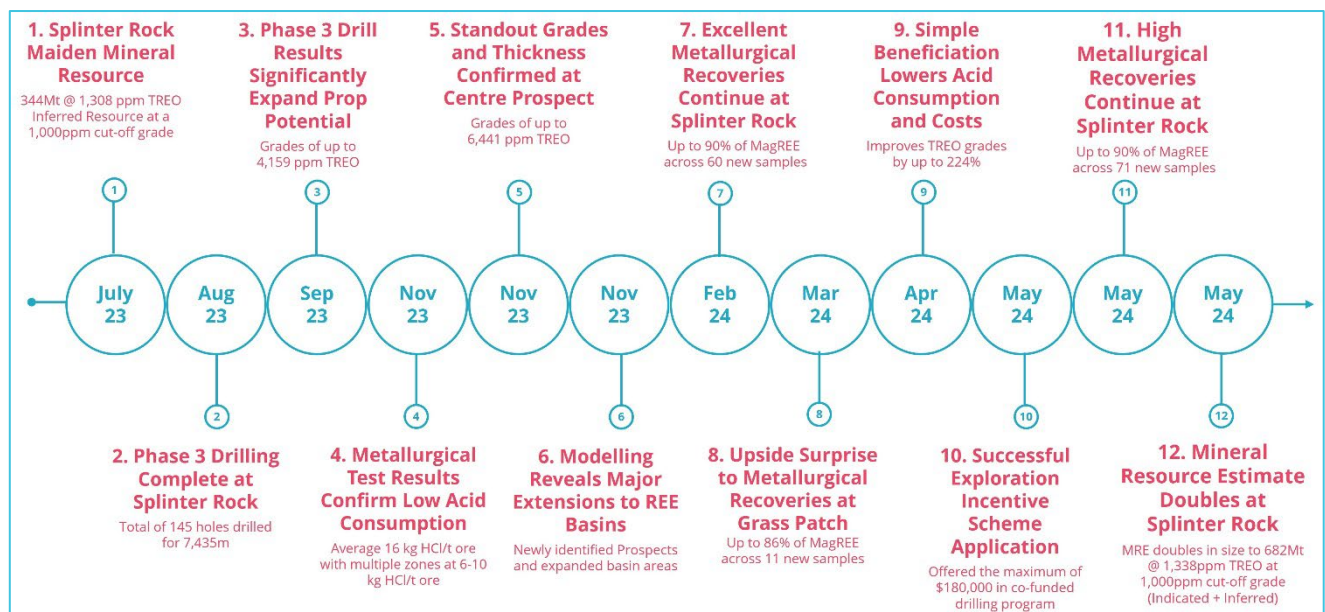
## MANAGING DIRECTOR'S OVERVIEW (CONTINUED)



*Esperance – Bulk Commodity / Container Port, Established Infrastructure and Renewable Energy*

The OD6 Metals' team has continued to follow a disciplined and strategic approach in exploring, metallurgically testing and advancing the "best of the best" prospects at its Splinter Rock Project. This can be seen through the timeline below and the list of key announcements representing a considerable and consistent effort.

Notably, OD6 Metals achieved considerable success during the past 12 months, culminating in the doubling of the Total Mineral Resource Estimate (MRE) to 682Mt @ 1,338ppm TREO at 1,000ppm cut-off grade (Indicated + Inferred) for 910 kilo-tonnes of contained TREO and 205 kilo-tonnes of contained MagREE. This includes the high grade Indicated MRE at Inside Centre of 119Mt @ 1,632ppm TREO also at 1,000ppm cut-off grade<sup>2</sup>.



*Timeline - Delivering Results During 2023 / 2024*

<sup>2</sup> [ASX Ann: Mineral Resource Estimate Doubles at Splinter Rock Rare Earth Project 29 May 2024](#)

## MANAGING DIRECTOR'S OVERVIEW (CONTINUED)

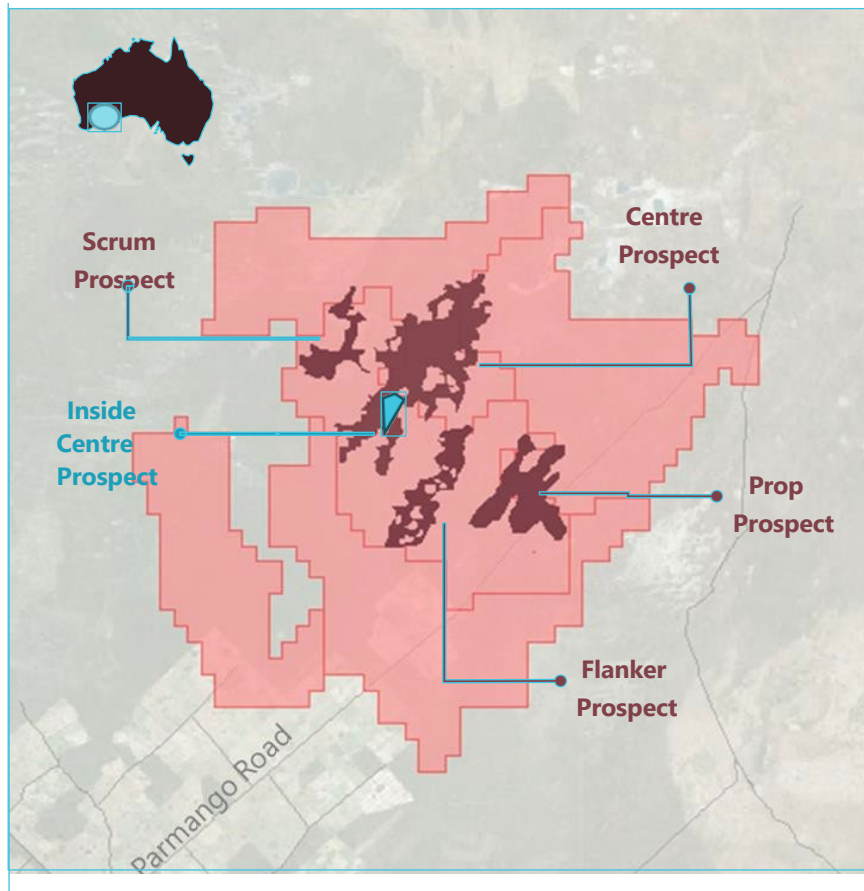
Key ASX Announcements (including ASX hyperlinks)

| Date              | Announcement Title                                                                                                         |
|-------------------|----------------------------------------------------------------------------------------------------------------------------|
| 19 June 2024      | <a href="#">Presentation - Rare Earth Industry Association</a>                                                             |
| 29 May 2024       | <a href="#">Mineral Resource Estimate Doubles at Splinter Rock</a>                                                         |
| 13 May 2024       | <a href="#">High Metallurgical Recoveries Continue at Splinter Rock</a>                                                    |
| 1 May 2024        | <a href="#">Successful Exploration Incentive Scheme Application</a>                                                        |
| 22 April 2024     | <a href="#">Presentation - Asian Rare Earths Conference</a>                                                                |
| 18 April 2024     | <a href="#">Simple Beneficiation Lowers Acid Consumption and Costs</a>                                                     |
| 19 March 2024     | <a href="#">Presentation - Mineral Sands and Rare Earths Conference</a>                                                    |
| 6 March 2024      | <a href="#">Upside Surprise to Metallurgical Recoveries at Grass Patch</a>                                                 |
| 27 February 2024  | <a href="#">Excellent Metallurgical Recoveries Continue at Splinter Rock</a>                                               |
| 23 November 2023  | <a href="#">Chairman's Address and AGM Presentation</a>                                                                    |
| 16 November 2023  | <a href="#">Investor Presentation - ANU REE Conference</a>                                                                 |
| 15 November 2023  | <a href="#">Modelling Reveals Major Extensions to REE Basins</a>                                                           |
| 9 November 2023   | <a href="#">Standout Grades and Thickness Confirmed at Centre Prospect</a>                                                 |
| 7 November 2023   | <a href="#">Metallurgical Test Results Confirm Low Acid Consumption</a>                                                    |
| 21 September 2023 | <a href="#">Phase 3 Drill Results Significantly Expand Prop Potential</a>                                                  |
| 15 August 2023    | <a href="#">Phase 3 Drilling Complete at Splinter Rock REE Project</a>                                                     |
| 18 July 2023      | <a href="#">Splinter Rock Maiden Mineral Resource 344Mt @ 1,308 ppm TREO Inferred Resource at a 1,000ppm cut-off grade</a> |
| 18 July 2023      | <a href="#">Investor Presentation</a>                                                                                      |
| 6 July 2023       | <a href="#">Investor Presentation - Broker Briefing Mining &amp; Resources</a>                                             |

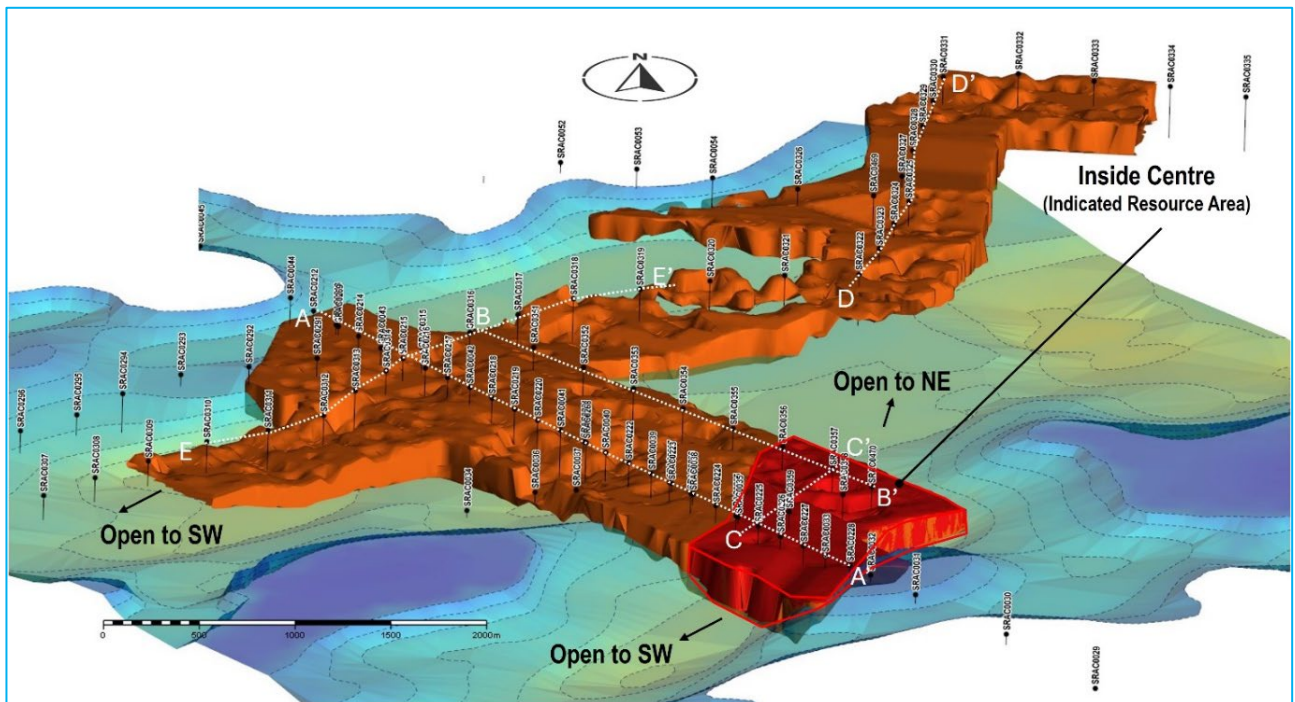
As the announcements indicate, activities during the year have primarily focussed on the Splinter Rock Project with significant effort to achieve the upgraded MRE but also an emphasis on test work activities at ANSTO, which to date have shown promising recovery results utilising a simple hydrochloric acid leach.

The standout prospect within the Splinter Rock Project is the high grade Inside Centre Prospect (refer maps and, containing 119Mt at 1,632ppm TREO (Indicated Resource), with Phase 4 metallurgical testing works currently ongoing at ANSTO to evaluate and study the various parameters so that we can identify a way to economically upgrade the clays, leach the rare earths, remove the impurities, produce a saleable Mixed Rare Earth Carbonate (MREC) and return the treated clays back to mining areas. This will take a systematic approach to geo-metallurgical modelling of the clays and optimising the relationships between grade, recovery, reagent consumption and final product purity. The outcomes of these works will enable future economic studies to be undertaken.

## MANAGING DIRECTOR'S OVERVIEW (CONTINUED)

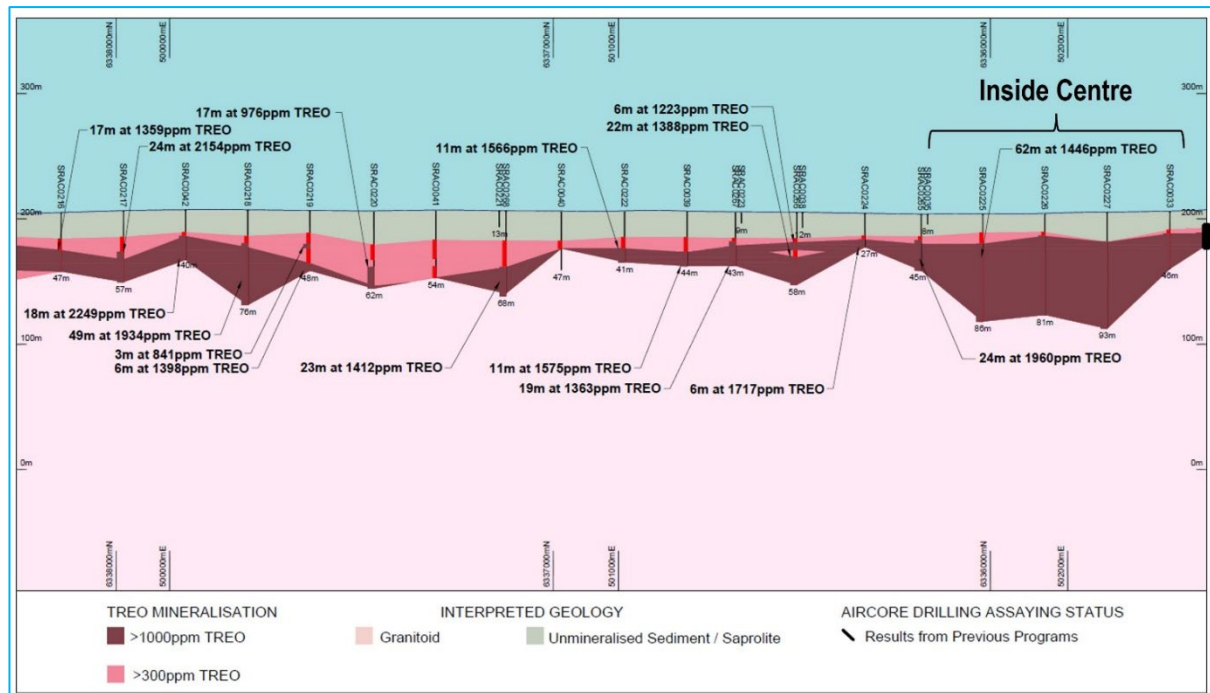


*Splinter Rock Project Prospects*

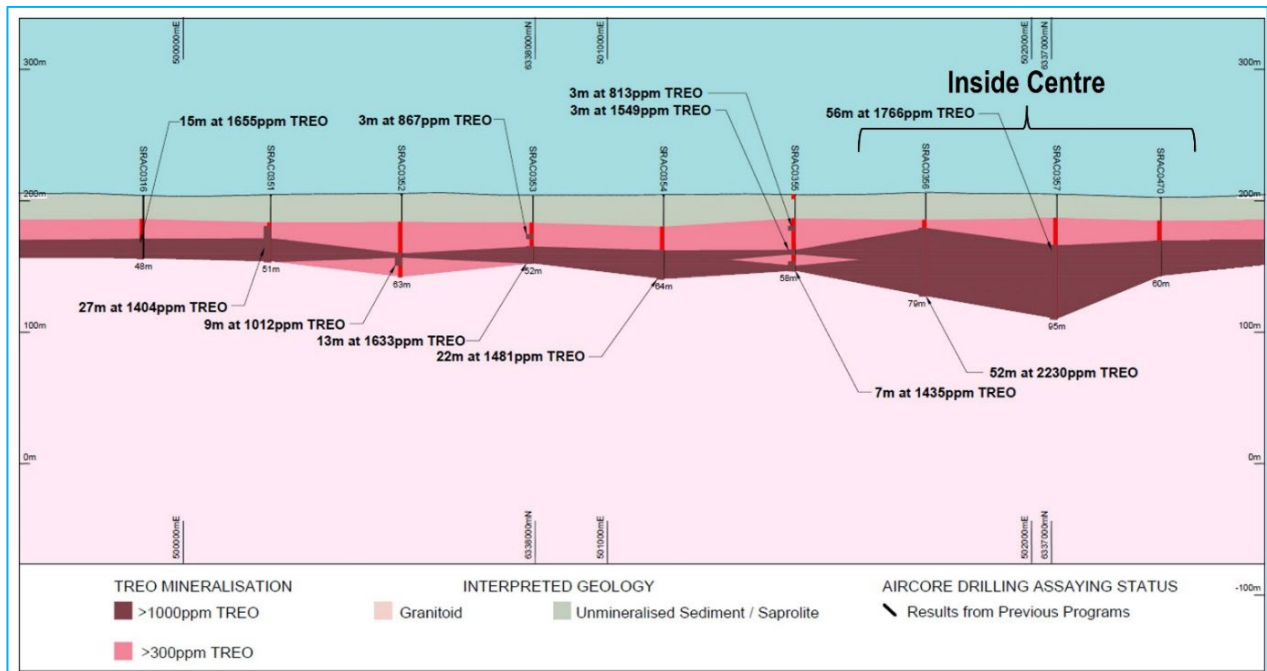


*Centre Mineral Resource shell on the basement model (from AEM data). Oblique view to the north. Cross Section Figure 4-8 shown as A-A' etc. Vertical Exaggeration x 5.*

## MANAGING DIRECTOR'S OVERVIEW (CONTINUED)



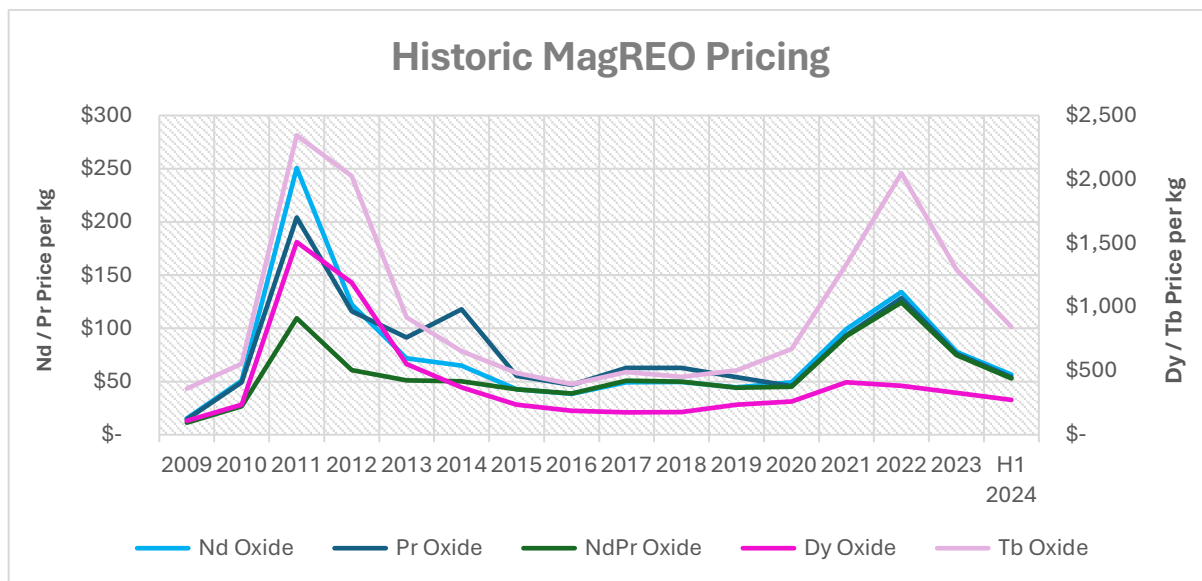
Centre Prospect Cross Section A to A' (refer Figure 18 for cross-section location). Vertical exaggeration x 5.



Centre Prospect Cross Section B to B' (refer Figure 18 for cross-section location). Vertical exaggeration x 5.

The economics of the Rare Earths Industry is currently under pressure with prices returning to historic low levels which in turn has seen current producers making little to no profits. The prices required for new producers to enter the market has been highlighted by a number of recently released peer economic studies showing that proposed new developments are breakeven, at best, at the current prices and requiring a substantial increase in forecast price to enable project financing activities to advance and development to commence.

## MANAGING DIRECTOR'S OVERVIEW (CONTINUED)



**Historical China Domestic Mag-REO Prices**

|            | 2009   | 2010   | 2011     | 2012     | 2013   | 2014   | 2015   | 2016   | 2017   | 2018   | 2019   | 2020   | 2021     | 2022     | 2023     | H1 2024 |
|------------|--------|--------|----------|----------|--------|--------|--------|--------|--------|--------|--------|--------|----------|----------|----------|---------|
| Nd Oxide   | \$ 15  | \$ 51  | \$ 251   | \$ 122   | \$ 72  | \$ 65  | \$ 43  | \$ 38  | \$ 49  | \$ 50  | \$ 45  | \$ 49  | \$ 99    | \$ 134   | \$ 78    | \$ 57   |
| Pr Oxide   | \$ 14  | \$ 49  | \$ 204   | \$ 116   | \$ 91  | \$ 118 | \$ 55  | \$ 47  | \$ 63  | \$ 63  | \$ 54  | \$ 46  | \$ 94    | \$ 128   | \$ 76    | \$ 54   |
| NdPr Oxide | \$ 11  | \$ 27  | \$ 109   | \$ 61    | \$ 51  | \$ 50  | \$ 43  | \$ 39  | \$ 51  | \$ 50  | \$ 44  | \$ 45  | \$ 93    | \$ 124   | \$ 75    | \$ 53   |
| Dy Oxide   | \$ 109 | \$ 235 | \$ 1,508 | \$ 1,190 | \$ 555 | \$ 370 | \$ 234 | \$ 187 | \$ 174 | \$ 177 | \$ 235 | \$ 261 | \$ 410   | \$ 382   | \$ 328   | \$ 272  |
| Tb Oxide   | \$ 360 | \$ 557 | \$ 2,344 | \$ 2,026 | \$ 920 | \$ 654 | \$ 484 | \$ 396 | \$ 491 | \$ 453 | \$ 504 | \$ 671 | \$ 1,333 | \$ 2,046 | \$ 1,293 | \$ 844  |

\* China domestic prices converted to USD using the average RMB to USD exchange rate for each year. All prices include VAT. In 2009-2017 and Jan-May 2018 VAT was 17%; from May 2018 to April 2019 VAT was 16%; from April 2019 to present VAT is 13%.

Source: Adamas Intelligence

As such, the Company continues to maintain a disciplined approach to creating budgets, carefully managing the timing and level of expenditure. Our next steps are clear, with ongoing metallurgical optimisation works being undertaken at ANSTO, which then need to be analysed and evaluated prior to any further drilling and scoping study activities.

Lastly, part of the focus during the next 12 months will be the examination of alternative business development opportunities. This may include initiating an additional project to develop a different commodity, applying the same methodical, value driven approach we have implemented during the past two years.

Brett Hazelden  
Managing Director  
10 September 2024



## REVIEW OF OPERATIONS

### The Company

OD6 Metals Limited is an Australian public company with a purpose to pursue exploration and development opportunities within the resources sector.

The Company, through the Subsidiaries, holds a 100 per cent interest in in the following Projects:

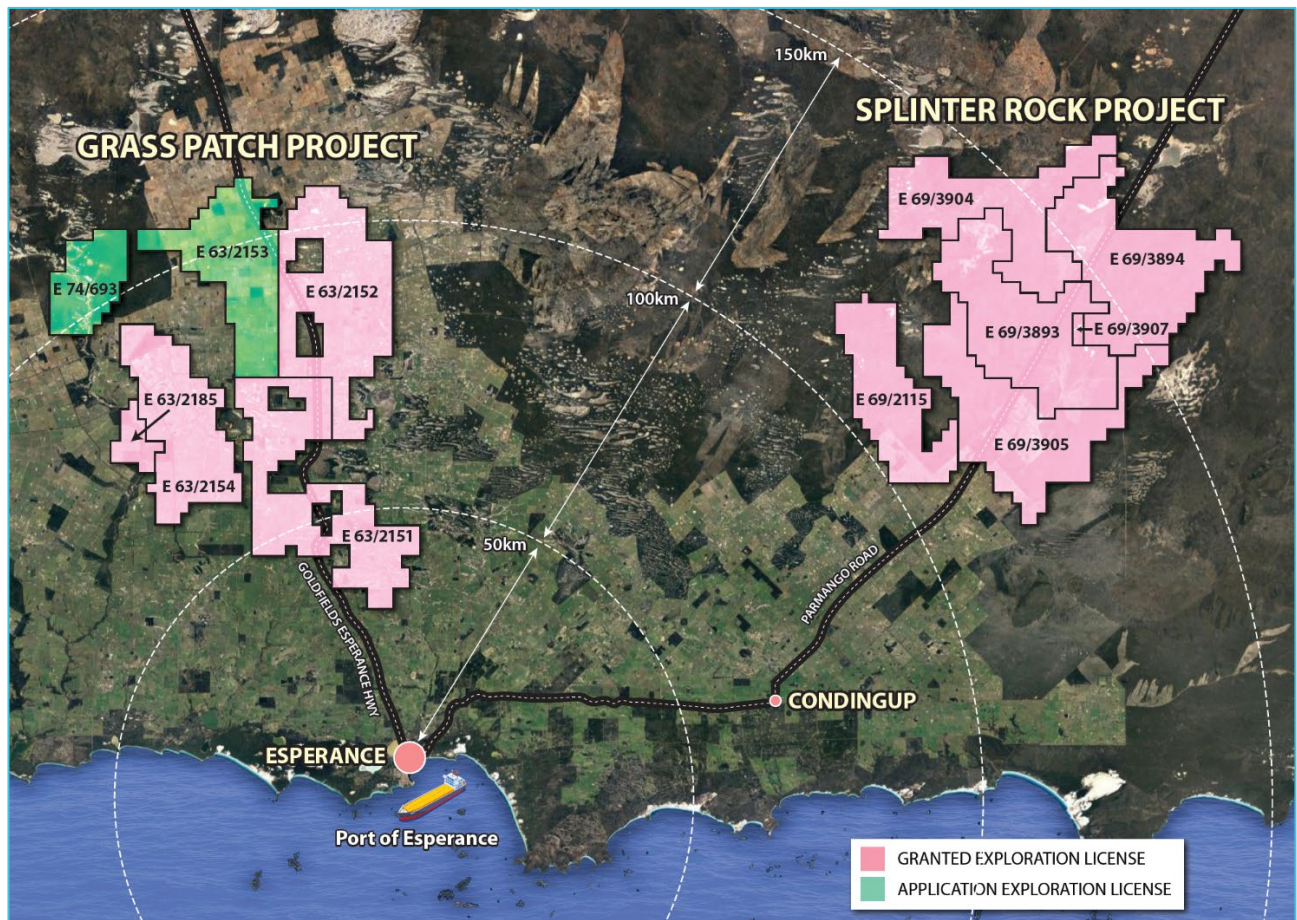
- **Splinter Rock REE Project:** a 2,579 square kilometre tenement package located approximately 150 kilometres northeast of Esperance, Western Australia, comprising six granted exploration licences, being E63/2115, E69/3904, E69/3905, E69/3907, E69/3893 and E69/3894.
- **Grass Patch REE Project:** a 2,248 square kilometre tenement package located approximately 30 kilometres to 100 kilometres north of Esperance, Western Australia, comprising four granted exploration licences, being E63/2151, E63/2152, E63/2185 and E63/2154. The two exploration licence applications, being E63/2153 and E74/693, were withdrawn on 8 August 2024 (i.e. after the end of 2023/24 Financial Year).

The location of OD6 Metal's REE Projects are shown in the following table with the locations shown on the subsequent map.

| PROJECT       | TENEMENT NUMBER | HOLDER                     | STATUS       | GRANTED   | OWNERSHIP |
|---------------|-----------------|----------------------------|--------------|-----------|-----------|
| Splinter Rock | E 63/2115       | Odette Six Pty Ltd         | Granted      | 4 Feb 22  | 100%      |
| Splinter Rock | E 69/3904       | Odette Six Pty Ltd         | Granted      | 15 Feb 22 | 100%      |
| Splinter Rock | E 69/3905       | Odette Six Pty Ltd         | Granted      | 15 Feb 22 | 100%      |
| Splinter Rock | E 69/3907       | Odette Six Pty Ltd         | Granted      | 14 Feb 22 | 100%      |
| Splinter Rock | E 69/3893       | Odette Six Pty Ltd         | Granted      | 20 Jan 22 | 100%      |
| Splinter Rock | E 69/3894       | Odette Six Pty Ltd         | Granted      | 20 Jan 22 | 100%      |
| Grass Patch   | E 63/2185       | Grass Patch Metals Pty Ltd | Granted      | 1 Mar 22  | 100%      |
| Grass Patch   | E 63/2151       | Grass Patch Metals Pty Ltd | Granted      | 2 Dec 21  | 100%      |
| Grass Patch   | E 63/2152       | Grass Patch Metals Pty Ltd | Granted      | 3 Dec 21  | 100%      |
| Grass Patch   | E 63/2154       | Grass Patch Metals Pty Ltd | Granted      | 6 Dec 21  | 100%      |
| Grass Patch   | E 63/2153*      | Grass Patch Metals Pty Ltd | Application* | -         | 100%      |
| Grass Patch   | E 74/693*       | Grass Patch Metals Pty Ltd | Application* | -         | 100%      |

\* Withdrawal of applications for tenement exploration licences E 63/2153 and E 74/693 were successfully lodged on 8 August 2024.

## REVIEW OF OPERATIONS (CONTINUED)



Note: Withdrawal of applications for tenement exploration licences E 63/2153 and E 74/693 were successfully lodged on 8 August 2024.

### Splinter Rock REE Project

The Splinter Rock project is located approximately ~150km by road northeast of Esperance. The rare earth element (REE) mineralisation at the Splinter Rock Project occurs in the weathered profile (in-situ regolith) adjacent to Booanya granitic basement rocks which are enriched in REE.

The strong enrichments in REE distinguishes Booanya granites from all other granite groups in the Esperance area. CSIRO have been engaged to use cutting edge exploration tools to assist OD6 Metals in targeting the most likely areas of significant REE mineralisation.

Four significant prospect areas have been identified at Splinter Rock, being: Scrum, Centre, Flanker and Prop. The prospects contain amongst the thickest and highest grades of clay hosted REE's in Australia. The thickness, area and density of the clays show the massive potential scale of REE at Splinter Rock. An updated mineral resource estimate of 682 Mt @ 1,338 TREO at 1,000 ppm cut-off grade was announced in May 2024.

Highlights include:

- High grade indicated MRE at the stand-out Inside Centre prospect of 119Mt at 1,632 ppm TREO with 23% Magnet Rare Earth Oxides (MagREO) with near surface mineralisation up to 70m thick.
- Less than 10% of targeted clay basin area included in the estimate, with on-going exploration to further expand the known mineralisation.
- High value MagREO represent an average of ~23% of TREO grade.
- Continued exploration prioritisation of 'best of the best' in terms of grade, MagREO content, thickness and metallurgical recovery.

## REVIEW OF OPERATIONS (CONTINUED)

### Mineral Resource Estimate<sup>3</sup>

The Mineral Resource is expressed as Total Rare Earth Oxide (TREO), represented by:

**TREO (Total Rare Earth Oxide)** =  $\text{La}_2\text{O}_3 + \text{CeO}_2 + \text{Pr}_6\text{O}_{11} + \text{Nd}_2\text{O}_3 + \text{Sm}_2\text{O}_3 + \text{Eu}_2\text{O}_3 + \text{Gd}_2\text{O}_3 + \text{Tb}_4\text{O}_7 + \text{Dy}_2\text{O}_3 + \text{Ho}_2\text{O}_3 + \text{Er}_2\text{O}_3 + \text{Tm}_2\text{O}_3 + \text{Yb}_2\text{O}_3 + \text{Lu}_2\text{O}_3 + \text{Y}_2\text{O}_3$

**MagREO (Magnetic Rare Earth Oxide)** =  $\text{Pr}_6\text{O}_{11} + \text{Nd}_2\text{O}_3 + \text{Tb}_4\text{O}_7 + \text{Dy}_2\text{O}_3$

**HREO (Heavy Rare Earth Oxide)** =  $\text{Gd}_2\text{O}_3 + \text{Tb}_4\text{O}_7 + \text{Dy}_2\text{O}_3 + \text{Ho}_2\text{O}_3 + \text{Er}_2\text{O}_3 + \text{Tm}_2\text{O}_3 + \text{Yb}_2\text{O}_3 + \text{Lu}_2\text{O}_3$

The key magnet rare earth elements Neodymium (Nd), Praseodymium (Pr), Terbium (Tb) and Dysprosium (Dy) comprise the highest price and demand, driving the future economics of the Project. The Mineral Resource is presented as elemental oxides (as opposed to elements) in accordance with current industry practice.

| Prospect      | Category                        | Tonnes (Mt) | TREO (ppm)   | $\text{Pr}_6\text{O}_{11}$ (ppm) | $\text{Nd}_2\text{O}_3$ (ppm) | $\text{Tb}_4\text{O}_7$ (ppm) | $\text{Dy}_2\text{O}_3$ (ppm) | MREO (ppm) | MREO/TREO (%) |
|---------------|---------------------------------|-------------|--------------|----------------------------------|-------------------------------|-------------------------------|-------------------------------|------------|---------------|
| Inside Centre | Indicated                       | 119         | 1,632        | 79                               | 271                           | 2                             | 12                            | 366        | 22.4%         |
| Centre        | Inferred                        | 276         | 1,342        | 65                               | 228                           | 3                             | 15                            | 310        | 23.1%         |
| Centre NW     | Inferred                        | 21          | 1,255        | 65                               | 227                           | 3                             | 14                            | 309        | 24.6%         |
| Scrum         | Inferred                        | 126         | 1,228        | 58                               | 210                           | 3                             | 15                            | 285        | 23.2%         |
| Prop          | Inferred                        | 94          | 1,160        | 53                               | 190                           | 2                             | 13                            | 259        | 22.3%         |
| Flanker       | Inferred                        | 45          | 1,250        | 59                               | 212                           | 3                             | 16                            | 290        | 23.2%         |
| <b>Total</b>  | <b>Indicated &amp; Inferred</b> | <b>682</b>  | <b>1,338</b> | <b>64</b>                        | <b>226</b>                    | <b>3</b>                      | <b>14</b>                     | <b>307</b> | <b>22.9%</b>  |

*Splinter Rock Rare Earth project Mineral Resource Estimate - by Prospect at 1,000ppm TREO cut off grade*

The Mineral Resource estimate for Splinter Rock has been reported at a 1,000 ppm TREO cut-off grade. The cut-off grade was chosen on the basis of a preliminary review of the parameters that would likely determine the economic viability of an open pit operation and with comparison with other clay hosted REE deposits. The geological model and search parameters are based both on drilling and the modelling of the electromagnetic data by the CSIRO. The electromagnetic modelling, calibrated by drill data, has proven very reliable at predicting clay basin thicknesses (refer below and ASX announcement: 15 November 2023).

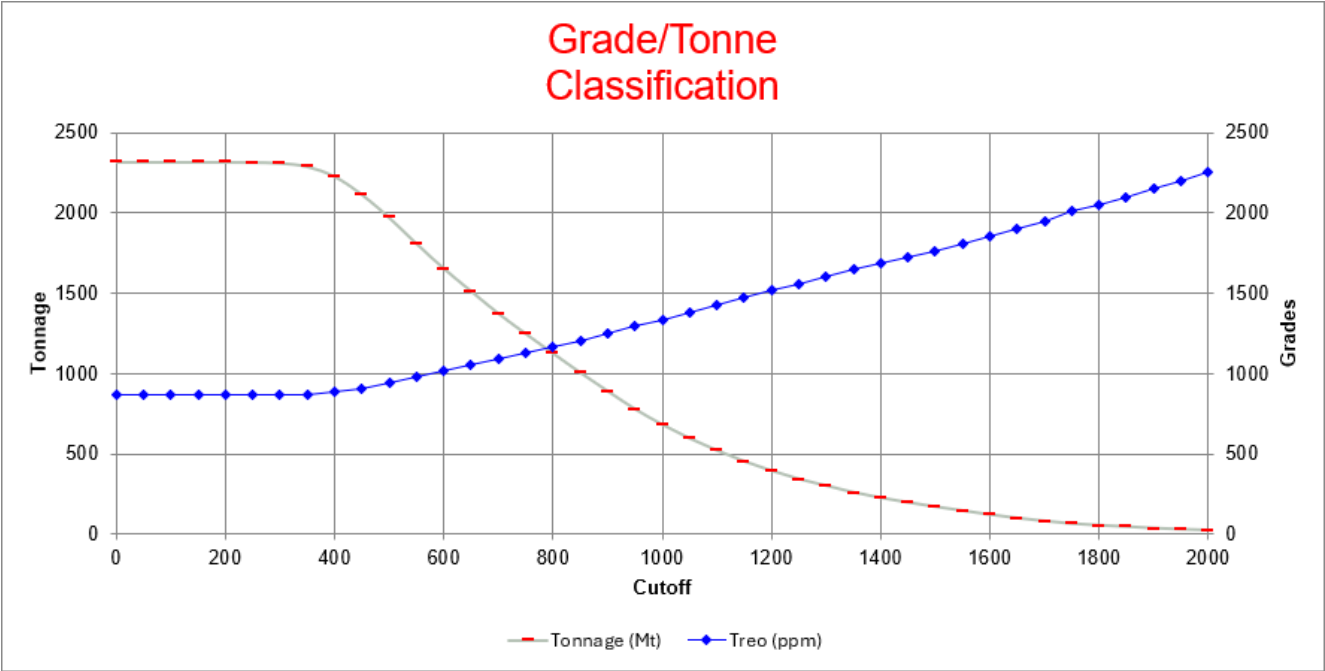
The Mineral Resource was estimated cumulatively for consecutive grade groups which allows for the results to be reported cumulatively for different cut-off grades and presented for comparison purposes.

| Cut-off ppm TREO | Tonnes (Mt) | TREO (ppm)  | $\text{Pr}_6\text{O}_{11}$ (ppm) | $\text{Nd}_2\text{O}_3$ (ppm) | $\text{Tb}_4\text{O}_7$ (ppm) | $\text{Dy}_2\text{O}_3$ (ppm) | MREO (ppm) | MREO/TREO (%) |
|------------------|-------------|-------------|----------------------------------|-------------------------------|-------------------------------|-------------------------------|------------|---------------|
| 400              | 2,226       | 884         | 42.0                             | 147.0                         | 1.8                           | 9.9                           | 201        | 22.7%         |
| 600              | 1,654       | 1014        | 48.4                             | 170.1                         | 2.1                           | 11.3                          | 232        | 22.9%         |
| 800              | 1,125       | 1164        | 55.8                             | 196.1                         | 2.3                           | 12.7                          | 267        | 22.9%         |
| <b>1,000</b>     | <b>682</b>  | <b>1338</b> | <b>64.4</b>                      | <b>225.8</b>                  | <b>2.6</b>                    | <b>14.2</b>                   | <b>307</b> | <b>22.9%</b>  |
| 1,200            | 394         | 1518        | 73.3                             | 256.1                         | 2.8                           | 15.5                          | 348        | 22.9%         |
| 1,400            | 226         | 1686        | 81.8                             | 285.0                         | 3.1                           | 16.5                          | 386        | 22.9%         |

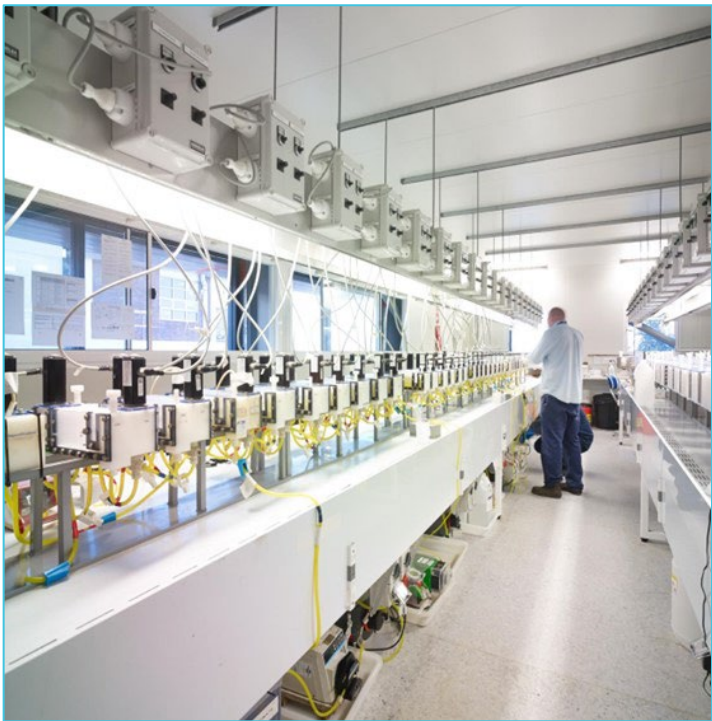
*Splinter Rock Rare Earth project Mineral Resource Estimate - by global cut-off grade*

<sup>3</sup> [ASX Ann: Mineral Resource Estimate Doubles at Splinter Rock Rare Earth Project 29 May 2024](#)

# REVIEW OF OPERATIONS (CONTINUED)



Splinter Rock REE Project tonnage and grade curve



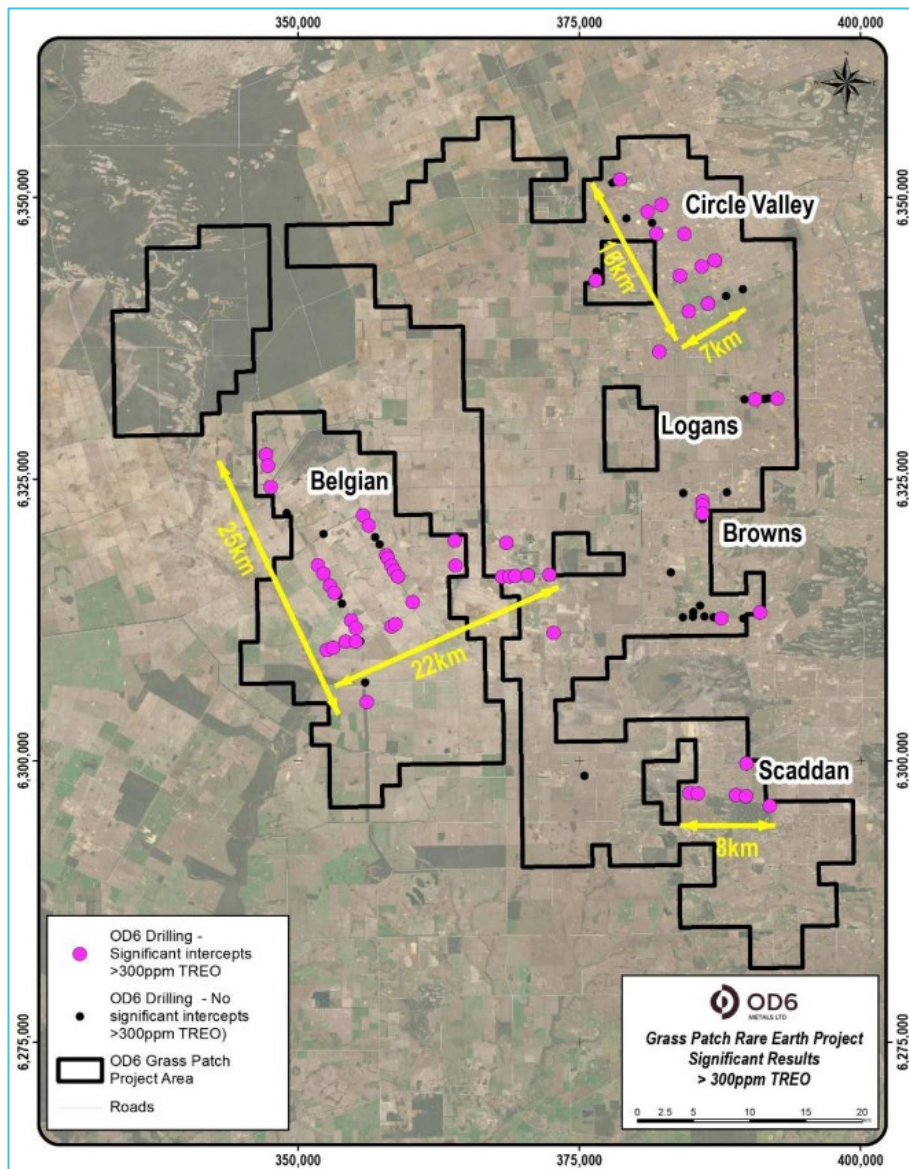
## REVIEW OF OPERATIONS (CONTINUED)

### Grass Patch Project

The Grass Patch project is located approximately in an area 30km to 100km north of Esperance. The Project is predominantly on private agricultural land and covered with wheat and sheep farming, with cultivated topsoil cover of approximately 30cm. The tenements have extensive calcrete formation which is up to 30cm in thickness with such calcrete material having been quarried and utilised for sheeting the secondary roads within the region.

High-grade clay REEs were successfully identified through a 93-hole reconnaissance drilling program conducted in early 2023.

- Grades of up 3,340ppm TREO with up to 38.5% MagREO encountered.
- Thick clays encountered of up to 59m (average range of 3m to 20m).
- Three key areas to be targeted for further exploration: Belgian Prospect, Circle Valley Prospect, Scaddan Prospect.
- High-potential Prospect areas have undergone metallurgical testing with average MagREO recoveries of 69% and up to 86% achieved at acid leaching rate of 25g/l HCl.



Grass Patch Project – Significant Intercepts

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## ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

### Sustainability

OD6 Metals aspires to make a positive difference by embedding responsible business practices in our operations. As a rare earth explorer within the critical mineral sector, OD6 Metals is dedicated to advancing Environment, Social and Governance (ESG) standards for sustainable and ethical development.

OD6 Metals aims to be a valued contributor to its stakeholders, the community and the environment. Our dedication to social and environmental responsibility is a fundamental part to lead OD6 Metals towards a more sustainable future.

### Rare Earth Elements' Role in the Energy Transition

Rare earths are a series of elements that are experiencing increasing demand due to their critical role in modern technology. These elements are vital for the composition of rare earth magnets (MagREO), which are essential components in various high-tech applications, including electric vehicles, wind turbines and electronics. The need for a diversified global supply chain has become increasingly apparent, as dependence on a limited number of sources poses significant risks to supply security. Rare earth elements are integral to the development of sustainable technologies, making them an important contributor towards achieving global climate goals and transitioning to a lower carbon economy.

In Australia, rare earths have gained prominence due to the Federal Government's diversity of supply requirements. The value of global MagREO consumption is projected to increase significantly by 2035 (rising from US\$15.1 billion in 2022 to US\$46.2 billion in 2035.<sup>4</sup> OD6 Metals is focussed on performing a constructive role in this transition towards a cleaner energy future by developing an environmentally and socially responsible approach to producing critical rare earth materials.

### ESG Committee

OD6 Metals has formalised its sustainability oversight through an ESG Committee and an ESG Committee Charter under the Corporate Governance Plan<sup>5</sup>. As outlined in the Committee Charter, the ESG Committee's main objective is to support and advise the Board in addressing sustainability matters. In FY24, the ESG Committee met twice to review sustainability matters. Informed by OD6 Metals' sustainability priorities, the ESG Committee articulated OD6 Metals' ambition and commitment to sustainability.

OD6 Metals has formulated an ESG Policy to guide the Board and employees in minimising adverse sustainability impacts and ensuring sustainable operations. The policy serves as a framework for the company's activities, emphasising responsible practices across environmental, social and governance dimensions.

### Stakeholder Engagement

The Company recognises that meaningful engagement with stakeholders and actively incorporates stakeholder feedback into decision-making processes. It actively seeks input from stakeholders, which at this time include local communities, First Nation Peoples (the Ngadjju people and the Esperance Nyungar people, the Traditional Owners of the land upon which we work), landowners, employees, contractors, suppliers, Local Government, State Government, Federal Government, non-government organisations, investors, community groups and regulatory bodies, to better understand their expectations and address their concerns.

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<sup>4</sup> Source Adamas Intelligence, June 2022

<sup>5</sup> [Policy available at OD6 Metals' website.](#)

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

(CONTINUED)

| Stakeholders                 | How we engaged                                                                                                                                                                                                                                                                                                                                                                                         | Key Interests and Concerns                                                                                                                                                                                             |
|------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Government and Regulators    | Reporting, approvals, licences and permits, meetings, briefings, publications and participation in public policy discussions, forums, relationships with government ministers and government agencies, letters, emails, formal submissions, website, participation in industry association and advocacy bodies, annual reports including establishment of applicable committees and related activities | Critical minerals<br>Rare Earth supply<br>Resource management<br>Cultural heritage<br>Workplace health and safety<br>Climate change<br>Regulatory reform including support for new energy and critical minerals sector |
| First Nation Peoples         | Direct engagement, heritage surveys, phone calls, email, media, meetings, feedback sessions and cultural awareness training                                                                                                                                                                                                                                                                            | Indigenous engagement and procurement<br>Heritage Surveys<br>Community relationships                                                                                                                                   |
| Shareholders and Investors   | Website, investor briefings, annual general meetings, emails, annual reports and ASX announcements and financial reports                                                                                                                                                                                                                                                                               | Rare earth price and trends<br>Geological discoveries<br>Company development<br>Financial performance                                                                                                                  |
| Employees and Contractors    | SharePoint Hubs, team meetings, site meetings, induction training and emails<br><br>Implementation of an Employee Assistance Program                                                                                                                                                                                                                                                                   | Health, safety and wellness<br>Esperance based employees<br>Impacts of fly-in fly-out (FIFO) lifestyle<br>Company development<br>Wellbeing                                                                             |
| Communities                  | Direct engagement, phone calls, email, media (including newspaper articles, meetings, events), website, feedback and local procurement in the Goldfields / Esperance Regions                                                                                                                                                                                                                           | Local procurement<br>First Nation Peoples engagement<br>OD6 Metals development<br>Support of Shire of Esperance activities                                                                                             |
| Suppliers/Vendors            | Direct engagement, phone calls, email, media, newspaper, meetings, feedback sessions and procurement of services locally in accordance with our Local Procurement Policy, adherence to agreed terms and conditions and timely payment                                                                                                                                                                  | Supply chain opportunities<br>Rising costs<br>Contract terms<br>Esperance and Goldfields procurement                                                                                                                   |
| Non-government organisations | Direct engagement, emails, events, website                                                                                                                                                                                                                                                                                                                                                             | Workplace health and safety<br>Skills shortage<br>Development of Australia's Critical Minerals Sector<br>Gender equity<br>Climate<br>New legislation                                                                   |

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

(CONTINUED)

### Materiality Assessment

Determining OD6 Metals' sustainability objectives is important for establishing a robust sustainability framework. OD6 Metals completed a materiality assessment to produce a list of sustainability topics considered material to OD6 Metals and its stakeholders. This process ensures the priority allocation of company resources towards the sustainability objectives set out below.

### Sustainability Priorities



## ENVIRONMENTAL

### Environmental Management

OD6 Metals is committed to reducing its environmental footprint. The Company's Environmental Exploration Management Plan provides a structured environmental management approach during the exploration stage. At both the Grass Patch and Splinter Rock Projects, all exploration activities adhere to relevant laws and the Company has received all necessary approvals from relevant government authorities.

All activities involving ground disturbance with mechanised equipment on OD6 Metals' exploration tenements are managed through the Mining Act 1978 (WA) via the lodgement of Programme of Work applications. OD6 Metals works closely with government regulatory agencies and stakeholders to identify and manage potential risks to the environment. During the reporting period, OD6 Metals had no non-compliance with environmental laws and regulations.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

(CONTINUED)

### Flora and Fauna

OD6 Metals places a strong emphasis on protecting biodiversity during its exploration activities. The Company's Dieback Management Plan details strategies and actions to prevent, manage and mitigate the spread of dieback. A Malleefowl Management Plan has also been prepared for the conservation and management of Malleefowl, an identified vulnerable species occurring within some of the project area.

The Company has completed an Airborne Electromagnetic Survey (AEM) which is a highly targeted exploration program that minimises land disturbance across a vast 4,500 square kilometre tenement area. The AEM has identified clay basins and channels and initial drilling programs have been based on existing tracks to minimise ground disturbance. New tracks are only proposed once the prospect area has been determined to contain potentially economic rare earth elements.

During the reporting period, OD6 Metals undertook pre-clearance Malleefowl inspections. The areas assessed were predominantly proposed access tracks and drill holes. Three Malleefowl nests were identified in October 2023 and one Malleefowl nest identified in April 2024. All nests will be avoided during further exploration and feasibility activities. The Company also conducted two environmental surveys during the reporting period. One field survey focused on the Inside Centre area at Splinter Rock, targeting threatened and priority flora as well as threatened ecological communities. The other survey included a reconnaissance and targeted flora and fauna survey at Splinter Rock, relating to proposed new exploration activities.

### Water

Water is essential for both OD6 Metals' operations and the health of the surrounding ecosystems. The Company adopts a proactive approach to responsible water management, understanding the potential impacts its activities may have on local water resources.

The Company is working with CSIRO to develop a sound understanding of the water resources on its projects. Based on available hydro geochemistry data, CSIRO have confirmed that all groundwaters on OD6 Metals tenure are acidic and/or hypersaline and there are some concentrations of rare earths in the groundwaters. OD6 Metals is planning several activities to understand the water resources on our mining tenure including drilling for samples, ongoing test work and research.

During the reporting period, water samples have been taken from an open trench on our mining tenure and are being analysed by CSIRO and ANSTO. To minimise freshwater usage, OD6 hopes to use hypersaline water from site in its future rare earths processing facility. Outside of groundwater exploration, no water has been extracted to 30 June 2024, with all freshwater requirements sourced from local dams.

### Climate Change

OD6 Metals' focus is on producing and delivering rare earth materials, which may support the global transition to decarbonisation. The Company is focused on clay hosted deposits which have potentially lower energy demand than hard rock rare earths. Clay hosted deposits may require less energy-intensive processing and refining compared to hard rock extraction. This aspect has the potential to enhance energy efficiencies and, ultimately, may reduce greenhouse gas emissions.

As OD6 Metals continues to develop, it is committed to exploring options for powering its exploration operations with renewable energy sources, such as solar panels, wind turbines and other clean energy alternatives. During the reporting period, the Company has sought proposals from vendors to integrate sustainable energy sources, such as wind farms, into its project activities. The Company notes, however, that there is no guarantee that such energy sources will be viable for OD6 Metals' operating going forward.

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## ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

(CONTINUED)

### SOCIAL

#### Workplace Health, Safety and Mental Health

Safety is prioritised across all facets of the Company's activities, spanning planning, operations and continual monitoring and enhancement efforts. The Company's Workplace Health and Safety Policy<sup>6</sup> provides a risk management framework and relevant procedures aligned with regulatory requirements.

OD6 Metals' Work Health and Safety systems include guidelines for hazard identification, risk assessment, incident reporting and emergency response. OD6 Metals conducts routine safety audits, inspections and assessments to identify enhancement opportunities and adhere to safety compliance. Regular reviews and updates occur across operations with induction training sessions conducted as necessary to uphold effective safety standards and equip personnel to adapt to evolving conditions. Collaboratively, OD6 Metals works with contractors and suppliers to align safety practices, manage identified risks and uphold safety expectations during activities.

OD6 Metals actively engages with employees and contractors to foster a culture of safety. It encourages open communication and regular feedback from employees and contractors regarding safety concerns, potential hazards and improvement opportunities. The Company provides employees and contractors with access to appropriate channels to report incidents or near-misses without fear of reprisal. Safety matters are also communicated through regular safety meetings, site inductions and updates.

The Company fosters a supportive work environment that promotes work-life balance and family and personal well-being. It offers flexible work arrangements, such as remote work options, flexible working hours that support employees in managing their personal and professional commitments. An Employee Assistance Program which is available to all personnel, site-based contractors and eligible family members. It offers health and wellness information and includes access to wellness resources, fitness initiatives, mental health support services and regular health check-ups.

#### Diversity and Inclusion

OD6 Metals values diversity and inclusivity, committing to treating all its people with dignity, courtesy and respect, regardless of age, gender, race, sexual orientation, political or religious belief, culture, marital status, family commitments, physical or mental abilities. The Company's Employee Code of Conduct and Integrity specifies that discrimination must not influence any part of the employment or business relationship. OD6 Metals does not tolerate any form of discrimination, harassment or bullying in the workplace. Appropriate disciplinary action, up to and including, dismissal, will be taken by OD6 Metals where any complaint of discrimination, harassment or bullying is substantiated.

OD6 Metals' Diversity Policy<sup>7</sup> and Commitment to Gender Equality Policy emphasises its commitment to creating a respectful and inclusive workplace environment. The Company has a fair and transparent promotion process, where individuals are assessed based on merit and qualifications, regardless of gender. The Company provides equal access to training and development opportunities for all employees, irrespective of gender.

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<sup>6</sup> [Policy available at OD6 Metals' website.](#)

<sup>7</sup> [Policy available at OD6 Metals' website.](#)

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

(CONTINUED)

### Aboriginal Engagement, Heritage and Traditional Owners

OD6 Metals is dedicated to reconciliation and understanding the rights, cultures, interests and aspirations of First Nation Peoples. In the spirit of reconciliation, OD6 Metals aspires to build and maintain mutually beneficial and enduring relationships based on respect, meaningful engagement and trust. OD6 Metals' First Nation Peoples Policy Statement outlines a consistent approach to engaging and partnering with First Nation Peoples across the entire lifecycle of our activities including exploration, operation closure and post closure.

Through this Policy Statement OD6 Metals will be guided by the following principles:

- Incorporate First Nation Peoples' perspectives
- Engagement, dialogue and co-design
- Free, prior and informed consent
- Cultural and intellectual property and data sovereignty

The Company's Cultural Heritage Management Plan defines the process for the ongoing management of Aboriginal cultural heritage at Splinter Rock. The Company is developing a First Nation Peoples Engagement Plan to provide a robust process for working with the Ngadju and Esperance Nyungar People, who are the Traditional Owners of the land upon which we work. During the Reporting Period, two Aboriginal cultural heritage surveys were conducted at Splinter Rock, with findings indicating full compliance and contributing to ongoing efforts to uphold cultural values. OD6 Metals is planning for its board to meet with the Ngadju Board in order to provide an update about its exploration activities, rare earths and future plans.



OD6 Metals also commissioned two pieces for Aboriginal artwork by an Esperance based artist. In collaboration with the artist, the artwork has been used in the design of company branded apparel.



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## ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

(CONTINUED)

### Community Relations and Development

OD6 Metals recognises that community relations and development are essential for building strong connections with local communities, enhancing their well-being and fostering collaborative efforts.

The Company has appointed a Community Liaison Manager to facilitate effective communication and collaboration between the Company and the local communities, listening to their concerns. Throughout the previously conducted Airborne Electromagnetic Survey process, OD6 Metals conducted information campaigns in Esperance to inform the local communities about the survey and latest development. The Company also participated in the Esperance Show with a manned information stand so community members could openly ask questions. The Company will continue to maintain positive relationships with the local communities as it develops.

OD6 Metals is also committed to contributing to the growth and development of local businesses while fostering strong relationships with local communities. The Company's Local Procurement Policy provides guidance on giving preference to local suppliers, promoting local supplier diversity, supporting the growth of local businesses and maintaining regular evaluation. The Company has collaborated with an Esperance Indigenous based artist to produce artworks which has been used on company hats and t-shirts. Future use of the artwork is planned across OD6 Metals media platforms.

### GOVERNANCE

#### Business Ethics

OD6 Metals embeds business ethics within its operations to maintain responsible practices. The Company's Corporate Governance Plan sets forth the principles and expectations for employee business conduct.

OD6 Metals adopts a zero-tolerance approach to bribery and corruption. The Company's Anti-Bribery and Corruption Policy<sup>8</sup> sets out the expected business conduct to minimise the risk of bribery or corruption occurring in connection with its operations and activities. It also provides guidance on how to deal with instances of bribery or corruption.

The Company's Whistle-Blower Policy<sup>9</sup> outlines reporting channels and investigation processes for corrupt, illegal or unethical work-related conduct. It provides employees with assurance that all reports will be taken seriously, treated as confidential and handled without fear of reprisal. There were no breaches or litigation associated with anti-bribery and corruption brought to OD6 Metals' attention during the reporting period.

#### Cybersecurity

Cybersecurity has become vital in the corporate sector, as our world becomes more interconnected and digital. OD6 Metals has cybersecurity protocols to secure sensitive information, protect its digital infrastructure and uphold stakeholder confidence.

The Company's Board of Directors actively engages in cyber security discussions, sets strategic objectives and ensures the allocation of necessary resources to enhance cyber resilience. The Company's Information and

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<sup>8</sup> Policy available at OD6 Metals' website.

<sup>9</sup> Policy available at OD6 Metals' website.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

### (CONTINUED)

Communications Technology (ICT) Guideline sets out the acceptable behaviour required by employees, including contract and third-party providers when using OD6 Metals systems and ICT resources. This guideline is issued to all new starters on joining the Company along with ongoing awareness sessions for OD6 Metals' employees and contractors.

OD6 Metals conducts regular cyber security risk assessments to identify vulnerabilities and potential threats across its systems and networks. Through a proactive approach, OD6 Metals implements comprehensive risk management frameworks and controls to mitigate cyber risks effectively. The Company's National Information Technology (IT) Security Plan provides a comprehensive framework that can be used to safeguard the Company and indirectly the national IT infrastructure against cyber attacks.

This plan provides guidance and support to personnel working for or with OD6 Metals on the measures they need to take to prevent, detect and respond to cyber attacks. Eleven key risks and mitigation steps are identified. IT specialists are engaged to provide oversight in conjunction with personnel within the OD6 Metals team. OD6 Metals is in the process of developing an Information Security Incident Response Plan which can be used to respond effectively to any cyber attacks or security breaches.

OD6 Metals adheres to relevant data protection regulations, implement stringent data privacy policies and maintain a culture of confidentiality to safeguard sensitive information. The Company also has appropriate confidentiality agreement templates which it uses when dealing with confidential or sensitive information.

### Future Plans

OD6 Metals developed an ESG strategic roadmap which serves as a guide for the Company to develop and implement ESG related actions throughout the various stages of its development stages. Looking ahead, OD6 Metals is committed to implementing the measures outlined in the ESG roadmap, promoting sustainable growth and alignment with best practices.

### Risk Management Process

OD6 Metals understands that effective management of risk is a critical aspect of its business, with the potential to substantially improve the business in a number of ways. Risk management is integral to an efficient and successful company and forms part of the strategic and operational responsibilities of management.

It is the policy of OD6 Metals to achieve an acceptable industry standard in the management of risks that may potentially impact the Company, in accordance with the standard risk management framework (AS/NZS ISO 31000). Further, the Company categorises its risk appetite into four categories, Low, Moderate, High and Very High. OD6 Metals has identified a risk appetite that is acceptable to the organisation.

The Company performs a bi-annual review to ensure that the risks to the business are being managed. The risks and their categorisation are reviewed periodically by the Audit and Risk Committee, at meetings held during the year.

The Company's risk appetite and risk management policy is reflective of its environment (being a listed company), the nature of the mining industry and the often unpredictable nature of commodities. It is our policy to mitigate risks in accordance with our framework, where practicable.

All personnel of the Company are recognised as having a role in the identification and management of risks and are required to participate in that process.

The Company's risk champions will continue to manage risk even when the risk becomes elevated. Risks that are ranked High or Very High will be overseen by senior management. At this point the risk will be specifically highlighted for the Boards attention whereby the Board will provide an oversight role.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

(CONTINUED)

## Risk Factors and Management

The Shares in OD6 Metals are considered highly speculative. An investment in the Company is not risk free. The proposed future activities of the Company are subject to several risks and other factors which may impact its future performance. Some of these risks can be mitigated using safeguards and appropriate controls. However, many of the risks are outside the control of the Directors and management of the Company and cannot be mitigated.

The risks described below are not an exhaustive list of the risks faced by the Company or by investors in the Company. The risks described below also necessarily include forward looking statements. Actual events may be materially different to those described and may therefore affect the Company in a different way.

Investors should be aware that the performance of the Company may be affected and the value of its Shares may rise or fall over any given period. None of the Directors or any person associated with the Company guarantee the Company's performance, the performance of the Shares or the market price at which the Shares will trade.

### Stated Risks

#### Limited Operation History

The Company is an early stage exploration entity and has limited operational history on which to evaluate its business and prospects. The prospects of the Company must be considered in light of the risks, expenses and difficulties frequently encountered by companies in the early stages of their development, particularly in the mineral exploration sector, which has a high level of inherent risk and uncertainty. No assurance can be given that the Company will achieve commercial viability through the successful exploration on, or mining development of, the Projects or any other mining assets it has an interest in. Until the Company is able to realise value from the Projects or such mining assets, it is likely to incur operational losses.

#### Future Capital Requirements

The Company is an exploration company and currently has no operating revenue and is unlikely to generate any operational revenue unless the Company's tenements are successfully developed and exploited. The future capital requirements of the Company will depend on many factors including its business development activities. Should the Company consider that its exploration results justify commencement of production on any of its Projects, additional funding will be required to implement the Company's development plans, the quantum of which remain unknown at the date of this Annual Report. The Company may seek to raise further funds through equity or debt financing, joint ventures, production sharing arrangements or other means. Any additional equity financing may be dilutive to Shareholders and may be undertaken at lower prices than the market price. Any debt financing, if available, may involve restrictions on financing and operating activities. There can be no assurance that additional finance will be available when needed. Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of exploration, development, or production on the Company's Projects or even loss of interest in the Projects.

#### Private land, Reserve Land and Land Access Risk

The Company's interests in the Tenements are subject to Commonwealth and applicable state legislation and cannot be guaranteed. The Company may be required to obtain the consent of and / or compensate holders of third-party interests which overlay areas within the Tenements. The Tenements overlap certain third-party interests that may limit the Company's ability to conduct exploration activities including Crown land, proposed Crown reserves, pastoral leases and areas covered by native title determinations. The Grass Patch Project, comprising exploration licences E63/2151, E63/2152, E63/2154 and E63/2185 falls principally on private agricultural land that is intersected by multiple road reserves. The Company has applied for and obtained, permits from the Shire of Esperance to conduct exploratory drilling within the road reserves and expects to be able to proceed with initial exploration on the Grass Patch Project without the need for private land access agreements. Should substantial discovery be made, however, the Company will need to obtain the consent of any relevant private land owners and occupiers. This typically involves negotiating land access agreements with those parties which will likely require the Company to pay compensation to those parties for any exploration activities undertaken on it. Once this consent is obtained, the Company can apply to the Minister for Mines and Petroleum to obtain the right to access the top 30 metres of its exploration licences which encroach on private land. Any delays in respect of conflicting third-party rights, obtaining necessary consents, or compensation obligations, may adversely impact the Company's ability to carry out exploration activities within the affected areas.

#### Nature of Mineral Exploration

Mineral exploration and development is considered a high-risk undertaking. There is no guarantee that exploration of the Projects will result in the discovery of an economically viable resource. Even if an apparently viable resource is discovered, there is no guarantee that the resource can be economically exploited. Exploration on the Company's Projects may be unsuccessful, resulting in a reduction of the value of those Projects, diminution in the cash reserves of the Company and possible relinquishment of such Projects.

The proposed exploration costs on the Projects are based on certain assumptions with respect to the method and timing of

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) (CONTINUED)

exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice which may materially and adversely affect the Company's ability to complete the exploration programs as planned.

### Metallurgy

Metal and / or mineral recoveries are dependent upon the metallurgical process that is required to liberate economic minerals and produce a saleable product and by nature contain elements of significant risk such as:

- identifying a metallurgical process through test work to produce a saleable metal and / or concentrate
- developing an economic process route to produce a metal and / or concentrate; and
- changes in mineralogy in the ore deposit can result in inconsistent metal recovery, affecting the economic viability of the project.

### Shortage of Available Fresh Water

The process plant is likely to be reliant on water for production. A potentially suitable source of water has not yet been identified. The total volume, extraction rate and quality of water is yet to be determined, which poses a risk to any project development and operation and may incur additional costs in the sourcing, permitting and development of required bore fields.

### Project Delays and Cost Overruns

The Company's ability to successfully explore, develop and potentially commercialise its Projects may be affected by factors including project delays and costs overruns. If the Company experiences project delays or cost overruns, this could result in the Company not realising its operational or development plans or result in such plans costing more than expected or taking longer to realise than expected.

### Inclement Weather and Natural Disasters

The Company's operational activities are subject to a variety of risks and hazards which are beyond its control, including hazardous weather conditions such as excessive rain, flooding and fires. Any of the above occurrences will impact the Company's ability to realise its operational or developmental plans and may negatively impact profitability.

### Resource Estimates May Be Inaccurate

The Company has not published resource estimates for any prospects. There is no assurance that exploration or project studies by the Company will result in the definition of an economically viable mineral deposit. Furthermore, resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or technologies become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate and require adjustment. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to

development and mining plans which may, in turn, adversely affect the Company's operations.

### Development Risk

The business of exploration, project development and mining contains risks by its very nature. To prosper, it depends on the successful exploration or acquisition of reserves, design and construction of efficient production and processing facilities, competent operation and managerial performance and proficient marketing of the product. In particular, exploration is a speculative endeavour and force majeure circumstances, cost over runs and other unforeseen events can hamper mining operations.

### Operational Risk

The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment. Even though the Directors have between them significant mineral exploration and operational experience, no assurance can be given that the Company will achieve commercial viability through the successful exploration and mining of its Tenements. Until the Company is able to realise value from its Projects, it likely to incur ongoing operating losses.

### Dilution Risk

In the future, the Company may elect to issue Securities in connection with fundraisings, including to raise proceeds to fund further exploration of its Projects. While the Company will be subject to the constraints of the Listing Rules regarding the percentage of its capital it is able to issue within a 12 month period (other than where exceptions apply), Shareholders may be diluted as a result of such issues of Securities.

The Company has 38,750,371 Options and 2,800,000 Performance Rights on issue which, if exercised or converted (as applicable) will further dilute the interests of Shareholders. Furthermore, the Options have exercise prices ranging between \$0.114 and \$0.30 each which means the Company will receive additional funds if they are all exercised.

### Potential Acquisitions

Although the Company's immediate focus will be on the Projects, the Company may pursue and assess other new business opportunities in the resources sector. These new business opportunities may take the form of direct project acquisitions, joint ventures, farm-ins, tenement acquisitions and direct equity participation. The acquisition of projects (whether completed or not) may require the payment of monies (as a deposit or exclusivity fee) after only limited due diligence or prior to the completion of comprehensive due diligence. There can be no guarantee that any proposed acquisition will be completed or be successful. If the proposed acquisition is not completed, monies advanced may not be recoverable, which may have a material adverse effect on the Company.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

### (CONTINUED)

If an acquisition is completed, the Directors will need to reassess at that time, the funding allocated to current projects and new projects, which may result in the Company reallocating funds from other projects or raising additional capital (if available). Furthermore, notwithstanding that an acquisition may proceed upon the completion of due diligence, the usual risks associated with the new project activities will remain.

#### Competition Risk

The Company competes with other companies, including major mining companies in Australia and internationally. Some of these companies have greater financial resources than the Company and, as a result, may be in a better position to compete for future business opportunities, including potential acquisitions. There can be no assurance that the Company can compete effectively with these entities.

#### Commodity Price and Exchange Rate Risk

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of commodities may expose the potential income of the Company to commodity price and exchange rate risks. The price of REEs fluctuate and are affected by numerous factors beyond the control of the Company, such as industrial and retail supply and demand, exchange rates, inflation rates, changes in global economies, confidence in the global monetary system, forward sales of metals by producers and speculators as well as other global or regional political, social or economic events.

Future serious price declines in the market values of minerals which the Company plans to explore for could cause the development of and eventually the commercial production from, the Company's Projects to be rendered uneconomic. Depending on the prices of commodities, the Company could be forced to discontinue production or development and may lose its interest in, or may be forced to sell, some of its properties. There is no assurance that, even as commercial quantities of REEs are produced, a profitable market will exist for it. Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

#### Environmental Risk

The operations and proposed activities of the Company are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the industry standard of environmental obligation, including compliance with all environmental laws. Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Natural events, such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be

imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or noncompliance with environmental laws or regulations. The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive. Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programs or mining activities. Furthermore, under the Mining Rehabilitation Fund Act 2012 (WA), the Company is required to provide assessment information to DMIRS in respect of a mining rehabilitation levy payable for mining tenements granted under the Mining Act. The Company is required to contribute annually to the mining rehabilitation fund if its rehabilitation liability is above \$50,000.

#### Tenure Risk

The Company's Tenements are subject to the applicable mining acts and regulations in Western Australia, pursuant to which mining and exploration tenements are subject to periodic renewal. The renewal of the term of a granted tenement is also subject to the discretion of the relevant Minister. There is no guarantee that current or future tenements or future applications for production tenements will be approved.

Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising the Company's Projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position or performance of the Company. There can be no guarantee that a renewal will be approved. If the Company is unable to secure a renewal for these Tenements this may impact the Company's exploration plans for the Projects and may adversely impact the Company or the value of its Shares. Prior to any development on any of its properties, the Company must receive licences from appropriate governmental authorities.

There is no certainty that the Group will hold all licences necessary to develop or continue operating at any particular property. The Company considers the likelihood of tenure forfeiture to be low given the laws and regulations governing exploration in Western Australia and the ongoing expenditure being budgeted by the Company. However, the consequences of forfeiture or involuntary surrender of a granted tenement for reasons beyond the control of the Company could be significant.

Similarly, the rights to mining tenure carry with them various obligations which the holder is required to comply with in order to ensure the continued good standing of the licence and, specifically, obligations in regard to minimum expenditure levels and responsibilities in respect of the environment and safety. Failure to observe these requirements could prejudice the right to maintain title to a given area and result in government action to forfeit a licence or licences. There is no guarantee that current or future exploration applications or existing licence renewals will be granted, that they will be granted without undue delay, or that the Company can economically comply with any conditions imposed on any granted exploration permits.

The Tenements may be relinquished either in total or in part even though a viable mineral deposit may be present, in the event that:

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

### (CONTINUED)

- exploration or production programs yield negative results;
- insufficient funding is available;
- environmental offsets are required;
- such a tenement is considered by the Company to not meet the risk / reward or other criteria of the Company;
- its relative perceived prospectivity is less than that of other tenements in the Company's portfolio, which take a higher priority; or
- a variety of other reasons.

#### Native Title and Aboriginal Heritage

In relation to the Tenements or any tenements that the Company may in the future acquire an interest in, there may be areas over which legitimate common law Native Title rights may exist. If such Native Title rights do exist, the ability of the Company to gain access to such tenements (through obtaining consent of any relevant native title holders) or to progress from the exploration phase to the development and mining phase of operations may be adversely affected.

As at the date of this report, a number of the Tenements are subject to Native Title determinations and others are subject to Native Title claims. The grant of any future tenure to the Company over areas that are covered by registered claims or determinations will require engagement with the relevant claimants or native title holders (as relevant) in accordance with the Native Title Act. In addition, determined native title holders may seek compensation under the Native Title Act for the impacts of acts affecting native title rights and interests after the commencement of the Racial Discrimination Act 1975 (Cth) on 31 October 1975.

The State of Western Australia has passed liability for compensation for the impact of the grant of mining tenements under the Mining Act onto mining tenement holders pursuant to section 125A of the Mining Act. Outstanding compensation liability will lie with the current holder of the Tenements at the time of any award of compensation pursuant to section 125A of the Mining Act or, in the event there is no holder at that time, the immediate past holder of the relevant Tenements. Compensation liability may be determined by the Federal Court or settled by agreement with native title holders, including through ILUAs (which have statutory force) and common law agreements (which do not have statutory force).

At this stage, the Company is not able to quantify any potential compensation payments, if any. In addition, the Company must comply with Aboriginal heritage legislation requirements which include the requirement to conduct heritage survey work prior to the commencement of operations. The Company is aware of various areas of indigenous significance and Aboriginal heritage sites of considerable cultural value both to the local indigenous communities and the broader community which affect a number of Tenements. It is also likely that additional Aboriginal heritage sites may be identified on the land the subject of the Tenements. These Aboriginal heritage sites require the Company to comply with the Aboriginal Heritage Act 1972 (WA) (AH Act) in respect of any ground disturbing activities and any applicable agreements that may be in place with the relevant Traditional Owners. The Company is a party to a standard form heritage agreement with the determined Native Title holders which covers a majority of the Tenements.

Prior to commencing significant ground disturbing activities, including exploration, the Company will need to consult with the

relevant local Traditional Owners regarding the likely impact that the proposed activities may have on such areas. There is no guarantee that the Company will be able to deal with Aboriginal heritage issues in a satisfactory or timely manner and accordingly such issues may increase the proposed time periods for the conduct of the Company's proposed activities, lead to increased costs for such activities (in obtaining the required consents and/or approvals) and also limit the Company's ability to conduct its proposed activities on the relevant Tenement.

#### Crown Land and Pastoral Lease Risk

The land covered by the Tenements overlaps with Crown land. Under the terms of the Land Administration Act 1997 (WA) (LAA), the State has the ability to reserve, sell or lease Crown land. If that occurs, the Company may need to consider entering into a compensation and access agreement with the relevant holders of that Crown land to ensure the requirements of the Mining Act are satisfied and to avoid any disputes arising. As at the date of this report, the Crown land remains unallocated (other than the Reserved Land as noted above) and accordingly, the Company has not entered into Land Access Agreements with respect to any of the Tenements. In the absence of an agreement, the leaseholder or the Company itself can request that the Warden's Court determines the quantum of compensation payable to leaseholders if those activities have resulted in loss or damage to that leaseholder. The entry into these agreements may delay the undertaking of activities, including the development of any future mines and may restrict the areas within which the Company can explore for mineral development.

#### Sovereign Risk

Adverse changes in government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations and mining and exploration activities of the Company. It is possible that the current system of exploration and mine permitting in Western Australia may change, resulting in impairment of rights and possible expropriation of the Company's properties without adequate compensation. If the Company was to extend its activities into jurisdictions other than Western Australia and Australia in the future, the risks described in this paragraph may be considerably increased.

#### Climate Change Risk

There are several climate-related factors that may affect the operations and proposed activities of the Company. One of the climate change risks particularly attributable to the Company is the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its potential future profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences.

Furthermore, climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) (CONTINUED)

risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

### Equipment Availability

The Company's ability to undertake mining and exploration activities is dependent upon its ability to source appropriate contractors with access to relevant drilling and other exploration and mining equipment. Equipment is not always available and the market for exploration and mining equipment experiences fluctuations in supply and demand. If the Company is unable to source appropriate equipment economically or at all then this would have a material adverse effect on the Company's financial or trading position.

### Conflicts of Interest

Certain Directors are also directors and officers of other companies engaged in mineral exploration and development and mineral property acquisitions. Accordingly, mineral exploration opportunities or prospects of which these Directors become aware may not necessarily be made available to the Company in first instance.

Although these Directors have been advised of their fiduciary duties to the Company, there exist actual and potential conflicts of interest among these persons and situations could arise in which their obligations to, or interests in, other companies could detract from their efforts on behalf of the Company.

### Third Party Contractor Risk

It is the Company's intention to outsource a substantial part of its exploration activities to third party contractors. The Company is unable to predict the risk of insolvency or managerial failure of any of the third-party contractors used by the Company in any of its activities or the insolvency or other managerial failure by any of the other service providers used by the Company for any activity. The effects of such failures may have an adverse effect on the Company's activities.

### Reliance on Key Personnel

Recruiting and retaining qualified personnel are important to the Company's success. The number of persons skilled in the exploration and development of mining properties is limited and competition for such persons is strong. There can be no assurance that there will be no detrimental impact on the Company if such persons employed by the Company from time to time cease their employment with the Company.

### Insurance Risk

The Company intends to insure its operations in accordance with industry practice. In certain circumstances, the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. Insurance against all risks associated with mineral exploration and production is not always available and where available the costs can be prohibitive.

### General Risks

#### Unforeseen Expenses

The Company's cost estimates and financial forecasts include appropriate provisions for material risks and uncertainties and are considered to be fit for purpose for the proposed activities of the Company. If risks and uncertainties prove to be greater than expected, or if new currently unforeseen material risks and uncertainties arise, the expenditure proposals of the Company are likely to be adversely affected.

#### Speculative Investment

The Securities to be issued should be considered highly speculative. There is no guarantee as to the payment of dividends, return of capital, the underlying market liquidity of the Company's Securities (i.e. the volume of Shares that may be able to be traded on ASX at any given price) or the market value of the Securities trading on ASX from time to time. The price at which an investor is able to trade Shares may be above or below the price paid for Shares under the Capital Raising Offer. Whilst the Directors commend the Offers, investors must make their own assessment of the risks, consult with professionals and determine whether an investment in the Company is appropriate in their own circumstances.

#### Economy Risk

General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

#### Market Conditions

Share market conditions may affect the value of the Company's quoted Securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- general economic outlook;
- introduction of tax reform or other new legislation;
- interest rates and inflation rates;
- changes in investor sentiment toward particular market sectors;
- the demand for and supply of, capital;
- fear of global pandemics; and
- terrorism or other hostilities.

The market price of Securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general. Neither the Company or its Directors warrant the future performance of the Company or any return on an investment in the Company.

#### Global Conflicts

The ongoing conflicts in Ukraine and the Middle East are impacting global macroeconomics and markets generally. Although the Company considers the current impact of the conflicts on the Company to be limited, given that the conflicts are ongoing and volatile in nature, the future effect of the conflicts on

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

### (CONTINUED)

the Company is uncertain. The conflicts may have an adverse effect on the Company's share price or operations which will likely be out of the Company's control.

#### Securities Investment Risk

Investors should be aware that there are risks associated with any securities investment. Securities listed on the stock market and in particular securities of mining and exploration companies have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. These factors may materially affect the price of the Company's Securities, regardless of its performance.

#### Force Majeure

Events may occur within or outside the markets in which the Company operates that could impact upon the global and Australian economies, the operations of the Company and the market price of its Securities. These events include acts of terrorism, outbreaks of international hostilities, fires, pandemics, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease and other man-made or natural events or occurrences that can have an adverse effect on the demand for the Company's services and its ability to conduct business. Given the Company has only a limited ability to insure against some of these risks, its business, financial performance and operations may be materially adversely affected if any of the events described above occurs.

#### Government and Regulatory Risk

The Company's operating activities are subject to extensive laws and regulations relating to numerous matters including resource licence consent, environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, native title and heritage matters, protection of endangered and protected species and other matters. The Company requires permits from regulatory authorities and stakeholders to authorise the Company's operations. These permits relate to exploration, development, production and rehabilitation activities. While the Company believes that it is in substantial compliance with all material current laws and regulations affecting its activities, future changes in applicable laws, regulations, agreements or changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms of existing permits and agreements applicable to the Company or its properties, which could have a material adverse impact on the Company's current operations or planned development projects.

Obtaining necessary permits can be a time-consuming process and there is a risk that the Company will not obtain required permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Company from proceeding with the

development of a Project or the operation or development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more of the Tenements.

In addition, the Company's capacity to undertake future mining operations may be affected by various factors such as:

- potential inability to obtain necessary consents and approvals to mine;
- delay to obtaining necessary consents and approvals to mine;
- increased costs in obtaining necessary consents and approvals to mine; and
- limited ground available for mining due to access restrictions and limitations.

#### Litigation Risk

The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute, particularly if proven, may impact adversely on the Company's operations, financial performance and financial position. As at the date of this presentation, there are no legal proceedings affecting the Company and the Directors are not aware of any legal proceedings pending or threatened against or affecting the Company.

#### Taxation

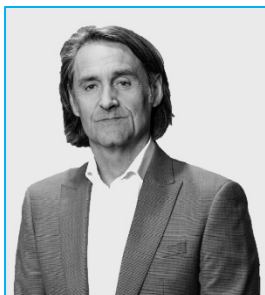
The acquisition and disposal of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities from a taxation point of view and generally. To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability and responsibility with respect to the taxation consequences of applying for Securities.

#### Other Risks

This list of risk factors above is not an exhaustive list of the risks faced by the Company or by investors in the Company. The risk factors described in this section as well as risk factors not specifically referred to above may in the future materially affect the financial performance of the Company and the value of its Shares. Therefore, the Securities offered carry no guarantee with respect to the payment of dividends, return of capital or their market value.

# CORPORATE

## Board and Management



**Mr R Wayne Bramwell**

Non-Executive Chair

BSc Extractive Metallurgy, Grad Dip Business, MSc (Min Econ)

Mr Bramwell is a metallurgist and mineral economist, experienced director and mining executive with extensive project and corporate development, executive management and governance expertise in precious and base metal companies spanning almost three decades.

He holds a Bachelor of Science in Extractive Metallurgy, a Graduate Diploma in Business, a Master of Science in Mineral Economics and is a graduate of the Australian Institute of Company Directors. Mr Bramwell was appointed as a Director on 08 August 2024 and although he will receive Incentive Options and Performance Options, Mr Bramwell is considered to be an independent Director.



**Mr Brett Hazelden**

Managing Director and Chief Executive Officer

BSc, MBA, AICD

Mr Hazelden is a Metallurgist who brings over 25 years' experience serving the Australasian resources industry. His experience includes being a Company Director, Managing Director, CEO, Project Manager, Study Manager and originally a Metallurgist in an operating environment.

Mr Hazelden brings a diverse range of capabilities from exploration, project development studies, research and development, project approvals, offtake agreements, equity raising, debt financing plus mergers and acquisitions. He has worked across multiple commodities including potash, gold, copper, zinc, lead, iron ore, tungsten, salt, diamond and now rare earth sectors.

Mr Hazelden was appointed as a Director on 1 April 2022 and is not considered to be an independent Director as he is engaged in an executive capacity.



**Dr Darren Holden**

Non-Executive Director

BSc (Hons), PhD

Dr Holden is a geoscientist and experienced director with 28 years of worldwide experience in mineral discovery and mineral exploration technologies. He is currently a Non-Executive Director of Augustus Minerals Ltd (ASX:AUG).

Currently Dr Holden is the chair of private project generation company Odette Geoscience Pty Ltd and the director of GeoSpy Pty Ltd, a private mineral exploration advisory business with clients in Western Australia, New South Wales and Fiji. He is a Fellow in good standing of the Australasian Institute of Mining and Metallurgy (FAusIMM). Dr Holden was appointed as a Director on 27 October 2021 and is not considered to be an independent Director as he is a substantial holder of the Company.

## CORPORATE (CONTINUED)



### Mr Piers Lewis

Non-Executive Director

B.Com, ACA, FAICG

Mr Lewis has over 25 years corporate advisory experience with various ASX companies and Investment Banks. He founded SmallCap Corporate, which provides corporate advisory, IPO management, CFO and Company Secretary services.

Mr Lewis is currently Non-Executive Director and Company Secretary for a number of ASX listed companies, including Non-Executive Chair of Aurumin Ltd (ASX: AUN) and Non-Executive Director of Noronex Ltd (ASX: NRX), company secretary of Grange Resources Limited (ASX: GRR) and Almonty Industries Inc. (ASX: AII). Mr Lewis has also held senior management roles with Credit Suisse (London), Mizuho International, ABN Amro and NAB Capital.

Mr Lewis was appointed as a Director on 27 October 2021 and although he holds Securities in the Company and will receive Incentive Options, Mr Lewis is considered to be an independent Director.



### Dr Mitch Loan

Non-Executive Director

BSc (First Class Honours), PhD Curtin University, AAICD

Dr Loan is a mining executive with over 20 years' experience. Mitch has diverse experience in operational, commercial, strategy, stakeholder management, governance and technical and corporate development across the minerals industry.

Dr Loan is currently the Global Director of Strategy and Business Development for Alcoa, a leading mine to metal Aluminium company.

Dr Loan was appointed as a Director on 12 April 2022 and although he will receive Incentive Options and Performance Options, Dr Loan is considered to be an independent Director.



### Mr Joel Ives

Joint Company Secretary

B.Com, CA

Mr Ives is a Chartered Accountant who has held numerous roles as Chief Financial Officer and Company Secretary of private and public start-up technology and resource exploration companies. He has assisted a number of ASX listing, via both IPOs and RTOs and has ensured ongoing regulatory compliance post-listing.

Mr Ives is currently a Company Secretary of Kuniko Limited (ASX: KNI) and Green Technology Metals Limited (ASX:GT1).

## CORPORATE (CONTINUED)



### Mr Troy Cavanagh

Chief Financial Officer and Joint Company Secretary  
B.Com, CA

Mr Cavanagh is a Chartered Accountant with 15 years' experience in the accounting and corporate finance industry. He is the founding director of LCP Group, which specialises in accounting, taxation and IPO management and provides CFO and company secretary services to a range of ASX listed and large private entities.

Mr Cavanagh has performed roles as Chief Financial Officer and Company Secretary of various private resource exploration and technology companies, assisting with strategy, governance and dealings with other ASX listed entities.

## ASX Corporate Governance Council's Corporate Governance Principles and Recommendations

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the Company's policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent applicable, the Company has adopted the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (Recommendations).

The Board considers that, due to the Company's size and nature, the current Board composition and structure is a cost effective and practical method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed. The Company's Corporate Governance Statement is available on the Company's website at [www.od6metals.com.au](http://www.od6metals.com.au)

## Disclaimer

This Annual Report has been prepared by OD6 Metals Ltd (I 654 839 602) (**OD6 Metals**) and is current as at the date of this document. The information contained in this document is for informational purposes only and does not constitute an offer to issue, or arrange to issue, securities or other financial products. The information contained in this document is not investment or financial product advice and is not intended to be used as the basis for making an investment decision. The document has been prepared without considering the investment objectives, financial situation or needs of any particular person. Before making an investment decision, you should consider, with or without the assistance of a financial adviser, whether an investment is appropriate considering your particular investment needs, objectives and financial circumstances.

Past performance is no guarantee of future performance. Any securities that may be issued by OD6 Metals should be considered speculative and there is no guarantee implied or explicit that there will be a return on the capital invested or that any dividend will be paid or that there will be an increase in the price or value of OD6 Metals' shares in the future.

No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this document. To the maximum extent permitted by law, none of OD6 Metals, its directors, employees or agents, nor any other person accepts any liability, including, without limitation, any liability arising out of fault of negligence, for any loss arising from the use of the information contained in this presentation. In particular, no representation or warranty, express or implied is given as to the accuracy, completeness or correctness, likelihood of achievement or reasonableness or any forecasts, prospects or returns contained in this presentation nor is any obligation assumed to update such information. Such forecasts, prospects or returns are by their nature subject to significant uncertainties and contingencies.

## CORPORATE (CONTINUED)

### Competent Person Statement

The information contained in this presentation that relates to the Mineral Resource estimation is based on information reviewed by Mr Jeremy Peters who is a Fellow of the Australasian Institute of Mining and Metallurgy and a Chartered Professional Geologist and Mining Engineer of that organisation. Mr Peters is a Director of Burnt Shirt Pty Ltd, consulting to OD6 Metals and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined by the 2012 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Peters consents to the inclusion of the data in the form and context in which it appears.

### Visual Mineralisation Cautionary Statement

In relation to the disclosure of visual mineralisation, the Company cautions that visual estimates of mineral abundance should never be considered a proxy or substitute for laboratory analysis. Laboratory assay results are required to determine the widths and grade of the visible mineralisation reported in preliminary geological logging. The Company will update the market when laboratory analytical results become available. The reported intersections are down hole measurements and are not necessarily true width. Descriptions of the mineral amounts seen and logged in the core are qualitative, visual estimates only (they are listed in order of abundance of estimated combined percentages). Quantitative assays will be completed by ALS Global in Perth Western Australia.

### Forward Looking Statements

Certain information in this document refers to the intentions of OD6 Metals, however these are not intended to be forecasts, forward looking statements, or statements about the future matters for the purposes of the Corporations Act or any other applicable law. Statements regarding plans with respect to OD6 Metals projects are forward looking statements and can generally be identified by the use of words such as 'project', 'foresee', 'plan', 'expect', 'aim', 'intend', 'anticipate', 'believe', 'estimate', 'may', 'should', 'will' or similar expressions. There can be no assurance that the OD6 Metals plans for its projects will proceed as expected and there can be no assurance of future events which are subject to risk, uncertainties and other actions that may cause OD6 Metals actual results, performance, or achievements to differ from those referred to in this document. While the information contained in this document has been prepared in good faith, there can be given no assurance or guarantee that the occurrence of these events referred to in the document will occur as contemplated. Accordingly, to the maximum extent permitted by law, OD6 Metals and any of its affiliates and their directors, officers, employees, agents and advisors disclaim any liability whether direct or indirect, express or limited, contractual, tortious, statutory or otherwise, in respect of, the accuracy, reliability or completeness of the information in this document, or likelihood of fulfilment of any forward-looking statement or any event or results expressed or implied in any forward-looking statement; and do not make any representation or warranty, express or implied, as to the accuracy, reliability or completeness of the information in this document, or likelihood of fulfilment of any forward-looking statement or any event or results expressed or implied in any forward-looking statement; and disclaim all responsibility and liability for these forward-looking statements (including, without limitation, liability for negligence).

# ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2024

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OD6 METALS LIMITED  
ABN: 34 654 839 60 AND CONTROLLED ENTITIES

**OD6 Metals Limited  
& Controlled Entities  
DIRECTORS' REPORT**

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**PRINCIPAL AND REGISTERED OFFICE**

c/- LCP Group  
Level 1, 50 Kings Park Road  
West Perth WA 6005  
Telephone: +61 8 6189 8515  
Email: info@od6metals.com.au

**DIRECTORS**

Mr Wayne Bramwell – Non-Executive Chairman  
Dr Darren Holden – Non-Executive Director  
Mr Brett Hazelden – Managing Director  
Mr Piers Lewis – Non-Executive Director  
Dr Mitch Loan – Non-Executive Director

**ASX CODE**

**OD6**

**JOINT COMPANY SECRETARY**

Troy Cavanagh  
Joel Ives

**SHARE REGISTRAR**

Computershare Investor Services Pty Limited  
Level 11, 172 St Georges Terrace  
Perth WA 6000

**AUDITORS**

Hall Chadwick WA Audit Pty Ltd  
283 Rokeby Road  
Subiaco WA

**LAWYERS**

AGH Law  
Level 1, 50 Kings Park Road  
West Perth WA 6005

Lawton MacMaster  
Level 9, 40 The Esplanade  
Perth WA 6000

**BANKERS**

Macquarie Bank  
235 St George's Terrace  
Perth WA 6000

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**OD6 Metals Limited  
& Controlled Entities  
DIRECTORS' REPORT**

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## **DIRECTORS' REPORT**

Your Directors present the following report on OD6 Metals Limited and controlled entities (referred to hereafter as "the Company") for the financial year ended 30 June 2024.

### **DIRECTORS**

The names of directors in office at any time during or since the end of the year are:

- Mr Wayne Bramwell – Non-Executive Chairman (appointed 8 August 2024);
- Mr Brett Hazelden – Managing Director (appointed 1 April 2022);
- Dr Darren Holden – Non-Executive Director (appointed 27 October 2021);
- Mr Piers Lewis – Non-Executive Director (appointed 27 October 2021); and
- Dr Mitch Loan – Non-Executive Director (appointed 12 April 2022).

### **COMPANY SECRETARY**

Troy Cavanagh and Joel Ives held the position of joint company secretary during the financial year.

### **PRINCIPAL ACTIVITIES**

The Group's primary purpose is to pursue exploration and potential development opportunities within the resources sector. In particular, the Group was established to undertake exploration of its Splinter Rock Project and Grass Patch Project (**Projects**), which are located in the Goldfields-Esperance region of Western Australia and are prospective for rare earth elements (**REEs**), with the aim of delineating and defining economic resources and reserves to develop into revenue generating operational mines.

### **OPERATING RESULTS**

The loss of the Company for the financial year, after providing for income tax amounted to \$440,848 (2023: \$1,356,800).

### **FINANCIAL POSITION**

As at 30 June 2024 the Company had a cash balance of \$2,325,889 (2023: \$3,515,459) and a net asset position of \$9,230,858 (2023: \$7,665,547).

### **DIVIDENDS PAID OR RECOMMENDED**

No dividends have been paid, and the directors do not recommend the payment of a dividend for the financial year ended 30 June 2024.

### **SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS**

Other than as disclosed in this report, no significant changes in the state of affairs of the Company occurred during the financial year.

### **EVENTS AFTER THE REPORTING PERIOD**

The company confirms there were no subsequent events for disclosure after the reporting period.

**OD6 Metals Limited  
& Controlled Entities  
DIRECTORS' REPORT**

**INFORMATION ON DIRECTORS**

**Wayne Bramwell**

Interest in Shares and Options

Directorships held in other listed entities in the past 3 years

**Non-executive Chairman (appointed 8 August 2024)**

None

CZR Resources Limited (ASX:CZR, ended 19 February 2021)

Azure Minerals Limited (ASX:AZS, ended 19 February 2021)

Vimy Resources Limited (ASX:VMY, ended 4 August 2022)

Deep Yellow Limited (ASX:DYL ended 31 January 2023)

**Brett Hazelden**

Interest in Shares and Options

Directorships held in other listed entities in the past 3 years

**Managing Director (appointed 01 April 2022)**

2,107,898 ordinary shares

1,500,000 options expiring on 31 March 2026 exercisable at \$0.30

1,000,000 options expiring on 7 December 2026 exercisable at \$0.27

2,500,000 performance rights

None

**Darren Holden**

Interest in Shares and Options

Directorships held in other listed entities in the past 3 years

**Non-executive Director (appointed 27 October 2021)**

7,052,847 ordinary shares

3,468,712 options expiring on 31 October 2025 exercisable at \$0.30

500,000 options expiring on 31 March 2026 exercisable at \$0.30

300,000 options expiring on 7 December 2026 exercisable at \$0.27

Aurumin Limited (ASX: AUN, ended 09 June 2023)

Odessa Minerals (ASX:ODE, ended 24 April 2022)

Augustus Metals (ASX:AUG)

**Piers Lewis**

Interest in Shares and Options

Directorships held in other listed entities in the past 3 years

**Non-executive Director (appointed 27 October 2021)**

3,248,754 ordinary shares

843,743 options expiring on 31 October 2025 exercisable at \$0.30

350,000 options expiring on 31 March 2026 exercisable at \$0.30

300,000 options expiring on 7 December 2026 exercisable at \$0.27

Aurumin Limited (ASX: AUN)

Noronex Limited (ASX: NRX)

AusCann Limited (ASX: AC8)

**Mitch Loan**

Interest in Shares and Options

Directorships held in other listed entities in the past 3 years

**Non-executive Director (appointed 12 April 2022)**

350,000 options expiring on 31 March 2026 exercisable at \$0.30

1,500,000 performance options expiring on 31 March 2026 exercisable at \$0.50

300,000 options expiring on 7 December 2026 exercisable at \$0.27

None

**OD6 Metals Limited  
& Controlled Entities  
DIRECTORS' REPORT**

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**Joint Company Secretaries**

Troy Cavanagh  
(Appointed on 27 October 2021)

Joel Ives  
(Appointed on 06 February 2022)

## **REMUNERATION REPORT (AUDITED)**

This report details the nature and amount of remuneration for each director of OD6 Metals Limited and for the executives receiving the highest remuneration.

### **1. Employment Agreements**

The Company has entered into an Employment Agreement with Mr Brett Hazelden, pursuant to which Mr Hazelden will serve as Managing Director of the Company (Employment Agreement). A summary of the key terms of the Employment Agreement are set out below.

- (Term): The Employment Agreement commenced on 1 April 2022 (Commencement Date) and continues until terminated by Mr Hazelden or the Company in accordance with its terms.
- (Remuneration): The remuneration payable to Mr Hazelden from the Commencement Date is \$320,000 per annum (plus statutory superannuation) (Base Salary).
- (Long Term Incentive): The issue of 1,500,000 Incentive Options, each with an exercise price of \$0.30 and an expiry date of 31 March 2026 and 2,500,000 MD Performance Rights to be issued in connection with the Company's admission to ASX, subject to any required Shareholder and regulatory approvals. Mr Hazelden will also be eligible to participate in incentive arrangements offered by the Company from time to time, including participation in the Plan, which are expected to include an ongoing annual issue of Options and / or performance rights on terms to be agreed with the Board from time to time, subject always to Shareholder approval.
- (Expenses): Mr Hazelden is entitled to be reimbursed for all reasonable travel expenses and the costs of any professional memberships required by Mr Hazelden for the performance of his services, provided documentary evidence of such expenses is provided to the Company and Mr Hazelden complies with any applicable expenses and authority level policy of the Company in force from time to time.
- (Responsibilities): Mr Hazelden's role includes, amongst other things, managing the day-to-day operations of the company, preparing and implementing a strategic plan for the Company, coordinating fundraising, establishing and maintaining management and administrative systems for the Company, overseeing exploration programs, and marketing and promoting the Company to shareholders and the broader equity market.
- (Non-Compete): During the term of the Employment Agreement (and for a period of up to 12 months following termination of the Employment Agreement), Mr Hazelden is restricted, without the prior consent of the Company, from being concerned, either as employee, director, partner, agent, consultant, owner, partner, joint venture partner in any business undertaking which competes with the Company, may cause Mr Hazelden to fail to properly discharge his obligations to the Company or create a conflict between the interests of Mr Hazelden and the Company.
- (Termination by Company): The Company may terminate the Employment Agreement:
  - without cause by providing at least 6 months written notice or salary in lieu of notice;
  - in certain circumstances, such as Mr Hazelden wilfully engaging in serious misconduct or committing a significant breach of the Employment Agreement, with immediate effect and without any obligation to provide any notice or make any payment in lieu of notice; or
  - summarily without notice where, in the reasonable opinion of the Company, Mr Hazelden has acted in a manner which would seriously and detrimentally affect the Company or its reputation.

**OD6 Metals Limited  
& Controlled Entities  
DIRECTORS' REPORT**

- (Termination by Mr Hazelden): Mr Hazelden may terminate the Employment Agreement without cause by providing at least 6 months' written notice. • (Consequences of Termination): Upon termination of the Employment Agreement, however occurring, Mr Hazelden will be required, at the request of the Company or its designated nominee, to resign without claim from any offices held by Mr Hazelden in the Company or any member of the Group.
- (Change of Control): In the event of a Change of Control occurring in relation to the Company, Mr Hazelden will receive a bonus payment comprising of a lump sum gross payment of 6 months' Base Salary. If, within 12 months of such Change of Control, Mr Hazelden resigns other than in circumstances which would constitute constructive dismissal under applicable employment laws or if Mr Hazelden's employment is otherwise terminated by the Company for cause, Mr Hazelden will not be entitled to any notice of termination or payment in lieu of notice. For the purposes of the above, "Change of Control" means the occurrence of any of the following events:
  - the acquisition by any person, alone or together with any other persons with whom it is acting jointly or in concert, of beneficial ownership of, or the power to exercise control or direction over, directly or indirectly, securities (or securities convertible into or exchangeable for such securities) representing fifty percent (50%) or more of the votes exercisable by holders of the then-outstanding securities generally entitled to vote for the election of directors (Voting Shares) of the Company;
  - any persons that previously were not acting jointly or in concert commencing to acting jointly or in concert, where such persons together beneficially own, or have the power to exercise control or direction over, directly or indirectly, securities (or securities convertible into or exchangeable for such securities) representing 50% or more of the Voting Shares;
  - any merger, amalgamation, consolidation or reorganisation of the Company into or with another person where, as a result of such reorganisation or business combination, securities representing 50% or more of the votes exercisable by holders of the Voting Shares, or such person into which the Voting Shares is converted immediately after such transaction, are held by a person alone or together with any other persons with whom that person is acting jointly or in concert, and such person, together with those with whom it is acting jointly or in concert, held securities representing less than 50% of the votes exercisable by the holders of Voting Shares immediately prior to such transaction;
  - any reorganisation of the capital of the Company where, as a result of such reorganisation, securities representing 50% or more of the votes exercisable by holders of the Voting Shares or such person into which the Voting Shares is converted immediately after such transaction, are held by a person alone or together with any other persons with whom that person is acting jointly or in concert, and such person, together with those with whom it is acting jointly or in concert, held securities representing less than 50% of the votes exercisable by the holders of the Voting Shares immediately prior to such transaction;
  - the Company sells, transfers or otherwise disposes of all or substantially all of its assets, except that no Change of Control will be deemed to occur if such sale or disposition is made to an affiliate or affiliates of the Company or to a subsidiary or subsidiaries of the Company; or
  - the individuals who constitute the Directors of the Company as at the date of a relevant agreement ceasing to form the majority of the Company's Directors.

For the purposes of the above definition, references to the Company shall include successors to the Company as a result of any merger, amalgamation, consolidation or reorganisation of the Company into or with another person.

The Employment Agreement is otherwise on terms that are considered customary for an agreement of this nature.

**OD6 Metals Limited  
& Controlled Entities  
DIRECTORS' REPORT**

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## 2. Remuneration Policy

The Constitution provides that the remuneration of Non-Executive Directors will not be more than the aggregate fixed sum determined by a general meeting of Shareholders. As at the Prospectus Date, the maximum aggregate remuneration of the Non-Executive Directors is \$300,000 per annum. The remuneration of Directors is reviewed annually by the Company.

The Directors are also entitled to be reimbursed out of the funds of the Company such reasonable travelling, accommodation, and other expenses the Directors may incur when travelling to or from meetings or when otherwise engaged in the business of the Company.

The annual salaries (excluding statutory superannuation) payable to the Directors from the Company's admission to the Official List are set out below.

| Director                           | Position               | Amount    |
|------------------------------------|------------------------|-----------|
| <b>Directors</b>                   |                        |           |
| Mr Wayne Bramwell                  | Non-Executive Chairman | \$60,000  |
| Dr Darren Holden <sup>(1)(2)</sup> | Non-Executive Director | \$36,000  |
| Mr Brett Hazelden                  | Managing Director      | \$320,000 |
| Mr Piers Lewis                     | Non-Executive Director | \$36,000  |
| Dr Mitch Loan                      | Non-Executive Director | \$36,000  |

- (1) The Company entered into a geological services agreement with GeoSpy Pty Ltd, an entity controlled by Dr Holden, pursuant to which GeoSpy Pty Ltd received a fee of \$5,000 (plus GST) per month in consideration of geological.
- (2) Prior to 8 August 2024, held a position of a non-executive chairman with a remuneration of \$48,000 (excluding statutory superannuation).

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**OD6 Metals Limited  
& Controlled Entities  
DIRECTORS' REPORT**

**3. Details of remuneration for the year ended 30 June 2024**

The remuneration for each key management personnel of the Company during the year was as follows:

| Key Management Person            | Short-term Benefits        | Post-employment Benefits | Other Long-term Benefits | Share based Payment |           | Total      | Value of Options Remuneration | Performance Related |
|----------------------------------|----------------------------|--------------------------|--------------------------|---------------------|-----------|------------|-------------------------------|---------------------|
|                                  | Cash, salary & commissions | Super-annuation          | Other                    | Performance Rights  | Options   |            |                               |                     |
| <b>30 June 2024</b>              | \$                         | \$                       | \$                       | \$                  | \$        | \$         | %                             | %                   |
| <b>Non- Executive Directors</b>  |                            |                          |                          |                     |           |            |                               |                     |
| Dr Darren Holden                 | \$48,000                   | 5,280                    | -                        | -                   | \$26,022  | \$79,302   | 33%                           | -                   |
| Mr Piers Lewis                   | \$36,000                   | 3,960                    | -                        | -                   | \$26,022  | \$65,982   | 39%                           | -                   |
| Dr Mitch Loan                    | \$36,000                   | 3,960                    | -                        | -                   | \$26,022  | \$65,982   | 39%                           | -                   |
| <b>Executive Directors</b>       |                            |                          |                          |                     |           |            |                               |                     |
| Mr Brett Hazelden                | \$320,000                  | \$27,500                 | -                        | \$132,500           | \$86,741  | \$566,7341 | 15%                           | 23%                 |
| <b>Total</b>                     | \$440,000                  | \$40,700                 | -                        | \$132,500           | \$164,807 | \$778,007  |                               |                     |
| <b>30 June 2023</b>              | \$                         | \$                       | \$                       | \$                  | \$        | \$         | %                             | %                   |
| <b>Non- Executive Directors</b>  |                            |                          |                          |                     |           |            |                               |                     |
| Dr Darren Holden                 | \$48,000                   | \$5,040                  | -                        | -                   | -         | \$53,040   | -                             | -                   |
| Mr Piers Lewis                   | \$36,000                   | \$3,780                  | -                        | -                   | -         | \$39,780   | -                             | -                   |
| Dr Mitch Loan                    | \$36,000                   | \$3,780                  | -                        | -                   | \$42,777  | \$82,557   | 52%                           | 52%                 |
| <b>Executive Directors</b>       |                            |                          |                          |                     |           |            |                               |                     |
| Mr Brett Hazelden <sup>(1)</sup> | \$352,000                  | \$27,500                 | -                        | \$160,000           | -         | \$539,500  | -                             | 31%                 |
| <b>Total</b>                     | \$472,000                  | \$40,100                 | -                        | \$160,000           | \$42,777  | \$714,877  |                               |                     |

**Number of Options held by Key Management Personnel as at 30 June 2024**

| 2024              | Opening balance  | Granted during the year | Exercised during the year | Net Change Other | Closing balance as at 30 June 2024 | Total Vested and exercisable as at 30 June 2024 |
|-------------------|------------------|-------------------------|---------------------------|------------------|------------------------------------|-------------------------------------------------|
| <b>Directors</b>  |                  |                         |                           |                  |                                    |                                                 |
| Dr Darren Holden  | 3,968,712        | 300,000                 | -                         | -                | 4,268,712                          | 4,268,712                                       |
| Mr Brett Hazelden | 1,500,000        | 1,000,000               | -                         | -                | 2,500,000                          | 2,500,000                                       |
| Mr Piers Lewis    | 1,193,743        | 300,000                 | -                         | -                | 1,493,743                          | 1,493,743                                       |
| Dr Mitch Loan     | 1,850,000        | 300,000                 | -                         | -                | 2,150,000                          | 650,000                                         |
| <b>Total</b>      | <b>8,512,455</b> | <b>1,900,000</b>        | -                         | -                | <b>10,412,455</b>                  | <b>8,912,455</b>                                |

**OD6 Metals Limited  
& Controlled Entities  
DIRECTORS' REPORT**

**Number of Shares held by Key Management Personnel as at 30 June 2024**

| 2024                           | Opening Balance   | Acquired during the year | Received during the year on the exercise of performance rights | Net Change Other | Closing balance as at 30 June 2024 |
|--------------------------------|-------------------|--------------------------|----------------------------------------------------------------|------------------|------------------------------------|
| <b>Non-Executive Directors</b> |                   |                          |                                                                |                  |                                    |
| Dr Darren Holden               | 6,937,425         | 115,422                  | -                                                              | -                | 7,052,847                          |
| Mr Piers Lewis                 | 3,037,487         | 211,267                  | -                                                              | -                | 3,248,754                          |
| Dr Mitch Loan                  | -                 | -                        | -                                                              | -                | -                                  |
| <b>Executive Directors</b>     |                   |                          |                                                                |                  |                                    |
| Mr Brett Hazelden              | 1,000,000         | 107,898                  | 1,000,000                                                      | -                | 2,107,898                          |
| <b>Total</b>                   | <b>10,974,912</b> | <b>434,587</b>           | <b>1,000,000</b>                                               | <b>-</b>         | <b>12,409,499</b>                  |

**4. Options and Rights over Equity Instruments Granted as Compensation**

Details of options over ordinary shares in the Company that were granted as compensation to each key management person and details of options that were vested are as follows:

| Director/Key Management Personnel    | Number Options Granted | Grant Date | Fair Value per Option at Grant Date | Exercise Price per Option | Expiry Date | Number Options Vested During Period | Number Options Lapsed During Period |
|--------------------------------------|------------------------|------------|-------------------------------------|---------------------------|-------------|-------------------------------------|-------------------------------------|
| Dr Darren Holden                     | 500,000                | 22/06/2022 | \$0.112                             | \$0.30                    | 31/03/2026  | 500,000                             | -                                   |
| Mr Piers Lewis                       | 350,000                | 22/06/2022 | \$0.112                             | \$0.30                    | 31/03/2026  | 350,000                             | -                                   |
| Dr Mitch Loan                        | 350,000                | 22/06/2022 | \$0.112                             | \$0.30                    | 31/03/2026  | 350,000                             | -                                   |
| Dr Mitch Loan <sup>(1)</sup>         | 1,500,000              | 22/06/2022 | \$0.0937                            | \$0.50                    | 31/03/2026  | -                                   | -                                   |
| Mr Brett Hazelden <sup>(2) (3)</sup> | 1,500,000              | 22/06/2022 | \$0.112                             | \$0.30                    | 31/03/2026  | 1,500,000                           | -                                   |
| Dr Darren Holden                     | 300,000                | 08/12/2023 | \$0.0867                            | \$0.27                    | 08/12/2026  | 300,000                             | -                                   |
| Mr Piers Lewis                       | 300,000                | 08/12/2023 | \$0.0867                            | \$0.27                    | 08/12/2026  | 300,000                             | -                                   |
| Dr Mitch Loan                        | 300,000                | 08/12/2023 | \$0.0867                            | \$0.27                    | 08/12/2026  | 300,000                             | -                                   |
| Mr Brett Hazelden <sup>(2) (3)</sup> | 1,000,000              | 08/12/2023 | \$0.0867                            | \$0.27                    | 08/12/2026  | 1,000,000                           | -                                   |

- (1) Performance Options vest upon completion of a scoping study on a Project (prepared in accordance with the guidelines prescribed by the JORC Code and independently verified by an independent competent person under the JORC Code) that demonstrates an internal rate of return (IRR) of more than 20%
- (2) 1,000,000 Class A Performance Rights converting to Shares (1:1 basis) upon the Company announcing to ASX a JORC compliant inferred (or greater) Mineral Resource (as defined in the JORC Code) of not less than 250,000,000 tonnes (of which at least 100,000,000 tonnes must be an indicated Mineral Resource), grading a minimum of 800 ppm total rare earth oxides (TREO), expiring at 5pm (AWST) on the date that is 2 years from the date of the Company's admission to ASX.
- (3) 1,500,000 Class B Performance Rights converting to Shares (1:1 basis) upon the Company announcing to ASX the results of a scoping study showing the potential to generate an internal rate of return (IRR) of more than 20% using consensus prices and Board approved assumptions, expiring at 5pm (AWST) on the date that is 3 years from the date of the Company's admission to ASX.

**OD6 Metals Limited  
& Controlled Entities  
DIRECTORS' REPORT**

Note 1: Options issued were valued using a Black Scholes model with the following inputs:

| Tranche                            | Grant Date | Expected Volatility | Risk-Free Interest Rate | Expiry     | Underlying Share Price | Value per Right (\$) | Total Fair Value (\$) |
|------------------------------------|------------|---------------------|-------------------------|------------|------------------------|----------------------|-----------------------|
| MD Options                         | 22/06/2022 | 0.90                | 2.61%                   | 31/03/2026 | \$0.20                 | 0.112                | \$167,646             |
| NED options                        | 22/06/2022 | 0.90                | 2.61%                   | 31/03/2026 | \$0.20                 | 0.112                | \$134,400             |
| MD Options                         | 08/12/2023 | 0.9                 | 4.12%                   | 08/12/2026 | \$0.175                | 0.087                | \$86,741              |
| NED options                        | 08/12/2023 | 0.9                 | 4.12%                   | 08/12/2026 | \$0.175                | 0.087                | \$78,066              |
| Performance options <sup>(1)</sup> | 22/06/2022 | 0.90                | 2.61%                   | 31/03/2026 | \$0.20                 | 0.0937               | \$140,591             |

- (1) Probability 50% (2023:50%), with performance milestone: Performance Options vest upon completion of a scoping study on a Project (prepared in accordance with the guidelines prescribed by the JORC Code and independently verified by an independent competent person under the JORC Code) that demonstrates an internal rate of return (IRR) of more than 20%.

#### Loans to key management personnel

There were no loans to key management personnel during the year (2023:nil).

#### Other transactions with key management personnel

The Company has entered into a geological services agreement with GeoSpy Pty Ltd, an entity controlled by Dr Holden, pursuant to which GeoSpy Pty Ltd received a fee of \$5,000 (plus GST) per month in consideration of geological services to be provided by GeoSpy Pty Ltd until the Company engaged a full-time exploration manager.

- END OF REMUNERATION REPORT -

**OD6 Metals Limited  
& Controlled Entities  
DIRECTORS' REPORT**

## MEETINGS OF DIRECTORS

During the financial year, 8 meetings of directors and 4 committee meetings were held. Attendances by each director during the year were as follows:

| Directors' Meetings |                    |          |                          |          |                    |          |                                       |          |
|---------------------|--------------------|----------|--------------------------|----------|--------------------|----------|---------------------------------------|----------|
|                     | Full Board         |          | Audit and Risk Committee |          | ESG Committee      |          | Remuneration and Nomination Committee |          |
|                     | Eligible to attend | Attended | Eligible to attend       | Attended | Eligible to attend | Attended | Eligible to attend                    | Attended |
| Dr Darren Holden    | 8                  | 8        | 2                        | 2        | 2                  | 2        | 1                                     | 1        |
| Mr Piers Lewis      | 8                  | 8        | 2                        | 2        | 2                  | 2        | 1                                     | 1        |
| Dr Mitch Loan       | 8                  | 8        | 2                        | 2        | 2                  | 2        | 1                                     | 1        |
| Mr Brett Hazelden   | 8                  | 8        | 2                        | 2*       | 2                  | 2*       | 1                                     | -        |

\*committee meetings attended as observer.

In addition to above mentioned meetings, there were 6 circular resolutions.

## PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

## INDEMNIFYING AND INSURANCE OF OFFICERS

The Company has entered into deeds of indemnity with each director whereby, to the extent permitted by the Corporations Act 2001, the Company agreed to indemnify each director against all loss and liability incurred as an officer of the Company, including all liability in defending any relevant proceedings.

The Company has paid premiums to insure each of the directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the Company, other than conduct involving a wilful breach of duty in relation to the Company. The disclosure of the amount of the premium is prohibited by the insurance policy.

## OPTIONS

At the date of this report, the unissued ordinary shares of OD6 Metals Limited under option are as follows:

| Date of Expiry | Exercise Price | Number under Option |
|----------------|----------------|---------------------|
| 31/10/2025     | \$0.30         | 22,050,371          |
| 31/04/2025     | \$0.30         | 300,000             |
| 31/01/2025     | \$0.30         | 2,500,000           |
| 30/03/2026     | \$0.30         | 2,825,000           |
| 31/03/2026     | \$0.50         | 1,500,000           |
| 30/03/2026     | \$0.30         | 1,025,000           |
| 09/10/2026     | \$0.30         | 900,000             |
| 08/12/2026     | \$0.27         | 2,650,000           |
| 09/05/2027     | \$0.114        | 5,000,000           |
| Total          |                | 38,750,371          |

**OD6 Metals Limited  
& Controlled Entities  
DIRECTORS' REPORT**

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No person entitled to exercise the option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

**NON-AUDIT SERVICES**

There were no non-audit services during this or the previous year.

**AUDITOR'S INDEPENDENCE DECLARATION**

The lead auditor's independence declaration for the year ended 30 June 2024 has been received and can be found on page 46.

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**OD6 Metals Limited  
& Controlled Entities  
CORPORATE GOVERNANCE STATEMENT**

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**CORPORATE GOVERNANCE STATEMENT**

The Board of Directors of OD6 Metals Limited ("OD6 Metals Limited" or "the Company"), is responsible for the Corporate Governance of the Company. The Board is committed to achieving and demonstrating the highest standard of corporate governance applied in a manner that is appropriate to the Company's circumstances.

The Board has adopted corporate governance policies and practices consistent with the ASX Corporate Governance Council's *Principles of Good Corporate Governance and Best Practice Recommendations* ("ASX Principles and Recommendations 4th Edition") where considered appropriate for Group of OD6 Metals Limited size and nature.

Further details in respect to the Group's corporate governance practises and copies of Group's corporate governance policies and the 2023 Corporate Governance Statement, approved by the Board and applicable as at 10 September 2024 are available of the Group's website:

Signed in accordance with a resolution of the Board of Directors.



**Mr Brett Hazelden, Managing Director**

Dated 10 September 2024

Perth, Western Australia

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**OD6 Metals Limited  
& Controlled Entities  
AUDITOR'S INDEPENDENCE DECLARATION**

**HALL CHADWICK** 

To the Board of Directors,

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

As lead audit director for the audit of the financial statements of OD6 Metals Limited for the period ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours Faithfully

*Hall Chadwick*  
**HALL CHADWICK WA AUDIT PTY LTD**

*Mark Delaurentis*  
**MARK DELAURENTIS CA**  
Director

Dated this 10<sup>th</sup> day of September 2024  
Perth, Western Australia

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**OD6 Metals Limited  
& Controlled Entities**  
**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2024**

|                                       |             | <b>2024</b>      | <b>2023</b>        |
|---------------------------------------|-------------|------------------|--------------------|
|                                       | <b>Note</b> | <b>\$</b>        | <b>\$</b>          |
| Other income                          | 2           | 70,678           | 125,731            |
| Grants/R&D Received                   | 2           | 1,130,474        | -                  |
| Accounting & Audit                    |             | (194,253)        | (193,013)          |
| Consulting                            |             | (176,874)        | (132,588)          |
| Depreciation expense                  |             | (35,395)         | (24,734)           |
| Employees benefits expense            | 3           | (311,370)        | (420,496)          |
| Exploration expense                   |             | (51,274)         | (20,223)           |
| Legal Fees                            |             | (16,264)         | (10,747)           |
| Listing Fees                          |             | (36,066)         | (39,160)           |
| Share based payments expense          | 12          | (381,750)        | (300,013)          |
| Other expenses                        | 4           | (438,754)        | (341,557)          |
| <b>Loss before income tax expense</b> |             | <b>(440,848)</b> | <b>(1,356,800)</b> |
| Income tax (expense)/benefit          | 5           | -                | -                  |
| <b>Loss for the year</b>              |             | <b>(440,848)</b> | <b>(1,356,800)</b> |
| <b>Loss Per Share</b>                 |             |                  |                    |
| Basic and diluted loss per share      | 6           | (0.41)           | (1.32)             |

*The accompanying notes form part of these financial statements.*

**OD6 Metals Limited  
& Controlled Entities**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2024**

|                                        | Note | 2024<br>\$       | 2023<br>\$       |
|----------------------------------------|------|------------------|------------------|
| <b>ASSETS</b>                          |      |                  |                  |
| <b>CURRENT ASSETS</b>                  |      |                  |                  |
| Cash and cash equivalents              | 7    | 2,325,889        | 3,515,459        |
| Other current assets                   |      | 152,412          | 221,593          |
| <b>TOTAL CURRENT ASSETS</b>            |      | <b>2,478,301</b> | <b>3,737,052</b> |
| <b>NON-CURRENT ASSETS</b>              |      |                  |                  |
| Exploration and evaluation expenditure | 8    | 7,011,135        | 4,656,027        |
| Plant and equipment                    |      | 213,610          | 218,062          |
| <b>TOTAL NON-CURRENT ASSETS</b>        |      | <b>7,224,745</b> | <b>4,874,089</b> |
| <b>TOTAL ASSETS</b>                    |      | <b>9,703,046</b> | <b>8,611,141</b> |
| <b>CURRENT LIABILITIES</b>             |      |                  |                  |
| Trade and other payables               | 9    | 433,554          | 904,477          |
| Provisions                             |      | 38,634           | 41,117           |
| <b>TOTAL CURRENT LIABILITIES</b>       |      | <b>472,188</b>   | <b>945,594</b>   |
| <b>TOTAL LIABILITIES</b>               |      | <b>472,188</b>   | <b>945,594</b>   |
| <b>NET ASSETS</b>                      |      | <b>9,230,858</b> | <b>7,665,547</b> |
| <b>EQUITY</b>                          |      |                  |                  |
| Issued capital                         | 10   | 10,887,543       | 9,224,855        |
| Reserves                               | 11   | 1,509,437        | 1,165,966        |
| Accumulated losses                     |      | (3,166,122)      | (2,725,274)      |
| <b>TOTAL EQUITY</b>                    |      | <b>9,230,858</b> | <b>7,665,547</b> |

*The accompanying notes form part of these financial statements.*

**OD6 Metals Limited  
& Controlled Entities**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2024**

|                                                            |    | <b>Issued<br/>Capital</b> | <b>Options &amp;<br/>Rights<br/>Reserves</b> | <b>Accumulated<br/>losses</b> | <b>Total</b>       |
|------------------------------------------------------------|----|---------------------------|----------------------------------------------|-------------------------------|--------------------|
|                                                            |    | <b>\$</b>                 | <b>\$</b>                                    | <b>\$</b>                     | <b>\$</b>          |
| <b>Balance at 1 July 2022</b>                              |    | <b>9,224,855</b>          | <b>865,953</b>                               | <b>(1,368,474)</b>            | <b>8,722,334</b>   |
| Loss for the year                                          |    |                           |                                              |                               |                    |
| Other comprehensive income                                 |    | -                         | -                                            | (1,356,800)                   | (1,356,800)        |
| Total comprehensive income                                 |    | -                         | -                                            | <b>(1,356,800)</b>            | <b>(1,356,800)</b> |
| <i>Transactions with owner directly recorded in equity</i> |    |                           |                                              |                               |                    |
| Share based payments options                               | 12 | -                         | 140,013                                      | -                             | 140,013            |
| Share based payments performance rights                    | 12 | -                         | 160,000                                      | -                             | 160,000            |
| <b>Balance at 30 June 2023</b>                             |    | <b>9,224,855</b>          | <b>1,165,966</b>                             | <b>(2,725,274)</b>            | <b>7,665,547</b>   |
|                                                            |    |                           |                                              |                               |                    |
|                                                            |    | <b>Issued<br/>Capital</b> | <b>Options &amp;<br/>Rights<br/>Reserves</b> | <b>Accumulated<br/>losses</b> | <b>Total</b>       |
|                                                            |    | <b>\$</b>                 | <b>\$</b>                                    | <b>\$</b>                     | <b>\$</b>          |
| <b>Balance at 1 July 2023</b>                              |    | <b>9,224,855</b>          | <b>1,165,966</b>                             | <b>(2,725,274)</b>            | <b>7,665,547</b>   |
| Loss for the year                                          |    |                           |                                              |                               |                    |
| Other comprehensive income                                 |    | -                         | -                                            | (440,848)                     | (440,848)          |
| Total comprehensive income                                 |    | -                         | -                                            | <b>(440,848)</b>              | <b>(440,848)</b>   |
| <i>Transactions with owner directly recorded in equity</i> |    |                           |                                              |                               |                    |
| Issue of share capital                                     | 10 | 1,500,000                 | -                                            | -                             | 1,500,000          |
| Share purchase plan                                        | 10 | 292,000                   | -                                            | -                             | 292,000            |
| Share issue costs                                          |    | (329,312)                 | 161,721                                      | -                             | (167,591)          |
| Share based payments performance rights and options        | 12 | -                         | 381,750                                      | -                             | 381,750            |
| Conversion of performance rights                           | 11 | 200,000                   | (200,000)                                    | -                             | -                  |
| <b>Balance at 30 June 2024</b>                             |    | <b>10,887,543</b>         | <b>1,509,437</b>                             | <b>(3,166,122)</b>            | <b>9,230,858</b>   |

*The accompanying notes form part of these financial statements.*

**OD6 Metals Limited  
& Controlled Entities**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2024**

|                                                              | Note | 2024<br>\$         | 2023<br>\$         |
|--------------------------------------------------------------|------|--------------------|--------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                  |      |                    |                    |
| Interest received                                            |      | 65,855             | 115,670            |
| Grants and R&D received                                      |      | 1,130,474          | -                  |
| Payments to suppliers and employees                          |      | (1,172,462)        | (1,087,813)        |
| <b>Net cash provided by/(used in) operating activities</b>   | 16   | <b>23,867</b>      | <b>(972,143)</b>   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                  |      |                    |                    |
| Payments for capitalised exploration and evaluation          |      | (2,804,248)        | (3,442,756)        |
| Purchase of plant and equipment                              |      | (33,598)           | (79,695)           |
| <b>Net cash (used in) investing activities</b>               |      | <b>(2,837,846)</b> | <b>(3,522,451)</b> |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                  |      |                    |                    |
| Proceeds from issue of shares                                |      | 1,792,000          | -                  |
| Payment of transaction costs associated with capital raising |      | (167,591)          | (347,000)          |
| <b>Net cash provided by/(used in) financing activities</b>   |      | <b>1,624,409</b>   | <b>(347,000)</b>   |
| Net (decrease)/increase in cash held                         |      | (1,189,570)        | (4,841,594)        |
| <b>Cash at beginning of financial year</b>                   |      | <b>3,515,459</b>   | <b>8,357,053</b>   |
| <b>Cash at end of financial year</b>                         |      | <b>2,325,889</b>   | <b>3,515,459</b>   |

*The accompanying notes form part of these financial statements.*

**OD6 Metals Limited  
& Controlled Entities**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

These financial statements and notes represent those of OD6 Metals Limited and controlled entities (the "Company"). OD6 Metals Limited is a listed public Company, incorporated and domiciled in Australia. The financial statements were authorised for issue on 10 September 2024 by the directors of the Company.

**Basis of Preparation**

The financial report is a general-purpose financial report that has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Significant accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected financial assets for which the fair value basis of accounting has been applied. The financial report is presented in Australian dollars, which is the Company's functional currency.

**Going concern**

This report is prepared on the going concern basis which assumes the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

For the year ended 30 June 2024, the Group incurred a loss from operations of \$440,848 (30 June 2023: \$1,356,800) and recorded cash inflow from operating activities of \$23,867 (30 June 2023 outflow of: \$972,143). As at 30 June 2024, the Group had net working capital of \$2,006,113 (30 June 2023: \$2,791,458) with cash of \$2,325,889 (30 June 2023: \$3,515,459) available.

The Group's ability to continue as a going concern is dependent upon it maintaining sufficient funds for its operations and commitments. The Board believes that it has sufficient funding in place to meet its operating objectives. The Directors consider the basis of going concern to be appropriate for the following reasons:

- the cash balance of the Company relative to its fixed and discretionary expenditure commitments;
- given the Company's market capitalisation and the underlying prospects for the Company to raise further funds from the capital markets; and
- the fact that future exploration and evaluation expenditure is generally discretionary in nature (i.e. at the discretion of the Directors having regard to an assessment of the Company's eligible expenditure to date and the timing and quantum of its remaining earn-in expenditure requirements). Subject to meeting certain minimum expenditure commitments, further exploration activities may be slowed or suspended as part of the management of the Company's working capital.

Based on the cash flow forecasts and other factors referred to above, the directors are satisfied that the going concern basis of preparation is appropriate. In particular, given the Company's history of raising capital to date, the directors are satisfied of the Company's ability to raise additional funds as and when they are required.

**OD6 Metals Limited  
& Controlled Entities**  
**NOTES TO THE FINANCIAL STATEMENTS**

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Should the Company be unable to raise sufficient funds, there is material uncertainty whether it would continue as a going concern and therefore whether it would realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts or classification of liabilities that might result should the Company be unable to continue as a going concern and meet its debts as and when they fall due.

**Comparatives**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

**Accounting Policies**

The following is a summary of the significant accounting policies adopted by the Company in the preparation of the financial report.

**a) Principles of Consolidation**

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by OD6 Metals Limited at the end of the reporting period. A controlled entity is any entity over which OD6 Metals Limited has the power to govern the financial and operating policies so as to obtain benefits from its activities. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are considered.

Where controlled entities have entered (left) the Consolidated Entity during the year, their operating results have been included (excluded) from the date control was obtained (ceased). A list of controlled entities is contained in Note 18 to the financial statements.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the Consolidated Entity, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

**b) Impairment of Assets**

At the end of each reporting date, the Company assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**c) Critical Accounting Estimates and Judgments**

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

**d) Exploration and Evaluation Expenditure**

Exploration and evaluation costs are carried forward where right of tenure of the area of interest is current. These costs are carried forward in respect of an area that has not at balance date reached a stage that permits reasonable assessment of the existence of economically recoverable reserves, refer to the accounting policy stated in note 6.

**OD6 Metals Limited  
& Controlled Entities**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**e) Share based payment transactions**

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an internal valuation using a Black-Scholes option pricing model, using the assumptions detailed in note 12. Incentive options issued in the prior period utilised the Black Scholes model.

For equity transactions with consultants and other employees, the fair value reflects the value attributable to services where applicable. Where there is no quantifiable value of services the value of options is calculated using an appropriate option pricing model.

**f) New, revised or amending Accounting Standards and Interpretations adopted**

The Company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company during the financial year.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**g) Financial Instruments**

**Initial recognition and measurement**

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

**Classification and subsequent measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the assets or liability, assuming the market participants acts in their economic best interests.

The consolidated entity does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

**(i) Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. (All other loans and receivables are classified as non-current assets.)

**(ii) Financial liabilities**

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit and loss through the amortisation process and when the financial liability is derecognised.

**OD6 Metals Limited  
& Controlled Entities**  
**NOTES TO THE FINANCIAL STATEMENTS**

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Derivative instruments

The consolidated entity does not trade or hold derivatives.

Financial guarantees

The consolidated entity has no significant financial guarantees.

**h) Leases**

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of leased assets, and operating leases, under which the lessor effectively retains substantially all such risks and benefits.

Finance leases are capitalised. A lease asset and liability are established at the fair value of the leased asset, or if lower, the present value of minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the finance costs, so as to achieve a constant rate of interest on the remaining balance of the liability.

Leased assets acquired under a finance lease are depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the consolidated entity will obtain ownership at the end of the lease term.

If there is a lease present, a right-of-use asset and a corresponding lease liability are recognised by the consolidated entity where the consolidated entity is a lessee. However, all contracts that are classified as short-term leases (i.e., a lease with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at the commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the consolidated entity uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, any lease payments made at or before the commencement date and any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Operating lease payments, if they are short term leases or less than AUD\$5,000, are charged to profit or loss on a straight-line basis over the term of the lease.

**OD6 Metals Limited  
& Controlled Entities**  
**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 2: OTHER INCOME**

|                                    | <b>2024</b>   | <b>2023</b>    |
|------------------------------------|---------------|----------------|
|                                    | <b>\$</b>     | <b>\$</b>      |
| Interest earned                    | 65,855        | 115,669        |
| Interest accrued for term deposits | 4,823         | 10,062         |
|                                    | <b>70,678</b> | <b>125,731</b> |

|                                | <b>2024</b>      | <b>2023</b> |
|--------------------------------|------------------|-------------|
|                                | <b>\$</b>        | <b>\$</b>   |
| Research and development grant | 962,968          | -           |
| Other grants                   | 167,506          | -           |
|                                | <b>1,130,474</b> | <b>-</b>    |

**NOTE 3: EMPLOYEES BENEFITS EXPENSE**

|                                                             | <b>2024</b>    | <b>2023</b>    |
|-------------------------------------------------------------|----------------|----------------|
|                                                             | <b>\$</b>      | <b>\$</b>      |
| Salaries and wages expenses                                 | 178,170        | 284,882        |
| Director's benefit expenses (excluding executive directors) | 133,200        | 135,614        |
|                                                             | <b>311,370</b> | <b>420,496</b> |

**NOTE 4: OTHER EXPENSES**

|                    | <b>2024</b>    | <b>2023</b>    |
|--------------------|----------------|----------------|
|                    | <b>\$</b>      | <b>\$</b>      |
| Investor relations | 232,157        | 182,607        |
| Insurance          | 49,466         | 47,608         |
| Other              | 157,131        | 111,342        |
|                    | <b>438,754</b> | <b>341,557</b> |

**NOTE 5: INCOME TAX EXPENSE**

The income tax expense (benefit) for the year comprises current income tax expense (benefit) and deferred tax expense (benefit). Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority. Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses. Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

**OD6 Metals Limited  
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**NOTES TO THE FINANCIAL STATEMENTS**

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

|                                                      | 2024        | 2023        |
|------------------------------------------------------|-------------|-------------|
|                                                      | \$          | \$          |
| <b>a. Income Tax Expense</b>                         |             |             |
| <b>Loss before income tax</b>                        | (440,848)   | (1,356,800) |
| <b>Current income tax:</b>                           |             |             |
| Income tax benefit calculated at 30%                 | (132,254)   | (407,040)   |
| Tax effects on amounts which are not tax deductible  | 80,764      | 71,153      |
| Deferred tax asset not brought to account            | 51,490      | 336,247     |
| <b>Income tax benefit</b>                            | -           | -           |
| <b>b. Deferred tax assets not brought to account</b> |             |             |
| Unused tax losses                                    | 7,127,875   | 6,552,666   |
| Timing differences                                   | (6,811,700) | (4,507,968) |
| Amounts recognised through equity                    | 300,368     | 249,443     |
| Tax at 30%                                           | 184,963     | 688,242     |

Potential deferred tax assets attributable to tax losses and exploration expenditure carried forward have not been brought to account at 30 June 2024 because the directors do not believe it is appropriate to regard realisation of the deferred tax assets as probable at this point in time. These benefits will only be obtained if:

**OD6 Metals Limited  
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**NOTES TO THE FINANCIAL STATEMENTS**

- the Company derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the loss and exploration expenditure to be realised;
- no changes in tax legislation adversely affect the Company in realising the benefit from the deductions for the loss and exploration expenditure.

| <b>NOTE 6: LOSSES PER SHARE</b>         | <b>2024</b>            | <b>2023</b>            |
|-----------------------------------------|------------------------|------------------------|
|                                         | <b>\$</b>              | <b>\$</b>              |
|                                         | <b>Cents per share</b> | <b>Cents per share</b> |
| <b>Basic and diluted loss per share</b> | <b>(0.41)</b>          | <b>(1.32)</b>          |

The loss and weighted average number of ordinary shares used in this calculation of basic/diluted loss per share are as follows:

|                                                                                                     |                    |                    |
|-----------------------------------------------------------------------------------------------------|--------------------|--------------------|
|                                                                                                     | <b>\$</b>          | <b>\$</b>          |
| <b>Loss</b>                                                                                         | <b>(440,848)</b>   | <b>(1,356,800)</b> |
|                                                                                                     | <b>Number</b>      | <b>Number</b>      |
| <b>Weighted average number of ordinary shares for the purposes of basic/ diluted loss per share</b> | <b>107,874,033</b> | <b>102,450,745</b> |

As the Company is in a loss position, the options outstanding at 30 June 2024 have no dilutive effect on the earnings per share calculation.

| <b>NOTE 7: CASH AND CASH EQUIVALENTS</b> | <b>2024</b>      | <b>2023</b>      |
|------------------------------------------|------------------|------------------|
|                                          | <b>\$</b>        | <b>\$</b>        |
| <b>Cash at bank</b>                      | <b>2,325,889</b> | <b>3,515,459</b> |

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of 3 months or less.

**NOTE 8: EXPLORATION AND EVALUATION EXPENDITURE**

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Accumulated costs in relation to an abandoned area are written off in full against profit in the period in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

**OD6 Metals Limited  
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Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that the restoration will be completed within one period of abandoning the site.

|                                                                                                            | 2024<br>\$       | 2023<br>\$       |
|------------------------------------------------------------------------------------------------------------|------------------|------------------|
| <b>Exploration expenditure capitalised</b>                                                                 |                  |                  |
| - Exploration and evaluation phase                                                                         | 7,011,135        | 4,656,027        |
| <b>A reconciliation of the carrying amount of exploration and evaluation expenditure is set out below:</b> |                  |                  |
| - Carrying amount at the beginning of the year                                                             | 4,656,027        | 707,114          |
| - Costs capitalised during the year, net of refunds                                                        | 2,355,108        | 3,948,913        |
| - Costs impaired during the year                                                                           | -                | -                |
| <b>Carrying amount at the end of the year</b>                                                              | <b>7,011,135</b> | <b>4,656,027</b> |

The value of the Company's interest in exploration expenditure is dependent upon:

- the continuance of the Company's rights to tenure of the areas of interest;
- the results of future exploration; and
- the recoupment of costs through successful development and exploitation of the areas of interest, or alternatively, by their sale.

The Company's exploration properties may be subjected to claim(s) under native title, or contain sacred sites, or sites of significance to Aboriginal people. As a result, exploration properties or areas within the tenements may be subject to exploration restrictions, mining restrictions and/or claims for compensation. At this time, it is not possible to quantify whether such claims exist, or the quantum of such claims.

|                                         |                    |                    |
|-----------------------------------------|--------------------|--------------------|
| <b>NOTE 9: TRADE AND OTHER PAYABLES</b> | <b>2024<br/>\$</b> | <b>2023<br/>\$</b> |
| <b>Current</b>                          |                    |                    |
| Trade creditors <sup>(1)</sup>          | 359,001            | 514,693            |
| Accrued expenses and other payables     | 74,553             | 389,784            |
| <b>Trade and other payables</b>         | <b>433,554</b>     | <b>904,477</b>     |

(1) Trade creditors are expected to be paid on 30-day terms.

**Terms and conditions of issued capital**

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

**OD6 Metals Limited  
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**Capital risk management**

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it may continue to provide returns for shareholders and benefits for other stakeholders. Due to the nature of the Company's activities, being mineral exploration, it does not have ready access to credit facilities, with the primary source of funding being equity raisings. Accordingly, the objective of the Company's capital risk management is to balance the current working capital position against the requirements of the Company to meet exploration programmes and corporate overheads. This is achieved by maintaining appropriate liquidity to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required.

The net working capital position of the Company at 30 June 2024 is \$2,006,113 (30 June 2023: \$2,791,459).

**NOTE 10: ISSUED CAPITAL**

|                                         | Number             | \$                |
|-----------------------------------------|--------------------|-------------------|
| <b>Opening Balance – 1 July 2022</b>    | <b>102,450,745</b> | <b>9,224,855</b>  |
|                                         | -                  | -                 |
| <b>Balance – 30 June 2023</b>           | <b>102,450,745</b> | <b>9,224,855</b>  |
| <b>Opening Balance – 1 July 2023</b>    | <b>102,450,745</b> | <b>9,224,855</b>  |
| <b>Issue of shares – 5 April</b>        | <b>21,126,761</b>  | <b>1,500,000</b>  |
| <b>Share purchase plan</b>              | <b>4,112,667</b>   | <b>292,000</b>    |
| <b>Less: transaction costs</b>          | <b>-</b>           | <b>(329,312)</b>  |
| <b>Conversion of performance rights</b> | <b>1,000,000</b>   | <b>200,000</b>    |
| <b>Closing Balance – 30 June 2024</b>   | <b>128,690,173</b> | <b>10,887,543</b> |

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**OD6 Metals Limited  
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**NOTE 11: RESERVES**

|                                   | 2024             | 2023             |
|-----------------------------------|------------------|------------------|
|                                   | \$               | \$               |
| <b>Performance Rights reserve</b> | <b>257,250</b>   | <b>300,000</b>   |
| <b>Options reserve</b>            | <b>1,252,187</b> | <b>865,966</b>   |
|                                   | <b>1,509,437</b> | <b>1,165,966</b> |

***Performance Rights reserve***

|                                                                | Number of<br>Rights | Value<br>\$    |
|----------------------------------------------------------------|---------------------|----------------|
| <b>Opening Balance – 1 July 2022</b>                           | <b>2,500,000</b>    | <b>140,000</b> |
| Performance Rights revalued during the year <sup>(1) (2)</sup> | -                   | 160,000        |
| Forfeited during the year                                      | -                   | -              |
| <b>Balance – 30 June 2023</b>                                  | <b>2,500,000</b>    | <b>300,000</b> |
| <b>Opening Balance - 1 July 2023</b>                           | <b>2,500,000</b>    | <b>300,000</b> |
| Issuance of performance rights Class C <sup>(3)</sup>          | 1,000,000           | 82,500         |
| Issuance of performance rights Class D <sup>(4)</sup>          | 300,000             | 24,750         |
| Performance Rights revalued during the year <sup>(1) (5)</sup> | -                   | 50,000         |
| Converted during the year <sup>(5)</sup>                       | (1,000,000)         | (200,000)      |
| Forfeited during the year                                      | -                   | -              |
| <b>Closing Balance 30 June 2024</b>                            | <b>2,800,000</b>    | <b>257,250</b> |

- (1) 1,000,000 Class A Performance Rights converting to Shares (1:1 basis) upon the Company announcing to ASX a JORC compliant inferred (or greater) Mineral Resource (as defined in the JORC Code) of not less than 250,000,000 tonnes (of which at least 100,000,000 tonnes must be an indicated Mineral Resource), grading a minimum of 800 ppm total rare earth oxides (TREO), expiring at 5pm (AWST) on the date that is 2 years from the date of the Company's admission to ASX.
- (2) 1,500,000 Class B Performance Rights converting to Shares (1:1 basis) upon the Company announcing to ASX the results of a scoping study showing the potential to generate an internal rate of return (IRR) of more than 20% using consensus prices and Board approved assumptions, expiring at 5pm (AWST) on the date that is 3 years from the date of the Company's admission to ASX.
- (3) 1,000,000 Class C Performance Rights converting to Shares (1:1 basis) upon the Company announcing to ASX the results of a scoping study showing the potential to generate an internal rate of return (IRR) of more than 20% using consensus prices and Board approved assumptions, expiring at 5pm (AWST) on the date that is 3 years from the date of the Company's admission to ASX.
- (4) 300,000 Class D Performance Rights converting to Shares (1:1 basis) upon the Company announcing to ASX the results of a scoping study showing the potential to generate an internal rate of return (IRR) of more than 20% using consensus prices and Board approved assumptions, expiring at 5pm (AWST) on the date that is 3 years from the date of the Company's admission to ASX.
- (5) Performance rights Class A vested and converted during the reporting period.

**OD6 Metals Limited  
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**Options reserve**

|                                                                                    | Number of<br>Options | Value<br>\$      |
|------------------------------------------------------------------------------------|----------------------|------------------|
| <b>Opening Balance – 1 July 2022</b>                                               | <b>30,200,371</b>    | <b>725,953</b>   |
| Options issued to operations manager on 9 October 2022                             | 900,000              | 97,236           |
| Revaluation of Performance Options                                                 | -                    | 42,777           |
| <b>Closing Balance – 30 June 2023</b>                                              | <b>31,100,371</b>    | <b>865,966</b>   |
| <b>Opening Balance – 1 July 2023</b>                                               | <b>31,100,371</b>    | <b>865,966</b>   |
| Options issued to employees and contractors on 4 December 2023                     | 750,000              | 59,693           |
| Options issued to managing director and non-executive directors on 8 December 2023 | 1,900,000            | 164,807          |
| Options issued to lead manager on 09 May 2024                                      | 5,000,000            | 161,721          |
| <b>Closing Balance – 30 June 2024</b>                                              | <b>38,750,371</b>    | <b>1,252,187</b> |

|                                                                                  | Number            | Weighted Average<br>Exercise Price (\$) |
|----------------------------------------------------------------------------------|-------------------|-----------------------------------------|
| <b>A summary of the movements of all unlisted options granted is as follows:</b> |                   |                                         |
| Options outstanding as at 1 July 2023                                            | 31,100,371        | 0.29                                    |
| Granted during the year                                                          | 7,650,000         | 0.17                                    |
| Exercised during the year                                                        | -                 | -                                       |
| Expired during the year                                                          | -                 | -                                       |
| <b>Options outstanding as at 30 June 2024</b>                                    | <b>38,750,371</b> | <b>0.26</b>                             |

**Share Options on issue at 30 June 2024**

At 30 June 2024, the Consolidated entity has the following share options on issue:

- 22,050,371 unlisted options with \$0.30 exercise price expiring on or before 31 October 2025
- 300,000 unlisted options with \$0.30 exercise price expiring on or before 31 January 2025
- 2,500,000 unlisted options with \$0.30 exercise price expiring on or before 31 January 2025
- 2,825,000 unlisted options with \$0.30 exercise price expiring on or before 30 March 2026
- 1,500,000 unlisted options with \$0.50 exercise price expiring on or before 31 March 2026
- 1,025,000 unlisted options with \$0.30 exercise price expiring on or before 30 March 2026
- 900,000 unlisted options with \$0.30 exercise price expiring on or before 9 October 2026
- 2,650,000 unlisted options with \$0.27 exercise price expiring on or before 8 December 2026
- 5,000,000 unlisted options with \$0.114 exercise price expiring on or before 9 May 2027

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**NOTE 12: SHARE BASED PAYMENTS**

Share based payments during the year ended 30 June 2024 are summarised below:

|                                                         | 2024                             | 2023           |
|---------------------------------------------------------|----------------------------------|----------------|
|                                                         | \$                               | \$             |
| Options issued to lead manager (recognised in equity)   | 161,721                          | -              |
| Options issued to directors and officers as incentive   | 224,500                          | -              |
| Performance options <sup>(1)</sup>                      | -                                | 42,778         |
| Prior issued performance rights revaluation             | 50,000                           | 160,000        |
| New performance rights issued on 08 December 2023       | 107,250                          | -              |
| Options issued to Operations Manager on 09 October 2022 | -                                | 97,235         |
| <b>Total share based payment expense</b>                | <b>543,471<sup>(2) (3)</sup></b> | <b>300,013</b> |

(1) Performance milestone: performance options vest upon completion of a scoping study on a project (prepared in accordance with the guidelines prescribed by the JORC Code and independently verified by an independent competent person under the JORC Code) that demonstrates an internal rate of return (IRR) of more than 20%.

(2) Amount recorded as share based payment in P&L \$381,750 (2023:\$300,013)

(3) Amount recorded as share issue cost \$161,721

| Tranche                            | Grant Date | Expected Volatility | Risk-Free Interest Rate | Expiry   | Underlying Share Price | Value per Right (\$) | Total Fair Value (\$) |
|------------------------------------|------------|---------------------|-------------------------|----------|------------------------|----------------------|-----------------------|
| MD Options                         | 22/06/22   | 0.9                 | 2.6                     | 31/03/26 | 0.20                   | 0.112                | 167,646               |
| NED                                | 22/06/22   | 0.9                 | 2.6                     | 31/03/26 | 0.20                   | 0.112                | 134,400               |
| Officers                           | 22/06/22   | 0.9                 | 2.6                     | 31/03/26 | 0.20                   | 0.112                | 27,931                |
| Performance Options <sup>(1)</sup> | 22/06/22   | 0.9                 | 2.6                     | 31/03/26 | 0.20                   | 0.937                | 140,591               |
| Lead Manager options               | 22/06/22   | 0.9                 | 2.6                     | 31/03/26 | 0.20                   | 0.96                 | 238,960               |
| Recruiter Options                  | 22/06/22   | 0.9                 | 2.6                     | 31/03/26 | 0.20                   | 0.96                 | 28,675                |
| Officers                           | 9/10/22    | 0.9                 | 3.3                     | 09/10/26 | 0.19                   | 0.108                | 97,235                |
| MD Options                         | 8/12/23    | 0.9                 | 4.12                    | 08/12/26 | 0.175                  | 0.087                | 86,741                |
| NED                                | 8/12/23    | 0.9                 | 4.12                    | 08/12/26 | 0.175                  | 0.087                | 78,066                |
| Officers                           | 4/12/23    | 0.9                 | 4.06                    | 08/12/26 | 0.165                  | 0.080                | 59,693                |
| Lead Manager options               | 9/05/24    | 0.9                 | 3.91                    | 09/05/27 | 0.032                  | 0.032                | 161,721               |

(1) Probability 50%, with performance milestone: Performance Options vest upon completion of a scoping study on a Project (prepared in accordance with the guidelines prescribed by the JORC Code and independently verified by an independent competent person under the JORC Code) that demonstrates an internal rate of return (IRR) of more than 20%.

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Performance Rights which convert into Shares on a 1:1 basis subject to the satisfaction of the Milestone as set out below. The Performance Rights have the following Milestones and Expiry Dates:

**Performance Rights**

|                                                                        | Number of<br>Rights | Probability | Value<br>\$    |
|------------------------------------------------------------------------|---------------------|-------------|----------------|
| Performance Rights Class A issued to MD 01 April 2022 <sup>(1)</sup>   | 1,000,000           | 100%        | 200,000        |
| Performance Rights Class B issued to MD 01 April 2022 <sup>(2)</sup>   | 1,500,000           | 50%         | 150,000        |
| Performance Rights Class C issued to MD 8 December 2023 <sup>(3)</sup> | 1,000,000           | 50%         | 82,500         |
| Performance Rights Class D issued to MD 8 December 2023 <sup>(4)</sup> | 300,000             | 50%         | 24,750         |
| Performance Rights Class A converted to shares on 19 June 2024         | (1,000,000)         |             | (200,000)      |
| <b>Closing Balance 30 June 2024</b>                                    | <b>2,800,000</b>    |             | <b>257,250</b> |

- (1) 1,000,000 Class A Performance Rights converting to Shares (1:1 basis) upon the Company announcing to ASX a JORC compliant inferred (or greater) Mineral Resource (as defined in the JORC Code) of not less than 250,000,000 tonnes (of which at least 100,000,000 tonnes must be an indicated Mineral Resource), grading a minimum of 800 ppm total rare earth oxides (TREO), expiring at 5pm (AWST) on the date that is 2 years from the date of the Company's admission to ASX.
- (2) 1,500,000 Class B Performance Rights converting to Shares (1:1 basis) upon the Company announcing to ASX the results of a scoping study showing the potential to generate an internal rate of return (IRR) of more than 20% using consensus prices and Board approved assumptions, expiring at 5pm (AWST) on the date that is 3 years from the date of the Company's admission to ASX.
- (3) 1,000,000 Class C Performance Rights converting to Shares (1:1 basis) upon the Company announcing to ASX a JORC compliant inferred (or greater) Mineral Resource (as defined in the JORC Code) of not less than 1,000,000,000 tonnes (of which at least 400,000,000 tonnes must be an indicated Mineral Resource), grading a minimum of 800 ppm total rare earth oxides (TREO), expiring at 5pm (AWST) on the date that is 3 years from the issue date.
- (4) 300,000 Class D Performance Rights converting to Shares (1:1 basis) upon the Company announcing to ASX the results of a scoping study y (as defined in the JORC Code) showing the potential to generate an internal rate of return (IRR) of more than 20% using consensus prices and Board approved assumptions, expiring at 5pm (AWST) on the date that is 3 years from the date of the Company's admission to ASX.

**OD6 Metals Limited  
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**Employee Options**

During this year, the Company issued:

- 750,000 unlisted incentive options to employees and contractors.
- 1,900,000 unlisted incentive options to managing director and non-executive directors.
- 5,000,000 unlisted options to Lead manager during the capital raising.

All of the 7,650,000 of the options have no vesting conditions attached to them and vest immediately.

The issued options were valued using a Black Scholes model. The inputs have been detailed below:

|                                     | <b>Lead<br/>manager<br/>options</b> | <b>KMP<br/>incentive<br/>options</b> | <b>Employee<br/>incentive<br/>options</b> |
|-------------------------------------|-------------------------------------|--------------------------------------|-------------------------------------------|
|                                     | <b>09-May-24</b>                    | <b>08-Dec-23</b>                     | <b>04-Dec-23</b>                          |
| Date of issue                       |                                     |                                      |                                           |
| Number of options                   | 5,000,000                           | 1,900,000                            | 750,000                                   |
| Dividend yield (%)                  | 0%                                  | 0%                                   | 0%                                        |
| Expected volatility (%)             | 90%                                 | 90%                                  | 90%                                       |
| Risk free interest rate (%)         | 3.91%                               | 4.12%                                | 4.06%                                     |
| Expected life of the option (years) | 3                                   | 3                                    | 3                                         |
| Option exercise price (\$)          | \$0.114                             | \$0.27                               | \$0.27                                    |
| Share price at grant date (\$)      | \$0.068                             | \$0.175                              | \$0.165                                   |
| Expected Vesting Date               | 09/05/2024                          | 08/12/2023                           | 04/12/2023                                |
| <b>Fair value per option (\$)</b>   | <b>\$0.032</b>                      | <b>\$0.087</b>                       | <b>\$0.080</b>                            |
| Total value at grant date (\$)      | <b>161,721</b>                      | <b>\$164,807</b>                     | <b>\$59,693</b>                           |
| <b>Expiry Date</b>                  | <b>09/05/2027</b>                   | <b>08/12/2026</b>                    | <b>04/12/2026</b>                         |

**NOTE 13: INTERESTS OF KEY MANAGEMENT PERSONNEL (KMP)**

**Remuneration of Key Management Personnel**

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Company's key management personnel for the year ended 30 June 2024.

|                                                                                           | <b>2024</b>    | <b>2023</b>    |
|-------------------------------------------------------------------------------------------|----------------|----------------|
|                                                                                           | <b>\$</b>      | <b>\$</b>      |
| The totals of remuneration paid to the KMP of the Company during the year are as follows: |                |                |
| Short-term employee benefits                                                              | <b>440,000</b> | <b>472,000</b> |
| Post-employment benefits                                                                  | <b>40,700</b>  | <b>40,100</b>  |
| Share based payments                                                                      | <b>297,307</b> | <b>202,777</b> |
|                                                                                           | <b>778,007</b> | <b>714,877</b> |

**Other KMP Transactions:**

There have been no transactions involving equity instruments other than those described in the tables above.

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**NOTE 14: RELATED PARTY TRANSACTIONS**

**a) Key management personnel**

Disclosures relating to key management personnel are set out in Note 13.

**b) Loans to Director and key management personnel**

There were no loans to key management personnel during the year (2023: nil).

**c) Other transactions with Director and key management personnel**

The Company entered into a geological services agreement with GeoSpy Pty Ltd, an entity controlled by Dr Holden, pursuant to which GeoSpy Pty Ltd received a fee of \$5,000 (plus GST) per month in consideration of geological services to be provided by GeoSpy Pty Ltd. The Company has recorded \$60,000 (excl. GST and rechargeable expenses) during the year (2023: \$40,000).

**NOTE 15: AUDITORS' REMUNERATION**

|                                                       | 2024          | 2023          |
|-------------------------------------------------------|---------------|---------------|
|                                                       | \$            | \$            |
| Remuneration of the auditor of the parent entity for: |               |               |
| auditing or reviewing the financial report            | 33,500        | 29,000        |
|                                                       | <u>33,500</u> | <u>29,000</u> |

**NOTE 16: CASHFLOW INFORMATION**

|                                                                         | 2024          | 2023             |
|-------------------------------------------------------------------------|---------------|------------------|
|                                                                         | \$            | \$               |
| Reconciliation of Cash Flow from Operations with Loss after Income Tax  |               |                  |
| Loss after income tax                                                   | (440,848)     | (1,356,800)      |
| Non-cash flows in loss:                                                 |               |                  |
| Depreciation expense for property, plant & equipment                    | 35,395        | 24,734           |
| Share based payments                                                    | 381,750       | 300,013          |
| Fixed asset write-off                                                   | 2,656         | -                |
| Payments for exploration expenditure classified as investing activities | 51,275        | 20,223           |
| Changes in assets and liabilities:                                      |               |                  |
| (Increase)/decrease in trade and other receivables                      | 33,803        | 11,978           |
| Increase/(decrease) in provisions                                       | (5,963)       | (5,863)          |
| Increase/(decrease) in trade payables and accruals                      | (34,201)      | 33,572           |
| Cash flow from operations                                               | <u>23,867</u> | <u>(972,143)</u> |

**NOTE 17: LEASE ASSETS AND LEASE LIABILITIES**

During the year the Group has not entered into any lease agreements.

**OD6 Metals Limited  
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**NOTES TO THE FINANCIAL STATEMENTS**

**Note 18: CONTROLLED ENTITIES**

|                                     | Country of<br>Incorporation | Percentage Owned (%) |      |
|-------------------------------------|-----------------------------|----------------------|------|
|                                     |                             | 2024                 | 2023 |
| Subsidiaries of OD6 Metals Limited: |                             |                      |      |
| Odette Six Pty Ltd                  | Australia                   | 100%                 | 100% |
| Grass Patch metals Pty Ltd          | Australia                   | 100%                 | 100% |

**Consolidated entity disclosure statement**

The following table provides a list of all entities included in the Group's consolidated financial statements, prepared in accordance with the requirements of Section 295(3A) of the Corporations Act. The ownership interest is only disclosed for those entities which are a body corporate, representing the direct and indirect percentage share capital owned by the company.

| Company name                         | Type of entity | % of share capital as at 30 June 2024 | Country of incorporation | Country of tax residency |
|--------------------------------------|----------------|---------------------------------------|--------------------------|--------------------------|
| OD6 Metals Limited (Holding company) | Body corporate | -                                     | Australia                | Australia                |
| Odette Six Pty Ltd                   | Body corporate | 100%                                  | Australia                | Australia                |
| Grass Patch metals Pty Ltd           | Body corporate | 100%                                  | Australia                | Australia                |

**NOTE 19: EVENTS AFTER THE REPORTING PERIOD**

The company confirms there were no subsequent events for disclosure after the reporting period.

**NOTE 20: COMMITMENTS**

**Exploration expenditure commitments**

In order to maintain current rights of tenure to exploration tenements, the Company is required to perform minimum exploration work to meet the minimum expenditure requirements specified by the relevant authorities. These obligations are subject to renegotiation when application for a mining lease is made and at other times. These obligations are not provided for in the financial report. The actual expenditures to date on tenements have exceeded the minimum expenditure requirements specified by the relevant authorities during the current tenement grant periods.

|                                      | 2024             | 2023             |
|--------------------------------------|------------------|------------------|
|                                      | \$               | \$               |
| <b>Not Longer than 12 months</b>     | <b>1,482,000</b> | <b>1,482,000</b> |
| <b>Between 12 months and 5 years</b> | <b>2,269,299</b> | <b>3,755,359</b> |
| <b>Longer than 5 years</b>           | <b>-</b>         | <b>-</b>         |
|                                      | <b>3,751,299</b> | <b>5,237,359</b> |

If the Company decides to relinquish certain leases and/or does not meet these obligations, assets recognised in the Statement of Financial Position may require review to determine the appropriateness of carrying values. The sale, transfer or farm-out of exploration rights to third parties will reduce or extinguish these obligations. The ultimate recoupment of costs carried forward for exploration and evaluation is dependent on the successful development and commercial exploitation or sale of the respective mining areas.

**OD6 Metals Limited  
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The above exploration commitments does not include Grass Patch North West (E74/693) and Grass Patch North (E63/2153), leases which have not yet been granted as at 30 June 2024, nor the date of this report.

There are no other commitments at 30 June 2024.

**NOTE 21: CONTINGENT LIABILITIES**

There were no other contingent liabilities as at 30 June 2024, or since that date and the date of this report (2023: nil).

**NOTE 22: OPERATING SEGMENTS**

The Company 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 Company has one operating segment being mining exploration in Australia.

**NOTE 23: FINANCIAL RISK MANAGEMENT**

The Company's financial instruments consist mainly of deposits with banks and accounts payable.

The Board of Directors has overall responsibility for the oversight and management of the Company's exposure to a variety of financial risks (including market risk, credit risk and liquidity risk).

**Credit risk**

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the Statement of Financial Position and notes to the financial statements.

The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is spread amongst approved counterparties.

Credit risk related to balances with banks and other financial institutions is managed by the board.

The credit risk for counterparties included in cash and cash equivalents at 30 June 2024 is detailed below:

|                                  | 2024             | 2023             |
|----------------------------------|------------------|------------------|
|                                  | \$               | \$               |
| <b>Financial assets:</b>         |                  |                  |
| <b>Cash and cash equivalents</b> | <b>2,325,889</b> | <b>3,515,459</b> |

The Company does not have any significant credit risk exposure to any single receivable or Company of receivables under financial instruments entered into by the Company.

**Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The responsibility with liquidity risk management rests with the Board of Directors. The Company manages liquidity risk by monitoring forecast cash flows and ensuring that adequate working capital is maintained. The Company's policy is to ensure that it has sufficient cash reserves to carry out its planned exploration activities over the next 12 months.

**OD6 Metals Limited  
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**Market Risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments.

**Commodity price risk**

Consolidated entity primary objective is to discover and extract minerals, which can then be sold to generate revenue. The price at which these minerals can be sold is subject to market forces and can be influenced by various factors such as global demand, supply, and geopolitical tensions. The company's share price is directly linked to the value of its mineral assets, which, in turn, depends on the price of the commodity. If the commodity price falls, the value of the company's assets will also decline, which could lead to a decrease in the company's share price.

**Inflation Risk**

Inflation risk is a significant concern the Company, as it can significantly increase the cost of exploration. Inflation can erode the value of a company's assets, increase its operating costs, and reduce the purchasing power of the capital raised.

**Interest rate risk**

The Company is not exposed to interest rate risk as it has no interest bearing loans.

**NOTE 24: PARENT ENTITY DISCLOSURES**

Set out below is the supplementary information about the parent entity.

|                                                            | Period to<br>30 June 2024 | Period to<br>30 June 2023 |
|------------------------------------------------------------|---------------------------|---------------------------|
| Statement of Profit or Loss and other comprehensive income | \$                        | \$                        |
| Loss after income tax                                      | 440,229                   | 1,356,800                 |
| <b>Total comprehensive Loss</b>                            | <b>440,229</b>            | <b>1,356,800</b>          |
|                                                            | \$                        | \$                        |
| Statement of financial position                            | 30 June 2024              | 30 June 2023              |
|                                                            | \$                        | \$                        |
| TOTAL CURRENT ASSETS                                       | 2,447,784                 | 3,590,775                 |
| TOTAL NON-CURRENT ASSETS                                   | 7,255,262                 | 4,983,385                 |
| TOTAL ASSETS                                               | 9,703,046                 | 8,574,160                 |
| TOTAL CURRENT LIABILITIES                                  | 472,188                   | 908,611                   |
| TOTAL LIABILITIES                                          | 472,188                   | 908,611                   |
| <b>NET ASSETS</b>                                          | <b>9,230,858</b>          | <b>7,665,547</b>          |
| <b>EQUITY</b>                                              |                           |                           |
| Issued capital                                             | 11,871,550                | 9,879,551                 |
| Share issue costs                                          | (963,120)                 | (654,698)                 |
| Reserves                                                   | 1,488,547                 | 1,165,966                 |
| Accumulated losses                                         | (3,166,119)               | (2,725,272)               |
| <b>TOTAL EQUITY</b>                                        | <b>9,230,858</b>          | <b>7,665,547</b>          |

**OD6 Metals Limited  
& Controlled Entities  
DIRECTOR'S DECLARATION**

---

The directors of the Company declare that:

1. the financial statements and notes are in accordance with the *Corporations Act 2001* and:
  - a) comply with Accounting Standards and the Corporations Regulations 2001; and
  - b) give a true and fair view of the Company's financial position as at 30 June 2024 and its performance for the year ended on that date; and
  - c) are in accordance with International Financial Reporting Standards, as stated in note 1 to the financial statements; and
2. the Chief Executive Officer and Chief Financial Officer have each declared that:
  - a) the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
  - b) the financial statements and notes for the financial year comply with the Accounting Standards; and
  - c) the financial statements and notes for the financial year give a true and fair view;
3. 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.
4. In the directors' opinion, the consolidated entity disclosure statement on page 66 is true and correct as at 30 June 2024.

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



**Mr Brett Hazelden, Managing Director**

Dated 10 September 2024

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**OD6 Metals Limited  
& Controlled Entities  
INDEPENDENT AUDITORS REPORT**

**HALL CHADWICK** 

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF OD6 METALS LIMITED**

**Report on the Audit of the Financial Report**

**Opinion**

We have audited the financial report of OD6 Metals Limited ("the Company") and its subsidiaries ("the Consolidated Entity"), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the director's declaration.

In our opinion:

- a. the accompanying financial report of the Consolidated Entity is in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
  - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.
- b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Consolidated Entity 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* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**OD6 Metals Limited  
& Controlled Entities  
INDEPENDENT AUDITORS REPORT**

**HALL CHADWICK** 

**Material Uncertainty Related to Going Concern**

We draw attention to Note 1 in the financial report which indicates that the Consolidated Entity incurred a net loss of \$440,848 during the year ended 30 June 2024. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. Our opinion is not modified in this respect of this matter.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                    | How our audit addressed the Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Exploration and evaluation expenditure</b></p> <p>As disclosed in note 8 to the financial statements, the Group has incurred significant exploration and evaluation expenditures which have been capitalised in accordance with the requirement of Exploration for and Evaluation of Mineral Resources (AASB 6). As at 30 June 2024, the Group's capitalised exploration and evaluation costs are carried at \$7,011,135.</p> | <p>Our audit procedures included but were not limited to:</p> <ul style="list-style-type: none"><li>Assessing management's determination of its areas of interest for consistency with the definition in AASB 6 <i>Exploration and Evaluation of Mineral Resources</i> ("AASB 6");</li><li>Confirming rights to tenure for a sample of tenements held and confirming rights to tenure on tenements nearing expiry will be renewed;</li><li>Testing the Group's additions to capitalised exploration costs for the year by evaluating a sample of recorded expenditure for consistency to underlying records, the capitalisation requirements of the Group's accounting policy and the requirements of AASB 6;</li><li>By testing the status of the Group's tenure and planned future activities, reading board minutes and discussions with management we assessed each area of interest for one or more of the following circumstances that may indicate impairment of the capitalised exploration costs:<ul style="list-style-type: none"><li>The licenses for the rights to explore expiring in the near future or are not expected to be renewed;</li></ul></li></ul> |

**OD6 Metals Limited  
& Controlled Entities  
INDEPENDENT AUDITORS REPORT**

**HALL CHADWICK** 

| Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | How our audit addressed the Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <ul style="list-style-type: none"> <li>• Substantive expenditure for further exploration in the area of interest is not budgeted or planned;</li> <li>• Decision or intent by the Group to discontinue activities in the specific area of interest due to lack of commercially viable quantities of resources;</li> <li>• Data indicating that, although a development in the specific area is likely to proceed, the carrying amount of the exploration asset is unlikely to be recorded in full from successful development or sale; and</li> <li>• Assessing the appropriateness of the related disclosures in the financial statements.</li> </ul>                                                                                                    |
| <p><b>Recognition of Research &amp; Development Tax Incentive</b></p> <p>Under the Research and Development ("R&amp;D") tax incentive scheme, the Consolidated Entity receives a 43.5% refundable tax offset of eligible expenditure of \$962,968 as disclosed in note 2 of the financial statements.</p> <p>This area is a key audit matter due to the inherent subjectivity that is involved in the Consolidated Entity making judgements in relation to estimation and recognition of the R&amp;D tax incentive income and receivable.</p> | <p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> <li>• obtaining an understanding of the objectives and activities in the R&amp;D program;</li> <li>• reviewing the lodgment documents and related working papers utilised by the expert engaged by the Consolidated Entity;</li> <li>• assessing the scope of services and capabilities of the expert engaged by the Consolidated Entity;</li> <li>• comparing the eligible expenditure used in the receivable calculation to the expenditure recorded in the general ledger;</li> <li>• agreeing the receipt of the refund to the bank statement subsequent to year end; and</li> <li>• assessing the adequacy of the disclosures in the financial report.</li> </ul> |

**OD6 Metals Limited  
& Controlled Entities  
INDEPENDENT AUDITORS REPORT**

**HALL CHADWICK** 

**Other Information**

The directors are responsible for the other information. The other information comprises the information included in the Consolidated Entity's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of the Directors for the Financial Report**

The directors of the Company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error, and the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error. In Note 1, the directors also state in accordance with Australian Accounting Standard *AASB 101 Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

In preparing the financial report, the directors are responsible for assessing the Consolidated Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Consolidated Entity or to cease operations, or has no realistic alternative but to do so.

**Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

**OD6 Metals Limited  
& Controlled Entities  
INDEPENDENT AUDITORS REPORT**

**HALL CHADWICK** 

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Consolidated Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Consolidated Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Consolidated Entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Consolidated Entity audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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**OD6 Metals Limited  
& Controlled Entities  
INDEPENDENT AUDITORS REPORT**

**HALL CHADWICK** 

**Report on the Remuneration Report**

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2024. The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with s 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

**Auditor's Opinion**

In our opinion, the Remuneration Report of OD6 Metals Limited, for the year ended 30 June 2024, complies with section 300A of the Corporations Act 2001.

*Hall Chadwick*  
**HALL CHADWICK WA AUDIT PTY LTD**

*Mark Delaurentis*  
**MARK DELAURENTIS CA**  
Director

Dated this 10<sup>th</sup> day of September 2024  
Perth, Western Australia

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**OD6 Metals Limited  
& Controlled Entities**  
ASX ADDITIONAL INFORMATION

The following additional information is required by the ASX Limited in respect of listed public companies and was applicable at 21 August 2024.

**1. Shareholdings**

The issued capital of the Company as at 21 August 2024 is 128,450,745 ordinary fully paid shares.

| a. | Distribution of Shareholders      | Number of holders | Units              | Percentage    |
|----|-----------------------------------|-------------------|--------------------|---------------|
|    | <b>Category (size of holding)</b> |                   |                    |               |
|    | 1 - 1,000                         | 71                | 35,621             | 0.03          |
|    | 1,001 - 5,000                     | 263               | 787,557            | 0.61          |
|    | 5,001 - 10,000                    | 172               | 1,404,297          | 1.09          |
|    | 10,001 - 100,000                  | 397               | 16,220,918         | 12.60         |
|    | 100,001 Over                      | 151               | 110,241,780        | 85.67         |
|    | <b>Total</b>                      | <b>1,054</b>      | <b>128,690,173</b> | <b>100.00</b> |

b. The number of shareholdings held in less than marketable parcels is 540 with total value of \$97,406 and 2,632,599 shares held.

c. There are no shares subject to escrow as at 21 August 2024.

d. There are three substantial shareholders listed in the Company's register as 21 August 2024.

e. Performance Rights Holders

f. Voting Rights

The voting rights attached to each class of equity security are as follows:

Ordinary shares

- Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

Options

- Options do not carry the right to vote.

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**OD6 Metals Limited  
& Controlled Entities**  
ASX ADDITIONAL INFORMATION

g. Top 20 Largest Fully Paid Ordinary Shareholders as at 21 August 2024.

| Name                     |                                                                  | Number of Ordinary Fully Paid Shares Held | % Held of Issued Ordinary Capital |
|--------------------------|------------------------------------------------------------------|-------------------------------------------|-----------------------------------|
| 1                        | MRS LEIGH SINCLAIR <HOLDEN SINCLAIR FAMILY A/C>                  | 7,052,847                                 | 5.48                              |
| 2                        | GEOBASE AUSTRALIA PTY LTD <CW LLOYD FAMILY A/C>                  | 6,937,425                                 | 5.39                              |
| 2                        | MILFORD RESOURCES PTY LTD                                        | 6,937,425                                 | 5.39                              |
| 4                        | BUPRESTID PTY LTD <HANLON FAMILY S/F A/C>                        | 5,350,000                                 | 4.16                              |
| 5                        | ODETTE GEOSCIENCE PTY LTD                                        | 5,130,147                                 | 3.99                              |
| 6                        | UBS NOMINEES PTY LTD                                             | 4,513,498                                 | 3.51                              |
| 7                        | HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED                        | 2,526,841                                 | 1.96                              |
| 8                        | HEELMO HOLDINGS PTY LTD <DEEP BLUE A/C>                          | 2,487,500                                 | 1.93                              |
| 9                        | ZANE LEWIS <RLZ A/C>                                             | 2,469,177                                 | 1.92                              |
| 10                       | MR PHILLIP STANLEY HOLTEN                                        | 2,336,564                                 | 1.82                              |
| 11                       | CRANLEY CONSULTING PTY LTD <CRANLEY CONSULTING A/C>              | 2,279,050                                 | 1.77                              |
| 12                       | TRIZZLER INVESTMENTS PTY LTD <TRIZZLER INVESTMENT A/C>           | 2,112,718                                 | 1.64                              |
| 13                       | DECK CHAIR HOLDINGS PTY LTD                                      | 2,015,414                                 | 1.57                              |
| 14                       | SPICEME CAPITAL PTY LTD                                          | 2,000,000                                 | 1.55                              |
| 15                       | MUTUAL TRUST PTY LTD                                             | 1,883,563                                 | 1.46                              |
| 16                       | BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>           | 1,656,869                                 | 1.29                              |
| 17                       | INVIA CUSTODIAN PTY LIMITED <THE CAVANAGH INV-TRADING A/C>       | 1,575,000                                 | 1.22                              |
| 18                       | MR BRADLEY TRISTAN JURGANAS VALIUKAS <B & K VALIUKAS FAMILY A/C> | 1,500,008                                 | 1.17                              |
| 19                       | HAZELDEN CORPORATE PTY LTD <HAZELDEN INVESTMENT A/C>             | 1,500,000                                 | 1.17                              |
| 19                       | WIP FUNDS MANAGEMENT PTY LTD <PORTER FAMILY S/F A/C>             | 1,500,000                                 | 1.17                              |
| <b>Total top 20</b>      |                                                                  | <b>63,764,046</b>                         | <b>49.56</b>                      |
|                          |                                                                  |                                           |                                   |
| <b>Total all holders</b> |                                                                  | <b>128,690,173</b>                        | <b>100.00%</b>                    |

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**OD6 Metals Limited  
& Controlled Entities**  
ASX ADDITIONAL INFORMATION

**2. Unquoted Securities**

The Company has the following unquoted securities on issue as at the date of this report:

| Expiry Date     | Exercise Price | Number of Options | Escrow    |
|-----------------|----------------|-------------------|-----------|
| 31 October 2025 | \$0.300        | 22,050,371        | 24 months |
| 13 April 2025   | \$0.300        | 300,000           | n/a       |
| 20 June 2025    | \$0.300        | 2,500,000         | 24 months |
| 31 March 2026   | \$0.300        | 2,825,000         | 24 months |
| 31 March 2026   | \$0.500        | 1,500,000         | 24 months |
| 31 March 2026   | \$0.300        | 1,025,000         | n/a       |
| 9 October 2026  | \$0.300        | 900,000           | n/a       |
| 8 December 2026 | \$0.270        | 2,650,000         | n/a       |
| 9 May 2027      | \$0.114        | 5,000,000         | n/a       |
|                 | <b>Total</b>   | <b>38,750,371</b> |           |

The names of the unlisted options holders with more than 20% of security as at the date of this report are listed below:

| Holder                                                     | Unlisted Options<br>\$0.30 | Unlisted Options<br>\$0.30 | Unlisted Options<br>\$0.30 | Unlisted Options<br>\$0.30 | Unlisted Options<br>\$0.50 | Unlisted Options<br>\$0.30 | Unlisted Options<br>\$0.30 | Unlisted Options<br>\$0.27 | Unlisted Options<br>\$0.114 |
|------------------------------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|-----------------------------|
| AVR TEAM PTY LTD<br><AVR TEAM A/C>                         | -                          | 195,000                    | -                          | -                          | -                          | -                          | -                          | -                          | -                           |
| MISS LAURA ELIZABETH GRIERSON<br><THE GRIERSON FAMILY A/C> | -                          | 105,000                    | -                          | -                          | -                          | -                          | -                          | -                          | -                           |
| CG NOMINEES(A USTRALIA)PTY LTD                             | -                          | -                          | 2,500,000                  | -                          | -                          | -                          | -                          | -                          | -                           |
| HAZELDEN CORPORATE PTY LTD<br><HAZELDEN INVESTMENT A/C>    | -                          | -                          | -                          | 1,500,000                  | -                          | -                          | -                          | 1,000,000                  | -                           |
| SEBATU CAPITAL PTY LTD <MNM A/C>                           | -                          | -                          | -                          | 350,000                    | 1,500,000                  | -                          | -                          | -                          | -                           |
| TERRI HELEN MCDONALD                                       | -                          | -                          | -                          | -                          | -                          | 900,000                    | -                          | -                          | -                           |
| MR BRADLEY GEORGE CRIBB                                    | -                          | -                          | -                          | -                          | -                          | -                          | 900,000                    | -                          | -                           |

**OD6 Metals Limited  
& Controlled Entities**  
ASX ADDITIONAL INFORMATION

|                                        |            |         |           |           |           |           |         |           |           |
|----------------------------------------|------------|---------|-----------|-----------|-----------|-----------|---------|-----------|-----------|
| <b>ZENIX<br/>NOMINEES<br/>PTY LTD</b>  | -          | -       | -         | -         | -         | -         | -       | -         | 5,000,000 |
| <b>Total number<br/>of holders</b>     | 30         | 2       | 1         | 5         | 1         | 2         | 1       | 10        | 1         |
| <b>Total<br/>holdings over<br/>20%</b> | -          | 2       | 1         | 1         | 1         | 1         | 1       | 1         | 1         |
| <b>Other holders</b>                   | 30         | -       | -         | 4         | -         | 1         | -       | 9         | 1         |
| <b>Total</b>                           | 22,050,371 | 300,000 | 2,500,000 | 2,825,000 | 1,500,000 | 1,025,000 | 900,000 | 2,650,000 | 5,000,000 |

The names of the performance rights holders:

| Holder                         | Unlisted<br>Performance<br>Rights | % of Unlisted<br>Performance<br>Rights |
|--------------------------------|-----------------------------------|----------------------------------------|
| <b>Brett Hazelden</b>          | 2,500,000                         | 89%                                    |
| <b>Bradley Cribb</b>           | 300,000                           | 11%                                    |
| <b>Total holdings over 10%</b> | 2,800,000                         | 100%                                   |
| <b>Other holders</b>           | -                                 | %                                      |
| <b>Total</b>                   | 2,800,000                         | 100%                                   |

**3. Quoted Options over Unissued Shares**

There are no quoted options on issue.

**4. ASX Disclosure**

In Line with ASX Listing Rule 4.10.19, the consolidated entity confirms it has used the cash and assets in a form readily convertible to cash that it had at the time of admission and to the end of the reporting period, consistently with its business objectives.

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**OD6 Metals Limited  
& Controlled Entities**  
ASX ADDITIONAL INFORMATION

**Tenement holdings**

In accordance with ASX listing rule 5.20 the Company provides the following summary of its tenements as at the date of this report:

| Project       | Tenement Number | Status  | Location                   | Beneficial Percentage Interest |
|---------------|-----------------|---------|----------------------------|--------------------------------|
| Splinter Rock | E69/3893        | Granted | Grass Patch North West     | 100%                           |
| Splinter Rock | E69/3894        | Granted | Grass Patch South East     | 100%                           |
| Splinter Rock | E69/3904        | Granted | Grass Patch North East     | 100%                           |
| Splinter Rock | E69/3905        | Granted | Grass Patch North          | 100%                           |
| Splinter Rock | E69/3907        | Granted | Grass Patch South West     | 100%                           |
| Splinter Rock | E63/2115        | Granted | Grass Patch West           | 100%                           |
| Grass Patch   | E63/2151        | Granted | Splinter Rock (Yeag. Rock) | 100%                           |
| Grass Patch   | E63/2152        | Granted | Splinter Rock North        | 100%                           |
| Grass Patch   | E63/2154        | Granted | Splinter Rock East Ext     | 100%                           |
| Grass Patch   | E63/2185        | Granted | Splinter Rock West         | 100%                           |



**Registered Office**

C/O LCP Group  
Level 1, 50 Kings Park Road  
West Perth WA 6005  
Phone: +61 8 6189 8515  
Email: [info@od6metals.com.au](mailto:info@od6metals.com.au)

[www.od6metals.com.au](http://www.od6metals.com.au)

**ASX:OD6**

**Share Registry**

Computershare Investor Services  
Level 11, 172 St Georges Tce  
Perth WA 6000