

HALF YEAR REPORT 2024

For the half year ended 30 June 2024

AKORA Resources Limited

ACN: 139 847 555

ASX: AKO

akoravy.com

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Iron ore for tomorrow's steelmaking



Directors

GP Hunt Non-Executive Chairman (appointed 1 February 2024)
PG Bibby Managing Director and Chief Executive Officer
MD Gill Non-Executive Director

Company Secretary

SG Turner

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Auditor

Hall Chadwick WA Audit Pty Ltd
283 Rokeby Road
Subiaco WA Australia

Solicitors

CBW Partners
Level 1
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South Melbourne Victoria

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The Directors present their report, together with the financial statements of AKORA Resources Limited (ACN 139 847 555) (hereafter referred to as the "Company"), for the half-year ended 30 June 2024.

Principal Activities

The principal activities of the Company during the half-year were exploration for iron ore in Madagascar. The Company holds 100% equity in two Malagasy entities; Iron Ore Corporation of Madagascar sarl (IOCM) and Universal Exploration Madagascar sarl (UEM). IOCM holds the Bekisopa iron ore tenements and UEM holds the Tratramarina iron ore tenements. In addition, the Company has earned a 100% equity interest in the commodities discovered at the Ambodilafa tenements pursuant to the Jubilee/AKORA Ambodilafa Farm-in Agreement. The Company focused on advancing the Bekisopa iron ore tenements during the first half of the financial year.

Operating Results, Review of Operations for the Year and Significant Changes in State of Affairs

The net loss after tax is \$1,090,013 for the half-year ended 30 June 2024 (the net loss after tax for the previous half-year was \$926,517).

On 17 April 2024, the Company advised shareholders that it had undertaken a Share Placement that raised \$801,000 through the issue of 5,339,999 fully paid ordinary shares at 15 cents per ordinary share.

The Company simultaneously announced Entitlement and Shortfall Offers which closed on 17 May 2024. Under the Entitlement and Shortfall Offers the Company issued 20,064,563 fully paid ordinary shares at 15 cents per fully paid ordinary share with proceeds of \$3,009,684.

Activities during the first-half of the financial yearStrategic direction

AKORA Resources is seeking to increase shareholder value by engaging in the exploration and development of the Bekisopa, Satrokala, Tratramarina and Ambodilafa Projects, all iron ore prospects in Madagascar where the company holds 308km² of tenements across these prospective exploration areas.

AKORA's flagship Bekisopa Iron Ore Project hosts an Inferred Resource of 194.7 million tonnes (Mt) with the potential to produce a premium grade iron concentrate suitable for Direct Reduced Iron (DRI) pellets for the steel industry's accelerating decarbonisation.

The significant scale and particular mineralisation characteristics of Bekisopa's iron ore resource presents the Company with several staged development options over time:

1. *Produce 60% Fe average grade direct shipping ore (DSO):*
Mine, crush and screen at surface iron ore to produce a 60% Fe average grade lump and fines product for shipping to Blast Furnace-Basic Oxygen Furnace (BF-BOF) steelmakers. Although this DSO tonnage represents a small portion of the Mineral Resource, if achievable, the DSO tonne is clearly the best and fastest strategy to cash flows.
2. *Produce +62% Fe grade DSO fines*
Mine, crush and screen ore to produce a +62% Fe grade fines product for shipping to BF-BOF steelmakers.
3. *Produce premium-priced +68% Fe grade concentrate*
Using cash generated from Stages 1 and 2, add grinding and magnetic separation circuits to upgrade ore to a +68% Fe concentrate at 75 microns for shipping to Direct Reduced Iron-Electric Arc Furnace (DRI-EAF) steelmakers.

Infill drilling program completed at Bekisopa

A 500m infill drilling campaign was completed across 64 shallow holes in June 2024 safely, on time and on budget. The campaign comprised holes of between 5m and 20m deep which targeted the shallow, weathered DSO material.

The infill holes focused on the southern resource zone and were sited according to Stage 4 drilling and the results of the MRE update. The hole spacings were set at 50 by 50m intervals to best allow any identified resource material to move from inferred to indicated status. The western most drill holes are hoped to provide some step out information for the resource planning and could potentially increase the resource area and further define the geological features of the iron ore on the western extremity.

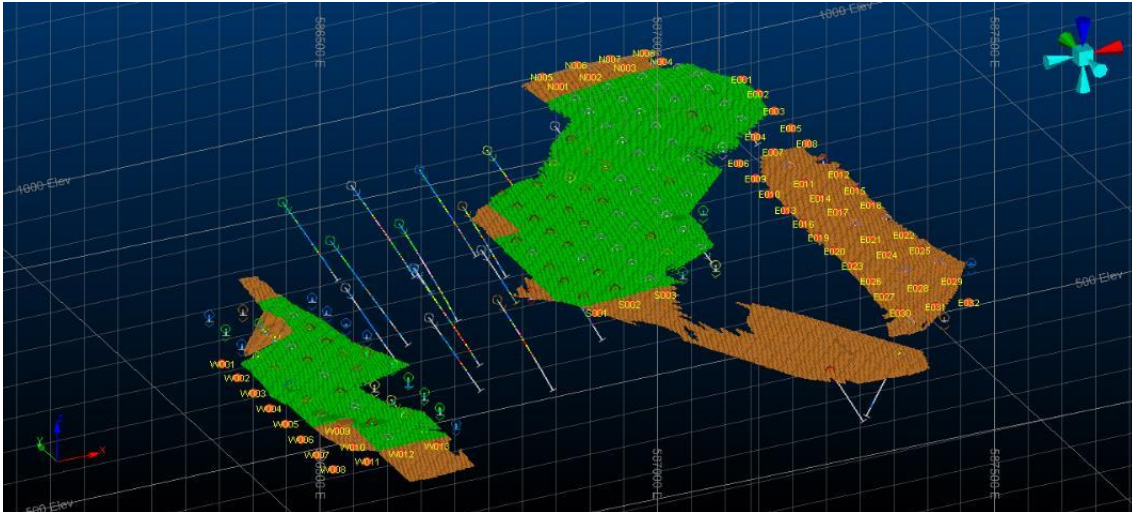


Figure 1. Bekisopa Planned Infill Drilling Locations 2024 (Southern Resource Zone) [orange dots]

Bekisopa geotechnical drilling

The geotechnical drilling program for the Pre-Feasibility Study (PFS) of the Bekisopa Project was completed in July 2024 based on planning activities conducted during the prior months. Eight holes, totaling 400m, were drilled according to the plan. The locations have covered all the proposed DSO pits across the southern, central and northern locations of the project. The Geotechnical samples are being prepared for evaluation at the certified laboratory.

The Geotechnical program has two main aims;

- to provide rock strength data for the mine design team who will be preparing the mining pit shapes for the DSO material; and
- to indicate the competency of the iron ore resource to determine if drill and blast, or simple machine ripping will be necessary prior to digging.

Preliminary indications are favorable that the DSO resource is of a low competency and that the resource is unlikely to require drill and blast, in turn reducing the complexity and operating costs, and supporting the assumptions of the Bekisopa Scoping Study.

Bekisopa hydrogeology drilling

Commenced in mid-June 2024, the Hydrogeology program has drilled all four planned Hydrogeology holes/wells. Two of the holes are at 150m depth and two holes are at 70m.

The program was developed to identify the presence and quality of sub surface water to;

- identify water levels and recharge capacity such that the water system can be considered for future operational water requirements;
- provide baseline information on location and quality of sub surface water resources to support the environmental management plan; and
- determine the presence of sub surface water levels and if they impact the mine pit designs and any requirements for dewatering infrastructure.

Preliminary data has identified that sub surface water is present at approximately 30m depth and that sub surface water with reasonable inflows are present at 55m depth. This appears very favorable given the DSO pits are not expected to operate below 30m, hence reducing the need for water removal. This data also suggests that the sub surface water may provide a feasible solution for the minimal water requirements of the DSO processing phase.

With the Hydrogeological drilling completed the various water well testing activities will continue for several weeks. At the conclusion of the drilling and testing the Hydrogeological data will be used by the Company's consultants WAI in developing site water models and supporting the Environmental and Social Impact Assessment.

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Bekisopa road route design

An important development in advancing the PFS and moving the project towards commercialisation is developing the product transport logistics requirements for the Bekisopa DSO, which entails both the road design and the port shipping requirements. To that point, AKORA has progressed the road route survey works and design. The port workings will be subject to a future announcement.

The road works can be summarised as;

- identifying the new road required to link the Bekisopa Project area to the Satrokala Project area;
- detailing any possible road upgrades from the Satrokala Project area to the RN7 National highway;
- considering alternative road options along this path;
- detailing the engineering and developing the quantities and costs for constructing and upgrading the roads; and
- detailing the permitting pathway and Government and Community engagement requirements for the road works.

The road route field work was completed in late June 2024 and the road route findings are detailed in Figure 2 below, with the engineering detail currently being developed. A further update and report on the road design and considerations is expected in September 2024. All road design information will be incorporated into the Bekisopa PFS.

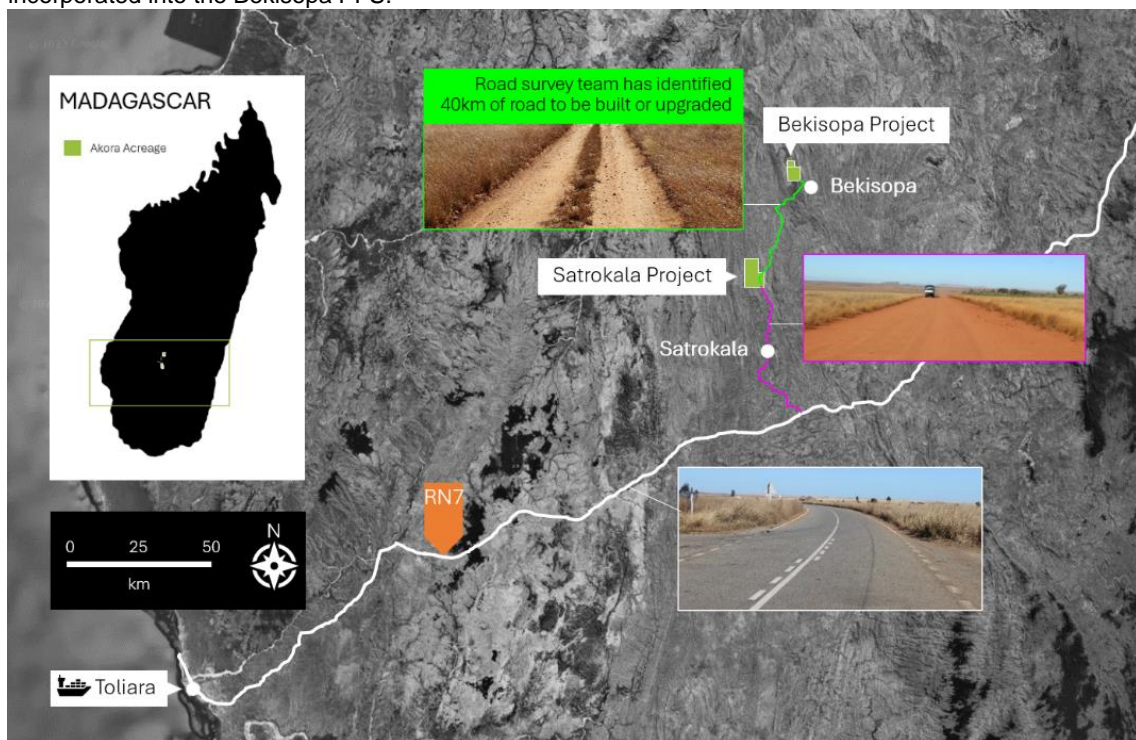


Figure 2. Proposed Bekisopa to coast road transport route.

Satrokala Magnetic Survey Results

AKORA announced during the half year that a magnetic survey done in 2023 at its Satrokala Iron Ore Project had identified a continuous 10km long magnetic anomaly up to 2km wide. This is around 66% larger than the Company's more advanced Bekisopa Iron Ore Project. The magnetic survey covered just 10km of prospective iron mineralisation previously identified in this project area. This promising result assisted in pinpointing exploratory maiden drilling locations to confirm iron mineralisation widths, type and grades (see next page). This is a very significant result, highlighting that AKORA's tenement area is becoming a substantial iron ore district. The survey was conducted using the same equipment and approach as employed at Bekisopa in October 2019. Three magnetometer units were used and a team of seven geologists walked the extent of the tenements under the supervision of Planetary Geophysics, Australia.

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Proposed work for first half of the 2025 financial year

AKORA's exploration team mobilised to Satrokala and commenced the maiden drill program on 9 July 2024. Using the 2023 ground magnetic survey as a guide, 10 locations have been identified, with each hole planned to be drilled to 100m depth. The drill program was expected to take around six weeks to complete. Drill hole locations are detailed in Figure 3 below. Assay results are scheduled for Q4 2024.

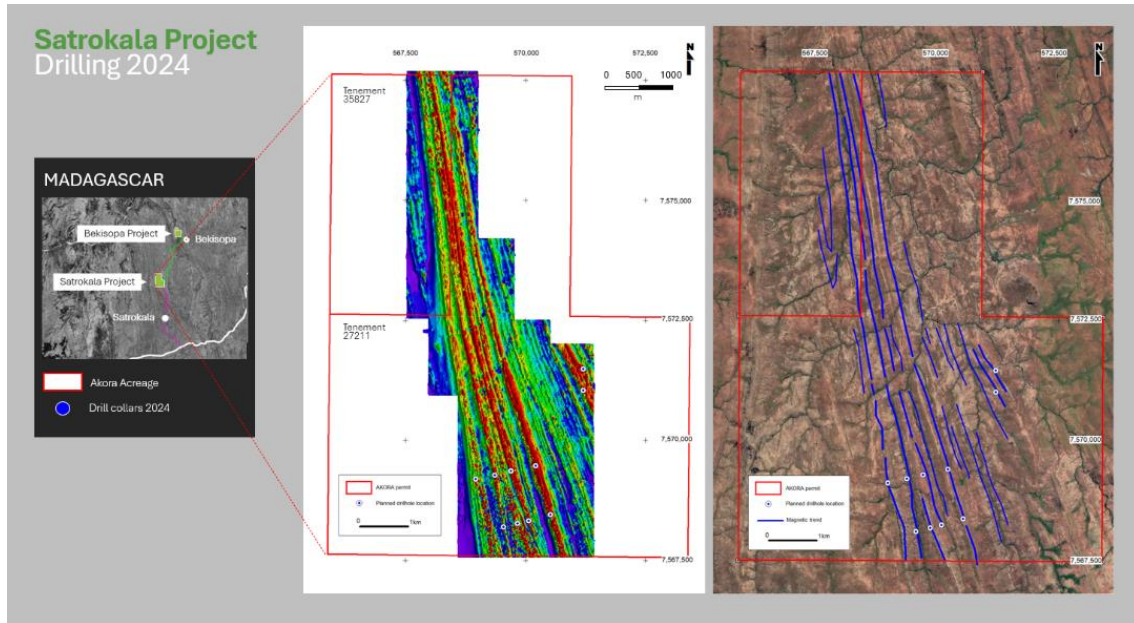


Figure 3. Satrokala Resource Zone Overview.

Options over ordinary shares

At as the date of this report, the unissued ordinary shares of the Company relating to options of ordinary shares are as follows:

Award date	Maturity	Exercise Price	Options Number
4 May 2023	25 May 2026	\$0.2500	2,478,125
25 May 2023	25 May 2026	\$0.2500	7,221,088
18 October 2023	25 May 2026	\$0.2500	5,000,000
			<u>14,699,213</u>

Events After Balance Date

Geotechnical drilling was completed at Bekisopa, which is required for the upcoming Pre-Feasibility Study mine design. Samples have been sent for laboratory analysis.

Hydrogeology drilling was completed at Bekisopa, which is required for the upcoming Pre-Feasibility Study mine design.

Road route survey works were completed, which are required for the upcoming Pre-Feasibility Study.

The first five drill holes at the Satrokala Project were completed. Samples have been sent for laboratory analysis.

Environmental Issues

The Company's projects are subject to the laws and regulations regarding environmental matters in Madagascar. Many of the activities and operations of the Company cannot be carried out without prior approval from and compliance with all relevant authorities. The Company conducts its activities in an environmentally responsible manner and in accordance with all applicable laws. However, the company

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could be subject to liability due to risks inherent to its activities, such as accidental spills, leakages or other unforeseen circumstances.

Information on Directors

The following persons were the directors in office as at the date of this report:

GP Hunt (Non-executive Chairman), appointed 1 February 2024

PG Bibby (Managing Director), appointed 9 July 2015

MD Gill (Non-executive Director), appointed 2 August 2023

Proceedings on Behalf of Company

The Company has no outstanding or pending litigation whether brought by the Company or brought against the Company by a third party.

Non-Audit Services

There were no non-audit services provided by the Company's external auditor.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 7.

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



GP Hunt
Chairman

Dated this 12th day of September 2024

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To the Board of Directors

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

As lead audit Director for the review of the financial statements of Akora Resources Limited for the half year 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 review; and
- any applicable code of professional conduct in relation to the review.

Yours Faithfully,

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis

MARK DELAURENTIS CA
Director

Dated 12th day of September 2024
Perth, Western Australia

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**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS & OTHER
COMPREHENSIVE INCOME**

	Note	Half-Year	
		30 June	30 June
		2024	2023
		\$	\$
Total revenue and other income		10,157	448
Expenditure			
Administration costs		(207,266)	(55,726)
Contractors and consultants		(140,961)	(238,764)
Employee costs		(325,365)	(163,019)
Investor relations		(119,705)	(153,688)
Provisions		42,519	(12,893)
Secretarial costs		(119,705)	(89,461)
Share based payments		(188,007)	(164,953)
Travel		(41,680)	(48,191)
Other		-	(270)
Total expenditure		(1,100,170)	(926,965)
Profit/(loss) before tax for the half-year		(1,090,013)	(926,517)
Income tax (expense)/benefit		-	-
Net profit/(loss) after tax for the half-year		(1,090,013)	(926,517)
Items that have been or may be subsequently reclassified to profit or loss			
Translation reserve		81,910	(323,730)
Other movement		-	(1,000)
		81,910	(324,730)
Total comprehensive income/(loss) for the half-year		(1,008,103)	(1,251,247)
Loss per share			
Basic earnings per share/cents	3	(1.075)	(1.200)
Diluted earnings per share/cents		(1.075)	(1.200)

The accompanying notes form part of these financial statements

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	30 June 2024	31 December 2023
		\$	\$
Assets			
Current assets			
Cash and cash equivalents	5	2,928,959	1,314,109
Receivables		70,805	21,945
Other		2,337	2,217
Total current assets		3,002,101	1,338,271
Non-current assets			
Exploration and evaluation	6	11,616,317	9,932,524
Total non-current assets		11,616,317	9,932,524
Total assets		14,618,418	11,270,795
Liabilities			
Current liabilities			
Payables		741,041	84,525
Provisions		49,620	92,139
Total current liabilities		790,661	176,664
Total liabilities		790,661	176,664
Net assets		13,827,757	11,094,131
Equity			
Contributed equity	7	35,160,432	31,606,710
Reserves		(354,533)	(624,450)
Accumulated losses		(20,978,142)	(19,888,129)
Total equity		13,827,757	11,094,131

The accompanying notes form part of these financial statements

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Note 7 Share Capital	Translation Reserve	Note 8 Share-based Payments	Other Reserves	Accumulated Losses	Equity
	\$	\$	\$	\$	\$	\$
As at 31 December 2022	28,186,123	(312,111)	43,329	26,710	(18,501,441)	9,442,610
Transactions with owners in their capacity as owners of the Company						
Share issues	3,578,933	-	-	-	-	3,578,933
Equity raising costs	(161,133)	-	-	-	-	(161,133)
Share-based payments	-	-	164,953	-	-	164,953
Cancellation of share-based payments	-	-	(208,282)	-	208,282	-
	<u>3,417,800</u>	<u>-</u>	<u>(43,329)</u>	<u>-</u>	<u>208,282</u>	<u>3,582,753</u>
Net loss for the period	-	-	-	-	(926,517)	(926,517)
Other comprehensive income	(1,000)	(323,730)	-	-	-	(324,730)
Total comprehensive income	<u>(1,000)</u>	<u>(323,730)</u>	<u>-</u>	<u>-</u>	<u>(926,517)</u>	<u>(1,251,247)</u>
As at 30 June 2023	<u>31,602,923</u>	<u>(635,841)</u>	<u>-</u>	<u>26,710</u>	<u>(19,219,676)</u>	<u>11,774,116</u>
As at 31 December 2023	<u>31,606,710</u>	<u>(695,199)</u>	<u>44,039</u>	<u>26,710</u>	<u>(19,888,129)</u>	<u>11,094,131</u>
Transactions with owners in their capacity as owners of the Company						
Share issues	3,825,934	-	-	-	-	3,825,934
Share based payments	-	-	188,007	-	-	188,007
Equity raising costs	(272,212)	-	-	-	-	(272,212)
	<u>3,553,722</u>	<u>-</u>	<u>188,007</u>	<u>-</u>	<u>-</u>	<u>3,741,729</u>
Net loss for the period	-	-	-	-	(1,090,013)	(1,090,013)
Other comprehensive income	-	81,910	-	-	-	81,910
Total comprehensive income	<u>-</u>	<u>81,910</u>	<u>-</u>	<u>-</u>	<u>(1,090,013)</u>	<u>(1,008,103)</u>
As at 30 June 2024	<u>35,160,432</u>	<u>(613,289)</u>	<u>232,046</u>	<u>26,710</u>	<u>(20,978,142)</u>	<u>13,827,757</u>

The accompanying notes form part of these financial statements

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Half-Year	
		30 June 2024	30 June 2023
		\$	\$
Cash flows from/(used) in operating activities			
Payments to employees and suppliers		(759,625)	(735,051)
Interest received		10,157	448
Net cash flows from/(used) in operating activities		<u>(749,468)</u>	<u>(734,603)</u>
Cash flows from/(used) in investing activities			
Exploration and evaluation expenditure		(1,189,404)	(295,460)
Property plant and equipment		-	-
Net cash flows from/(used) in investing activities		<u>(1,189,404)</u>	<u>(295,460)</u>
Cash flows from financing activities			
Share placement		3,825,934	3,578,933
Cash outlays for share placement		(272,212)	(161,133)
Net cash flows from/(used) in financing activities		<u>3,553,722</u>	<u>3,417,800</u>
Net cash flows		1,614,850	2,387,737
Cash and cash equivalents as at the start of the financial period		1,314,109	721,766
Cash and cash equivalents as at the end of the financial period	5	<u>2,928,959</u>	<u>3,109,503</u>

The accompanying notes form part of these financial statements

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Note 1 Corporate information

The Financial Statements of AKORA Resources Limited (hereafter referred to as the “parent entity”) and its controlled entities comprising Malagasy Holdings (Tratramarina Pty Ltd and its controlled entity Universal Exploration Madagascar sarl) and Malagasy Holdings (Bekisopa) Pty Ltd and its controlled entity Iron Ore Corporation of Madagascar sarl) for the half-year ended 30 June 2024.

The Financial Statements were authorised for issue in accordance with a resolution of the Board of Directors on 12 September 2024.

The parent entity is as at the date of this Half Year Report a listed public entity limited by shares and incorporated in Australia.

The principal activities of the parent entity are exploration for ferrous metals.

Note 2(a) Basis of preparation and accounting policies

Preparation

The condensed financial statements have been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets. The Group is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted. The financial statements have been prepared on a going concern basis.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company’s 2023 annual financial report for the financial year ended 31 December 2023, except for the Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standard and with International Financial Reporting Standards.

Statement of compliance

The half-year financial statements are general purpose financial statements prepared in accordance with the requirements of the *Corporations Act 2001*, applicable accounting standards including AASB 134 ‘Interim Financial Reporting’, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board (‘AASB’). Compliance with AASB 134 ensures compliance with IAS 34 ‘Interim Financial Reporting’.

The interim financial report was issued on 12 September 2024 by the directors of the Company.

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

It is recommended that this half-year financial report be read in conjunction with the annual financial report for the year ended 31 December 2023 and any public announcements made by Akora Resources Limited during the half-year.

Going concern

The Group recorded a net loss of \$1,090,013 (2023: net loss of \$926,517) and incurred cash outflows from operating and investing activities of \$1,938,872 for the half-year ended 30 June 2024 (2023: \$1,030,063). As at 30 June 2024, the Group had working capital of \$2,211,440 (31 December 2023: \$1,161,607).

The Group is committed to conducting a Pre-Feasibility Study. In addition, the Group will incur corporate costs associated with its on-going obligations as a listed entity on the ASX and its contractual obligations to executives.

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Going concern continued

As at 30 June 2024, the Group does not have sufficient funds to implement its proposed plans and extinguish obligations as and when required for the next 12 months.

The Directors are confident that the Group will be able to secure sufficient funds or reduce or defer expenditure to ensure that the Group can meet essential operational and expenditure commitments for at least the next twelve months.

These factors indicate a material uncertainty exists that may cast doubt on the entity's ability to continue as a going concern and that it may be unable to realise its assets and discharge its liabilities in the normal course of business. As a result, the Group may be required to relinquish title to certain tenements, significantly curtail further expenditures and may have to realise its assets and extinguish its liabilities other than in the ordinary course of business and at amounts different from those stated in the financial report.

Critical accounting estimates

The preparation of the financial report requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the financial report are disclosed in this Note 2(a).

Note 2(b) Principles of consolidation

The consolidated financial statements comprise the financial statements of AKORA Resources Limited and its controlled entities as at and for the period ended 30 June each year (the Group).

Controlled entities are those entities over which the Group has the power to govern the financial and operating policies to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether a group controls another entity.

The financial statements of the controlled entities are prepared for the same reporting period as the parent entity, using consistent accounting policies, in preparing and consolidated financial statements, all inter-parent entity balances, transactions, unrealised gains and losses resulting from the intra-group transactions have been eliminated in full.

Controlled entities are fully consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date on which control is transferred out of the Group.

Investments in controlled entities by AKORA Resources Limited are accounted for at cost in the separate financial statements of the parent entity less any impairment charges.

The acquisition of controlled entities is accounted for using the acquisition method of accounting. The acquisition method of accounting involves recognising at acquisition date, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the entity acquired. The identifiable assets acquired, and the liabilities assumed are measured at their acquisition date fair values.

The difference between the identifiable assets acquired less the liabilities assumed and the fair value of the consideration is goodwill or discount on acquisition.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For purposes of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquired entity are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Note 3	Loss per share for the half-year	<u>2024</u>	<u>2023</u>
		\$	\$
	Loss from continuing operations for the half-year	(1,090,013)	(926,517)
	Weighted average number of ordinary shares outstanding during the half-year used in calculation of basic EPS	101,387,773	77,298,580
	Basic and diluted loss per share (cents per share)	(1.075)	(1.200)

Note 4 **Segment reporting**

The Group operates solely in the mining exploration industry.

The Group determines operating segments by reference to internal reports that are reviewed and used by the executive management team, being the chief operating decision makers (CODMs) in assessing performance and determining the allocation of resources. Two CODMs have been identified – Australia and Madagascar.

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NOTES TO THE FINANCIAL STATEMENTS

For the half-year ended 30 June 2024	Australia	Madagascar	Total
	\$	\$	\$
Segment revenue	10,157	-	10,157
Segment result	(1,089,714)	(299)	(1,090,013)
Amounts not included in segment results but reviewed by the boards: <i>Expenses not directly allocable to identifiable segments</i>			
Other			-
Loss after income tax			<u>(1,090,013)</u>
As at 30 June 2024			
Segment assets	2,966,237	11,652,181	14,618,418
Segment liabilities	157,528	633,133	790,661
Segment asset increases for the period:			
Capital expenditure	-	1,683,793	1,683,793
Impairment of exploration assets	-	-	-
	<u>-</u>	<u>1,683,793</u>	<u>1,683,793</u>

For the half-year ended 30 June 2023	Australia	Madagascar	Total
	\$	\$	\$
Segment revenue	448	-	448
Segment result	(925,812)	(435)	(926,247)
Amounts not included in segment results but reviewed by the boards: <i>Expenses not directly allocable to identifiable segments</i>			
Other			(270)
Loss after income tax			<u>(926,517)</u>
As at 31 December 2023			
Segment assets	1,302,402	9,968,393	11,270,795
Segment liabilities	173,839	2,825	176,664
Segment asset increases for the period:			
Capital expenditure	-	1,041,600	1,041,600
Impairment of exploration assets	-	-	-
	<u>-</u>	<u>1,041,600</u>	<u>1,041,600</u>

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Note 5 Cash and cash equivalents

30 June 2024	31 December 2023
\$	\$
2,928,959	1,314,109

Note 6 Exploration and evaluation

30 June 2024	31 December 2023
\$	\$
9,932,524	8,890,924
1,144,250	1,414,146
539,543	(372,546)
11,616,317	9,932,524

The carrying value of exploration and evaluation expenditure at balance date is represented by the following projects:

Ambodilafa	1,565,318	1,475,511
Bekisopa	9,298,958	7,775,276
Tratramarina	752,041	681,737
	11,616,317	9,932,524

Ambodilafa Farm-in Agreement

On 22 August 2012, the Company entered into a Farm-in Agreement with Jubilee Platinum plc which entitled the Company to earn a 90% interest in commodities other than platinum group elements, London Metal exchange traded metals and chrome.

Under the Farm-in Agreement, the Company will earn its interest in the commodities in three stages:

- Stage 1 US\$1.0 million expenditure 51%
- Stage 2 US\$1.0 million expenditure 81% (cumulative)
- Stage 3 US\$1.0 million expenditure 90% (cumulative)

The Company is required to give notice to Jubilee each time it has expended US\$1.0 million under the Farm-in Agreement. Jubilee has 30 days from the date of notice to inform the Company whether it wishes to take the unearned interest available to it through jointly funding all future work programmes. If Jubilee does not elect to take the unearned interest, the Company has automatic rights to move the next stage and earn additional interest in the commodities. Under the Farm-in Agreement the Company will have sole and exclusive rights to explore the Ambodilafa tenements in each stage.

Where the Company has earned a 90% interest in the commodities and Jubilee does not elect to take up the unearned interest, the Company has a right to buy-out the unearned interest for \$1.5 million through either shares or cash or a royalty or a combination of these methods.

As at 30 June 2024, the Company had earned an 90% equity interest in the Ambodilafa tenements. The Company has advised Jubilee that it would elect to buy-out the residual

interest by way of a royalty; however, as at the date of this report the Company and Jubilee have not formalised this arrangement.

In October 2017, the Ministry of Mines lifted the moratorium on the renewal, transfer, and transformation of existing tenements; however, the progress in addressing the backlog has been slow. Malagasy counsel for the Company has concluded that the renewal and transformation applications submitted to the BCMM for permits held by the Company and confirmed that in each case the application was made in a form, which was acceptable to the BCMM and is deemed to hold beneficial title to these tenements. Accordingly, Malagasy counsel see no evidence, which would suggest that the Ministry of Mines would withhold its approval in respect of the renewal of the permits concerned and at this point in time the company has access to these tenements.

The BCMM advised tenement holders that it would not cancel any tenements that renewal fees became in arrears as a result of the failure of the government to grant, renew or transform tenements. The decision by the Company was consistent with other miners and explorers who have demanded the government address the shortcomings of previous administrations. In May 2024, the Company paid all outstanding annual administration fees (*frais d'administration annuelle*) for 2024 calendar year. (The BCMM had delayed the issue of administration fees until the new Mining Code was approved.)

All administration fees levied on the tenements held by the Group's Malagasy entities have been paid, in full, up to and including 30 June 2024.

The Company has sighted BCMM approved renewals and transformation of its tenements. The documents are now awaiting ministerial seal.

Note 7

Contributed equity

	Number	\$
As At 31 December 2022	72,190,210	28,186,123
Issue of shares		
Entitlement & Shortfall Offers	14,442,197	2,310,751
Share placements	8,350,407	1,268,182
Other movements		(1,000)
Equity raising costs	-	(161,133)
As At 30 June 2023	94,982,814	31,602,923
As At 31 December 2023	94,982,814	31,606,710
Share Placement	5,339,999	801,000
Entitlement & Shortfall Offers	20,064,563	3,009,684
Shares to Consultant	100,000	15,250
Equity raising costs	-	(272,212)
As At 30 June 2024	120,487,376	35,160,432

Ordinary shares

Ordinary shares have the rights to receive dividends as declared and, in the event of winding up, participate in the proceeds from the sale of all surplus assets in proportion to the number of, and amounts paid up on, the shares held.

Each fully paid ordinary share carries one vote.

Ordinary shares issued to shareholders since incorporation have had no par value.

Note 8 Share-based payments

Options over ordinary shares issued to consultant

On 18 October 2023, 5,000,000 options over ordinary shares were issued to a corporate advisor.

The number of options on issue as at 30 June 2024 is 14,699,213 with an exercise price of 25 cents per option over ordinary share and an expiry date being 25 May 2026.

Performance rights

On 5 June 2024, after approval at the Annual General Meeting of the Company on 30 May 2024, the following performance rights were issued to Directors:

- P Bibby – 1,500,000 vesting upon a continuous period of employment of 12 months from 1 June 2024;
- P Bibby – 1,500,000 vesting upon a continuous period of employment of 24 months from 1 June 2024;
- M Gill – 200,000 vesting upon a continuous period as a Director of 24 months from 2 August 2023; and
- G Hunt – 500,000 vesting upon a continuous period as a Director of 24 months from 1 February 2024.

On 5 June 2024, the Company issued the following performance rights to its General Manager – Development:

- J Whittle – 300,000 vesting upon a continuous period of employment of 12 months from 12 January 2024.

Note 9 Commitments

Exploration and evaluation expenditure commitments

Under 99-022 Mining Code (*portant Code minier*), the Group does not have any expenditure commitments on its tenements other than the annual renewal fees (*frais annuel d'administration*) which are payable to the Madagascar Mining Cadastre Bureau (*Bureau du Cadastre Minier de Madagascar*).

The annual administration fee for each tenement held by the Group, including the Ambodilafa tenements, have been paid in the 2024 half-year statement of financial position.

Note 10 Financial obligations of the Company and its controlled entity Universal Exploration Madagascar sarl

The Company

Ambodilafa tenements

On 22 August 2012, the Company entered into a Farm-in Agreement with Jubilee Platinum plc which entitled the Company to earn a 90% interest in commodities other than platinum group elements, London Metal exchange traded metals and chrome.

Under the Farm-in Agreement, the Company has earned its interest in the commodities in three stages:

- Stage 1 US\$1.0 million expenditure 51%

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- Stage 2 US\$1.0 million expenditure	81% (cumulative)
Stage 3 US\$1.0 million expenditure	90% (cumulative)

The Company is required to give notice to Jubilee each time it has expended US\$1.0 million under the Farm-in Agreement. Jubilee has 30 days from the date of notice to inform the Company whether it wishes to take the unearned interest available to it through jointly funding all future work programmes. If Jubilee does not elect to take the unearned interest, the Company has automatic rights to move the next stage and earn additional interest in the commodities. Under the Farm-in Agreement the Company will have sole and exclusive rights to explore the Ambodilafa tenements in each stage.

Where the Company has earned a 90% interest in the commodities and Jubilee does not elect to take up the unearned interest, the Company has a right to buy-out the unearned interest for \$1.5 million through either shares or cash or a royalty or a combination of these methods.

As at 30 June 2024, the Company had earned an 90% equity interest in the Ambodilafa tenements. The Company has advised Jubilee that it would elect to buy-out the residual interest by way of a royalty; however, as at the date of this report the Company and Jubilee have not formalised this arrangement. In such circumstances, the Company is entitled to 100% of the mineral rights to the Commodities as defined by the above-mentioned agreement.

Bekisopa tenements

On 16 June 2014, the Company acquired Iron Ore Corporation of Madagascar sarl pursuant to a Share Sale and Purchase Agreement and the simultaneous execution of a Shareholders Agreement with Cline Mining Corporation. Under the terms and conditions of the Share Sale and Purchase Agreement, the Company paid Cline US\$25,000 on execution of the above-mentioned agreement and agreed to pay, on 17 June 2014, a further US\$175,000. In addition, the Company agreed to pay outstanding annual administration fee (*frais d'administration annuel*) to the Bureau of Cadastre Mines of Madagascar (*Bureau du Cadastre Minier de Madagascar or BCM*) as well as settling outstanding liabilities in Madagascar.

On 27 October 2016, the Company renegotiated its obligations (principal excluding interest and penalties) due to Cline Mining Corporation for the Bekisopa DSO project. Under the revised terms the Company has move its outstanding obligations from June 2017 to June 2018 on the issue of US\$50,000 in shares in the Company on its listing and an option to extend the outstanding obligation to December 2018 for a further US\$25,000 in shares.

On 13 December 2019, the Company extinguished its obligation to Cline under the Share Sale and Purchase Agreement with the payment of A\$253,478. Further, on 25 July 2020 the Company agreed with Cline to acquire its remaining 25% equity interest in IOCM as well as convert its rights to fully paid ordinary shares under the Deeds of Variation at a price of 2.5 cents per fully paid ordinary shares.

Universal Exploration Madagascar sarl

On 23 June 2011, Universal Exploration Madagascar sarl (UEM) acquired two Reserved Licences for Small Mining Developers (*du Permis Reserve Aux Petits Exploitants ou Permis*) prospective for magnetite (the Tratramarina West tenements) by paying US\$200,000 and agreeing to pay, on the election of UEM, US\$250,000 (First Option) and US\$350,000 (Second Option) in 2012 and 2013, respectively, if UEM sarl elects to continue to explore and expend monies on the permits. In addition, if Universal Exploration Madagascar sarl undertakes a Mine Development that incorporates magnetite ore sourced from the Tratramarina West tenements, a royalty of 0.35% will be paid on the net sales revenue generated on magnetite concentrate produced from the Tratramarina West prospects. The Tratramarina West tenements are adjacent to the Tratramarina East.

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The parent entity exercised the First Option during the course of the 2023 financial year and exercised the Second Option on 26 February 2013.

Following the exercise of the Second Option, the outstanding obligation of UEM under the Mining Permit Sale Agreement is a royalty equal to 0.35% of net sales revenue.

Note 11

Events after balance date

Geotechnical drilling was completed at Bekisopa, which is required for the upcoming Pre-Feasibility Study mine design. Samples have been sent for laboratory analysis.

Hydrogeology drilling was completed at Bekisopa, which is required for the upcoming Pre-Feasibility Study mine design.

Road route survey works were completed, which are required for the upcoming Pre-Feasibility Study.

The first five drill holes at the Satrokala Project were completed. Samples have been sent for laboratory analysis.

Note 12

Contingent liabilities

The Company has no contingent liabilities, other than that disclosed in Note 10.

DIRECTORS' DECLARATION

The directors declare that:

- (a) 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; and
- (b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with AASB 134 *Interim Financial Reporting* and the Corporations Act 2001, including compliance with the accounting standards and giving true and fair view of the financial position as at 30 June 2024 and its performance for the half-year then ended.

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

Signed on behalf of the Board of Directors



GP Hunt
Chairman

Dated this 12 day of September 2024

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF AKORA RESOURCES LIMITED

Conclusion

We have reviewed the accompanying half-year financial report of Akora Resources Limited ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the condensed consolidated statement of financial position as at 30 June 2024, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other selected explanatory notes, and the directors' declaration.

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

- a. Giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2024 and of its performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134: *Interim Financial Reporting* and *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Material Uncertainty Related to Going Concern

We draw attention to Note 2(a) in the financial report, which indicates that the Consolidated Entity incurred a net loss of \$1,090,013 during the half year ended 30 June 2024. As stated in Note 2(a), these events or conditions, along with other matters as set forth in Note 2(a), indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

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Responsibility of the Directors for the Financial Report

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

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



HALL CHADWICK WA AUDIT PTY LTD



MARK DELAURENTIS CA
Director

Dated 12th day of September 2024
Perth, Western Australia