Annual Report

30 June 2024

Earths Energy Limited

ABN 60 149 637 016

Corporate Directory

Directors

Mr Grant Davey	Executive Director
Mr Chris Bath	Executive Director
Mr David Wheeler	Non-Executive Director

Chief Executive Officer

Mr Josh Puckridge

Company Secretary

Mr Stuart McKenzie

Registered Office

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140 St Georges Terrace
Perth WA 6000

Telephone: +61 8 9200 3425
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Securities Exchange Listing

Earths Energy Limited shares are listed on the Australian Securities Exchange

ASX Code

EE1 – Fully paid Ordinary Shares

Share Registry

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126 Phillip Street
Sydney NSW 2000

Email: hello@automicgroup.com.au

Telephone: +61 1300 288 664

Auditors

Ernst & Young
11 Mounts Bay Road
Perth WA 6000

Website

https://ee1.com.au

Forward Looking Statements

This Report contains certain forward-looking statements. Often, but not always, forward-looking statements may be identified by the use of forward-looking words such as "may", "will", "expect", "intend", "plan", "estimate", "target", "propose", "anticipate", "continue", "outlook" and "guidance", or other similar words. By their nature, forward-looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause actual results, performance and achievements to be materially greater or less than estimated, including those generally associated with the geothermal industry and/or resources exploration companies. Any such forward-looking statements, opinions and estimates in this Report (including any statements about market and industry trends) are based on assumptions and contingencies, all of which are subject to change without notice, and may ultimately prove to be materially incorrect. Forward-looking statements are provided as a general guide only and should not be relied upon as, and are not, an indication or guarantee of future performance. Neither Earths Energy nor any of its directors, officers, agents, consultants, employees or advisors give any representation or warranty, express or implied, as to the fairness, accuracy, completeness or correctness of the information, opinions, forward looking statements and conclusions contained in this Report.

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Directors Report

The Directors of Earths Energy Limited (the "Company") and its subsidiaries (the "Group") present their report for the financial year ended 30 June 2024.

Review of Activities

Overview

Following disposal of its main undertaking in the September 2021 quarter, the Company's securities were suspended in January 2022, with ASX requiring the Company to seek Shareholder approval pursuant to Listing Rule 11.1.2 and re-comply with Chapters 1 and 2 of the Listing Rules pursuant to Listing Rule 11.1.3 with respect to any future project acquisition the Company may enter into.

In July 2023 the Company announced it had entered into a binding agreement to acquire 84% of Volt Geothermal Pty Ltd ("Volt") and Within Energy Pty Ltd ("Within") (collectively "Acquisitions"), which hold geothermal exploration permits in Queensland and South Australia ("the Projects").

Shareholders approved the Acquisitions in November 2023, and the Acquisitions were completed in December 2023. In conjunction with the Acquisitions, the Company undertook a capital raise of $6,000,000, via the issue of 300,000,000 shares at $0.02 per share. The capital raised will be utilised to fund exploration and appraisal activities, pre-feasibility and other studies as part of its geothermal commercialisation strategy and for working capital purposes.

Following re-compliance with Chapters 1 and 2 of the ASX Listing Rules, ASX approved the reinstatement to quotation of the Company's securities and the Company re-commenced trading on 7 February 2024.

The Projects comprise of prospective geothermal exploration licences in South Australia and Queensland.

The prospective geothermal assets in South Australia span 12,035 km² in prime locations, strategically situated along major transmission lines and adjacent to large-scale mining operations such as Olympic Dam and Carrapateena and Four Mile/Beverly, all major consumers of energy in South Australia.

In Queensland, the Company has one geothermal exploration permit ("EPG 2026"), which is located near Brisbane and substations and regional power networks. Additionally, the Company has three blocks under application that are located near the Gold Coast and major industrial activity in the Bowen and Surat Basin mining and coal seam gas area.

The Company plans to focus on systematically exploring early-stage geothermal targets and developing geothermal resources. This will involve a fit-for-purpose exploration programme analysing subsurface geology to identify thermal resource potential at different well depths, undertaking preliminary survey and resource assessments based on offset well data, exploration location definition and exploration drilling. This will determine priority targets for exploration drilling for geothermal resources.

As Australia transitions to a Net Zero economy and reduces its reliance on fossil fuels, there are significant advantages from the use of geothermal energy, including:

- reliable and dispatchable source of energy - available 24 hours per day
- clean energy with low environmental impact
- small acreage area required for geothermal plant and facilities
- no storage or transportation requirements
- energy extraction without the use of fossil fuels
- broad public support in countries in which it operates
- the highest renewable energy capacity and generation of all renewable energies.

The pathway for the maturation and potential commercialisation of geothermal assets are not dissimilar to an onshore oil and gas project, with total project risks diminishing through each phase:

1. preliminary survey and inferred resource assessments based on offset well data;
2. exploration location definition and basic design;
3. verification drilling to feed into detailed design;
4. project review and planning;
5. field development and production drilling;
6. construction; and
7. start-up and commissioning.

In June 2024 the Company appointed Mr Josh Puckridge as the Company's Chief Executive Officer. Mr Puckridge is a corporate finance executive and experienced company director of ASX listed companies, including formerly serving as the CEO and Executive Director of Discovery Resources Limited, a Namibian rare earth element exploration company. Mr. Puckridge previously worked for a global funds manager (Fleming Asset Management), managing in excess of $US1.4bn. Prior to joining the Company, Mr Puckridge had spent the last two years working at the forefront of the Australian geothermal industry as a founder and managing director of Steam Resources Limited (Steam Resources), assembling one of the largest geothermal exploration and development portfolios in the world. As part of this transition, Mr Matt Kay and Mr Trey Meckel stepped down as Managing Director and Head of Subsurface, respectively.

Acquisition

As noted above, the Company acquired 84% of all the issued shares in Volt and Within with the consideration being 220,360,329 shares in the Company.

Pursuant to the terms of the agreement, the Company also has the right to purchase their remaining shareholder interests, and require each Seller to sell, their respective shareholder interests at any time from the third anniversary of Completion (i.e. 28 December 2023).

In addition, the minority shareholders have an option to dispose of all (but not part of) their shareholder interests ("Put Option") and may, collectively, exercise the Put Option at any time from the date of Completion until its third anniversary.

On 6 December 2023 shareholders approved, amongst other things, the Acquisitions, together with a change in name from Cradle Resources Limited to Earths Energy Limited and a change in nature and scale of the Company's activities.

On 28 December 2023 (the "Completion Date"), the Acquisitions were completed, and the Company issued 220,360,329 shares at $0.02 per share as a total consideration.

As a result of the Acquisitions, the Company has assessed that it has control over Volt and Within pursuant to AASB 10, and the financial report for the financial year ended 30 June 2024 incorporates the assets and liabilities of all subsidiaries of the Company as at 30 June 2024 and the results of all subsidiaries from the acquisition date. The remaining 16% shareholding in both Volt and Within was accounted for as non-controlling interest as at the same date. Refer to detailed discussion in note 16 to the financial statements.

Geothermal Energy's Role in a Balanced Renewable Mix

Geothermal energy, with its ability to provide consistent and reliable baseload power, stands out as a significant and sustainable source of renewable energy that can help 'plug the gap' in our energy mix.

Unlike variable renewable sources such as wind and solar, geothermal power is not subject to weather conditions or daily fluctuations, instead providing electricity around the clock. This characteristic is particularly valuable for ensuring the stability of the power grid and for providing a steady supply of energy to meet the base level of demand, replacing other base load power such as coal fired generation.

Geothermal energy is well established globally

- Geothermal energy has been produced for over 100 years and geothermal power plants have been installed in 30 countries
- As of January 2024, global geothermal power generation capacity stood at 16,335 MWe with 208 MWe capacity installed during 2023[1]
- Over 400 plants worldwide, on average ~40Mwe

EE1 positioned to succeed in the renewable energy industry

- **Early mover in Australia:** Assembled prospective and advanced geothermal opportunities across both Queensland and South Australia
- **Existing infrastructure:** Portfolio of assets is near existing infrastructure and customers for early commercialisation
- **Proven team:** Established a high calibre team of energy industry leaders

Australia's Most Advanced Geothermal Projects

During the Period, Earths Energy completed a number of work streams which confirmed that, in the opinion of the Company, its South Australian projects represent the most advanced geothermal projects in Australia.

The Company has identified two project areas in South Australia:

- Paralana, and
- Flinders West.

Both project areas maintain significant development potential for commercial power production and have been drilled and tested in previous years to confirm the presence of significantly high heat and the correct geology.

South Australia Portfolio:

Close to Lines and Mines

Earths Energy's geothermal assets in South Australia are at the nexus of the state's push towards renewable energy, with substantial exploration blocks spanning 12,035 km² in prime locations (See Figure 1). These blocks are strategically situated along major transmission lines and adjacent to large-scale mining operations, such as Olympic Dam and Carrapateena and Four Mile / Beverly, all major consumers of energy in South Australia.

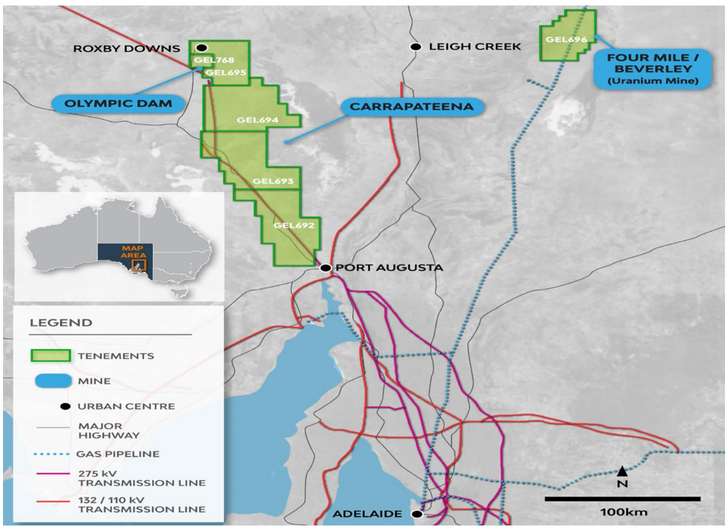

Figure 1 – South Australian geothermal exploration licences

[1] https://www.thinkgeoenergy.com/thinkgeoenergys-top-10-geothermal-countries-2023-power-generation-capacity/

Queensland Portfolio:

Meeting East Coast Australia's growing Power Demand

As discussed above in the "Review of Activities", in Queensland, Earths Energy has one tenement granted, being EPG2026 and three tenements under application. EPG2026 is located near Brisbane and provides potential to access ~400 substations and >75% of Queensland population via existing distribution (subject to regulatory approvals). Tenements under application are located near Brisbane and near major industrial activity in the Bowen and Surat Basin mining areas.

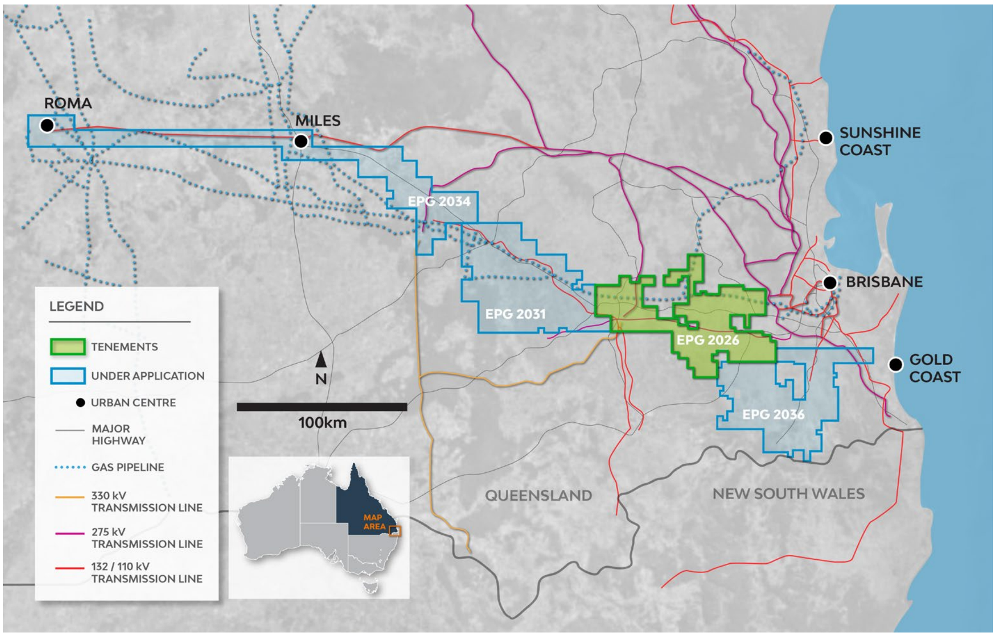

Figure 2 – Queensland geothermal exploration licences and applications

Funding

On 7 July 2023 the Company completed a placement of $850,000 at $0.02 per share by way of the issue of 42,500,000 new shares at $0.02 plus a free attaching option with an exercise price of $0.05 and expiry of three years from date of issue.

In December 2023, as part of the Acquisitions, the Company completed a capital raise of $6 million via the issue of 300,00,000 shares at $0.02.

Business Strategy

The Group plans to focus on systematically exploring early-stage geothermal targets and developing geothermal resources. This will involve a fit-for-purpose exploration programme analysing subsurface geology to identify thermal resource potential at different well depths, undertaking preliminary survey and resource assessments based on offset well data, exploration location definition and exploration drilling. This will determine priority targets for exploration drilling for geothermal resources.

The Company's strategy is to follow a typical path for the maturation of an exploration play through the following stages:

1. Exploration and appraisal activities to confirm existence of the resource and demonstrate the commercial viability;
2. Study work such as pre-feasibility and definitive feasibility as part of the commercialisation of the resource; and
3. Project development which involves drilling of production wells and installation of surface facilities for delivery of energy to market.

Success with the strategy outlined above will determine future exploration and funding programs to advance the projects being acquired.

Material Risks

The Company's activities present inherent risk and therefore the Board is unable to provide certainty that any or all of these activities will be able to be achieved.

The material business risks faced by the Group that are likely to have an effect on the Group's future prospects, and how the Group manages these risks, include:

a) Requirements for Additional Capital

The Company's capital requirements depend on numerous factors. To develop the Projects, the Company will require further financing in addition to amounts raised pursuant to a prospectus. There can be no assurance as to the levels of future borrowings or further capital raisings that will be required to meet the aims of the Company in developing the Projects or otherwise for the Company to undertake its business.

Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or adapt the scope of the development of the Projects. There is no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

b) Environmental and Other Regulatory Risk

The Projects are subject to regulations regarding environmental matters. The governments and other authorities that administer and enforce environmental laws determine these requirements. As with all exploration projects, The Group's future activities are expected to have an impact on the environment, particularly if development proceeds. The Group intends to conduct its activities in an environmentally responsible manner and in accordance with applicable laws.

The cost and complexity of complying with the applicable environmental laws and regulations may prevent the Group from being able to develop potentially economically viable resources.

c) Geothermal Development

Possible future development of geothermal operations at any of the Projects is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable energy, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.

Directors

The names and details of the Company's directors in office during the financial year and until the date of this report are set out below.

Mr Grant Davey	Executive Chairman BSc Mining Engineering, MAICD
Experience	Mr Davey is an entrepreneur with 30 years of senior management and operational experience in the development, construction and operation of precious metals, base metals, uranium and bulk commodities throughout the world. More recently, he has been involved in venture capital investments in several exploration and mining projects and has been instrumental in the acquisition and development of the Panda Hill niobium project in Tanzania, the Cape Ray gold project in Newfoundland and recently the acquisition of the Kayelekera Uranium mine in Malawi from Paladin Energy Limited.
Other directorships	Frontier Energy Limited Lotus Resources Limited
Former directorships	Waroona Energy Inc. from 16 March 2022 to 15 May 2023.

Mr Chris Bath	Executive Director and Chief Financial Officer ("CFO") Chartered Accountant, MAICD Appointed on 1 December 2021
Experience	Mr Bath is a Chartered Accountant and member of the Australian Institute of Company Directors, with over 25 years of senior management experience in the energy and resources sector both in Australia and south-east Asia. Mr Bath has broad financial and commercial experience including financial reporting, commercial management, M&A, taxation, ASX compliance and governance.
Other directorships	Frontier Energy Limited
Former directorships	Grand Gulf Energy Limited from March 2019 to October 2021.

Mr David Wheeler	Non-Executive Director FAICD Appointed on 12 October 2021
Experience	Mr Wheeler has more than 30 years of senior executive management, directorships, and corporate advisory experience. He is a foundation Director and Partner of Pathways Corporate a boutique corporate advisory firm that undertakes assignments on behalf of family offices, private clients, and ASX-listed companies. Mr Wheeler has a wealth of experience on public and private company boards and currently holds several Directorships and Advisory positions in Australian companies.
Other directorships	Protean Energy Limited from May 2017 to current PVW Resources Limited from August 2017 to current Ragnar Metals Limited from December 2017 to current Avira Resources Limited from September 2018 to current MOAB Minerals Limited from September 2018 to current Invex Therapeutics Limited from November 2023 to current Cycliq Group Limited from June 2021 to current Ozz Resources Limited from May 2022 to current Wellfully Limited from April 2024 to current
Former directorships	Syntonic Limited from November 2019 to May 2022 Blaze Minerals Limited from March 2020 to November 2021 Health House International Limited from April 2021 to May 2023 Athena Resources Limited from June 2021 to September 2022 ColorTV Limited from April 2022 to 19 September 2023 Tyranna Resources Limited from April 2019 to July 2024 Wellfully Limited from January 2023 to June 2023

Mr Matt Kay	Managing Director Economics, Master in Business Administration Appointed on 7 February 2024, resigned on 28 June 2024
Experience	Mr Kay is a seasoned energy industry executive with more than 30 years of experience. Most recently he was the Managing Director of Beach Energy Limited, having quadrupled the size of the company over a 6-year period. Prior to Beach Energy, Matt was the Executive General Manager of strategy and commercial at Oil Search Limited, where he led the strategy, commercial, supply chain, economics, marketing, M&A and legal functions. Prior to Oil Search, Matt worked at Woodside Energy for over a decade in various leadership roles including Vice President of Corporate Development and also General Manager of Production Planning.
Other directorships	Nil
Former directorships	Beach Energy Limited from 12 January 2016 to November 2021

Company Secretary

On 19 March 2024, Mr Stuart McKenzie was appointed Company Secretary and Ms Catherine Anderson resigned as Company Secretary.

Mr McKenzie has over 30 years of experience in senior commercial roles. He has been a company secretary with a number of resources companies including Anvil Mining Limited, Lotus Resources Limited, Wia Gold Limited, Evolution Energy Minerals Limited and Ok Tedi Mining Limited. He has also held senior positions with Ernst and Young and HSBC. Mr McKenzie has a degree in Bachelor of Laws and Bachelor of Economics.

Directors' Interests

As at the date of this report, the interests of the Directors in the shares and options of the Company were:

	Ordinary Shares		Options over
	Held directly	**Held indirectly**	**Ordinary shares**
Mr Grant Davey	51,350,000	-	10,000,000
Mr Chris Bath	9,364,246	-	10,000,000
Ms David Wheeler	2,250,000	-	4,000,000
Total	**62,964,246**	**-**	**24,000,000**

[1] *Mr Matt Kay resigned effective 28 June 2024 and his ordinary shares are subject to escrow until 2 January 2026.*

Directors' Meetings

The number of meetings of Directors held during the year and the number of meetings attended by each director were as follows:

	Held	Attended
Mr Grant Davey	3	3
Mr Chris Bath	3	3
Ms David Wheeler	3	3
Mr Matt Kay	3	2

There were no Board committees operating during the financial year.

Financial Results

The net loss of the Group for the year ended 30 June 2024 was $1,400,144 (2023: $356,806). The net loss attributable to the newly acquired entities and the non-controlling interests amounted to $7,369 for the six months (from acquisition date of Within and Volt) until 30 June 2024. The costs incurred in Volt and Within were capitalised as part of the exploration & evaluation assets in the financial statements based on the relevant accounting standard.

Financial Position

At 30 June 2024, the Group's cash and cash equivalents amounted to $4,903,233 (2023: $4,877) and the net assets amounted to $10,263,760 (2023: net liabilities of $216,211).

On 7 July 2023, the Company completed a placement of $850,000 by way of the issue of 42,500,000 new shares at $0.02 plus a free attaching option with an exercise price of $0.05 and expiry of three years from date of issue.

On 9 December 2023, the Company completed a $6 million capital raise to fund the Projects work program and for working capital purposes by the issue of 300,000,000 shares at $0.02 per share.

On 7 February 2024, the Company was reinstated to the Official List of ASX.

The Company had in place a limited recourse subordinated debt facility of $500,000 with Davey Management (Aus) Pty Ltd ("Davey Management"), a related entity of Director Mr Grant Davey. The key terms are as follows:

- Facility Limit of $500,000 (undrawn);
- Interest rate of 8% per annum;
- Limited recourse - The recourse of the Lender against the Company is limited to the assets of the Company after payment of all unsubordinated creditors; and
- Subordination - the repayment of the total outstanding amount shall be subordinated and postponed and made subject to all debts, claims, demands, rights and causes of action of all unsubordinated creditors.

This subordinated debt facility was terminated by mutual agreement on 29 February 2024 following the completion of the Acquisitions, capital raise of $6 million and the re-listing of the Company on ASX.

Likely Developments

The Group will continue to pursue its strategy of exploring early-stage geothermal targets and developing geothermal resources.

Dividends

No dividends were paid or declared during the financial year (2023: None). No recommendation for payment of dividends has been made.

Changes in the state of affairs

As discussed above, the Company acquired Volt and Within on 28 December 2023 and effective from that date, the Company was assessed to have control over Within and Volt and therefore, the financial report for the year ended 30 June 2024 includes the assets, liabilities, income and expenses of Volt and Within. The remaining 16% shareholding in both Volt and Within was accounted for as non-controlling interest as at the same date.

Events occurring after the balance sheet date

Other than as noted above, at the date of this report there are no matters or circumstances which have arisen since 30 June 2024 that have significantly affected or may significantly affect:

- the operations, in financial years subsequent to 30 June 2024, of the Group;
- the results of those operations, in financial years subsequent to 30 June 2024, of the Group; or
- the state of affairs, in financial years subsequent to 30 June 2024, of the Group.

Environmental regulations

The Group aims to ensure the appropriate standard of environmental care is achieved, and in doing so, that it is aware of and is in compliance with all environmental legislation. The Group has considered relevant impacts and ensured the Group is compliant with environmental reporting requirements. The directors of the Company are not aware of any breach of environmental legislation for the year under review.

Shares under option

As at the date of this report, the Company has unissued shares under option as follows:

Expiry date	No. of options	Exercise price
01/01/2029	5,000,000	$0.00
01/01/2029	5,000,000	$0.00
01/01/2029	5,000,000	$0.00
01/01/2029	5,000,000	$0.00
01/01/2029	2,000,000	$0.00
01/01/2029	2,000,000	$0.00
01/01/2027	5,000,000	$0.02
01/01/2027	5,000,000	$0.04
01/01/2027	5,000,000	$0.06
01/01/2027	42,500,000	$0.05
04/06/2027	2,814,000	$0.00
04/06/2027	3,752,000	$0.00
04/06/2027	4,690,000	$0.00
Total	**92,756,000**	

ASX escrow restrictions apply to all of the options in the above table for a period of 24 months commencing on the date on which official ASX quotation of the Shares commenced, which was 7 February 2024.

Shares issued on exercise of options

During the financial year, there were no ordinary shares issued by the Company as a result of the exercise of options.

Indemnification and insurance of directors and officers

The Constitution of the Company requires the Company, to the extent permitted by law, to indemnify any person who is or has been a director or officer of the Company for any liability caused as such a director or officer and any legal costs incurred by a director or officer in defending an action for any liability caused as such a director or officer.

During or since the end of the financial year, no amounts have been paid by the Company in relation to the above indemnities. During the financial year, the Company paid an annualised insurance premium of $63,085 (2023: $20,535) to provide for adequate insurance cover for directors and officers against any potential liability and the associated legal costs of a proceeding.

Indemnification of auditors

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit. No payment has been made to indemnify Ernst & Young during or since the end of the financial year.

Non-audit services

Details of amounts paid or payable to the Company's auditor, Ernst & Young, for audit and non-audit services provided during the year are set out in note 23.

The Board is satisfied that the provision of the non-audit services is compatible with general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the provision of non-audit services by the auditor did not compromise the auditors' independence requirements of the Corporations Act 2001 for the following reasons:

(a) all non-audit services have been reviewed by the Board to ensure they do not impact the impartiality and objectivity of the auditor; and
(b) none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to 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 part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the Corporations Act 2001.

Corporate governance

The Directors of the Company support and have adhered to the principles of Corporate Governance. The Company's corporate governance key statements, frameworks, policies and charges are all available on the Company's website at [Governance - Earths Energy (ee1.com.au)](ee1.com.au).

Remuneration Report

The Remuneration Report set out on pages 13 to 18 forms part of the Directors' Report and is signed as part of it.

Auditors

Ernst & Young continues in office in accordance with Section 327 of the *Corporations Act 2001*.

Remuneration report (audited)

The Directors present the Remuneration Report (the "Report"), which forms part of the Directors' Report of the Group for the year ended 30 June 2024 and has been audited in accordance with section 300A of the *Corporations Act 2001* and its regulations.

The Report details the remuneration arrangements for Key Management Personnel ("KMP") being the:

- Executive directors;
- Chief Executive Officer; and
- Non-Executive directors.

KMP are those, who directly, or indirectly, have authority and responsibility for planning, directing and controlling the major activities of the Group.

Details of the KMP of the Group during or since the end of the financial year are set out below:

Mr Grant Davey	Executive Director (appointed on 27 February 2018)
Mr Josh Puckridge	Chief Executive Officer (appointed on 3 June 2024)
Mr Matthew Kay	Managing Director (appointed on 7 February 2024, resigned 31 May 2024)
Mr Chris Bath	Executive Director (appointed on 8 July 2019) and CFO
Mr David Wheeler	Non-Executive Director (appointed on 12 October 2021)

Unless otherwise disclosed, the KMP held their position from 1 July 2023 until the date of this report.

Remuneration Policy and Selection and Appointment Procedures

The Company's remuneration policy for its KMP has been developed by the Board considering the size of the Company, the size of the management team, the nature and stage of development of the Company's current operations, market conditions and comparable salary levels for companies of a similar size and operating in similar sectors.

Candidates for the Board are considered and selected by reference to a number of factors which include, but are not limited to, their relevant experience and achievements, compatibility with other Board members, credibility within the Company's scope of activities, and intellectual and physical ability to undertake Board duties and responsibilities. Directors are initially appointed by the full Board, subject to election by shareholders at the next general meeting.

Relationship structure

In accordance with best practice corporate governance, the structure of non-executive director and executive compensation is separate and distinct.

Executive Remuneration

The Company is committed to remunerating its senior executives in a manner that is market competitive, consistent with best practice and supports the interests of shareholders. The Company aims to align the interests of senior executives with those of shareholders by remunerating senior executives through performance and long-term incentive plans in addition to their fixed remuneration.

Consequently, senior executives' remuneration consists of the following elements:

- Fixed remuneration;
- Performance bonus and long term incentives; and,
- Other benefits including superannuation.

The Company has not established a Remuneration and Nomination Committee. The Board of the Company undertakes the review of executives' salaries on an annual basis.

Fixed Remuneration

Fixed remuneration is reviewed annually by the Board. The salary of senior executives is determined from a review of the market and reflects core performance requirements and expectations. In addition, the Company considers the scope of individual's role, level of skill and experience, legal and industrial obligations, labour market conditions and the size and complexity of the Company's business. No external remuneration consultants were used during the financial year.

Performance Bonus (Short-term Incentive or "STI") and Long-Term Incentive ("LTI")

The purpose of the performance bonus is to reward actual achievement by the individual of performance objectives and for materially improved company performance. Consequently, performance-based remuneration is paid where a clear contribution to successful outcomes for the Company is demonstrated and the individual attains and excels against pre-agreed key performance indicators during a performance cycle. It is the intention of the Company to implement a bonus and incentive structure over time to insure that senior management and executives are provided with proper incentives. From time to time, senior executives may be issued share options, subject to any necessary approval by shareholders. These options are intended to provide appropriate incentives aligned with the interests of shareholders.

During the financial year, no cash bonuses were awarded to executive KMP (2023: $Nil) by the Company.

The vesting criteria for LTIs outstanding as at 30 June 2024 related to KPIs for the respective performance period are:

Class	Tranche	Number of Options	Vesting Condition*	Expiry Date
Chief Executive Officer Options at $0.00 exercise price:				
A	1	2,814,000	Market capitalisation of $40 million for 15 consecutive trading days and the executive is engaged by the Company under the services agreement.	04/06/2027
B	2	3,752,000	Market capitalisation of $60 million for 15 consecutive trading days and the executive is engaged by the Company under the services agreement.	04/06/2027
C	3	4,690,000	Market capitalisation of $80 million for 15 consecutive trading days and the executive is engaged by the Company under the services agreement.	04/06/2027
Directors (Executive and Non-executive) Options at $0.00 exercise price:				
A	1	12,000,000	The Company's shares trade at a daily volume weighted average price of at least $0.04 for a consecutive period of at least 20 trading days.	01/01/2029
B	2	12,000,000	The Company's Shares trade at a daily volume weighted average price of at least $0.05 for a consecutive period of at least 20 trading days.	01/01/2029

**The Company was re-listed with ASX on 7 February 2024.*

Other benefits

Senior executives are entitled to statutory superannuation and subject to the terms of their engagement, may be entitled to mobile phone expenses, and internet access expenses. All reasonable out-of-pocket expenses incurred in connection with the performance of duties on behalf of the Company will be reimbursed.

During the financial year, there were 35,256,000 options granted by the Company to executive KMP that remain on issue.

Non-Executive Director Remuneration

The Board's policy is for fees to Non-Executive Directors to be no greater than market rates for comparable companies for time, commitment and responsibilities. The Board determines payments to the Non-Executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required.

The Company may pay to the Non-Executive Directors a maximum total amount of Director's fees, determined by the Company in a meeting of Members, or until so determined, as the Directors resolve. Directors' fees paid to Non-Executive Directors accrue on a daily basis. Non-executive Directors are entitled to statutory superannuation and have their indemnity insurance paid for by the Company. All reasonable out-of-pocket expenses incurred in connection with the performance of duties on behalf of the Company will be reimbursed. However, they do not have the opportunity to participate in equity schemes of the Company.

Fees for Non-Executive Directors are not linked to the performance of the Company. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company. Given the size, nature and opportunities of the Company, Non-Executive Directors may also receive options or rights in order to secure and retain their services. The Company prohibits Non-Executive Directors from entering into arrangements to limit their exposure to options granted as part of their remuneration package.

Fees for Non-Executive Director was set at $36,000 per annum. These fees cover main board activities only. Non-Executive Directors may receive additional remuneration for other services provided to the Company, including but not limited to, membership of committees.

Relationship between Remuneration of KMP and Shareholder Wealth

The Company's approach to remuneration is designed to attract and retain key executive talent, recognise the individual contributions of the Company's people, and motivate them to achieve strong performance aligned to the business strategy, whilst discouraging excessive risk taking.

In summary, the Company's approach to remuneration is to:

- Provide remuneration that is competitive and consistent with market standards;
- Align remuneration with the Company's overall strategy and shareholder interests;
- Reward superior performance within an objective and measurable incentive framework;
- Ensure that executives understand the link between individual reward and Group and individual performance;
- Be at a level acceptable to shareholders; and
- Apply sufficiently flexible remuneration practices that enable the Company to respond to changing circumstances.

Remuneration of KMP

Details of the remuneration of each Director of the Company for the year ended 30 June 2024 are as follows:

2024	Short-term benefits (Salaries & Fees) $	Post-employment benefits $	Share-based payments $	Total $	Percentage performance related %
Directors					
Mr Grant Davey	120,000	-	20,253	140,253	14%
Mr Chris Bath	48,000	-	20,253	68,253	30%
Mr David Wheeler	36,000	-	8,101	44,101	18%
Mr Matt Kay[1, 2]	206,376	21,767	-	228,143	-
Mr Josh Puckridge[3]	20,000	2,200	3,204	25,404	13%
	430,376	**23,967**	**51,811**	**506,154**	**10%**

[1] *Mr Matt Kay was appointed on 7 February 2024, resigned effective 31 May 2024 resulting in forfeiture of options.*
[2] *Mr Matt Kay's short-term benefits include payment in lieu of notice of $87,500 and payment of unutilised annual leave of $8,491.*
[3] *Mr Josh Puckridge was appointed as CEO on 3 June 2024.*

2023	Short-term benefits (Salaries & Fees) $	Post-employment benefits $	Share-based payments $	Total $	Percentage performance related %
Directors					
Mr Grant Davey	120,000	-	-	120,000	-
Mr Chris Bath	35,000	-	-	35,000	-
Mr David Wheeler	36,000	-	-	36,000	-
	191,000	-	-	191,000	-

Shareholdings of KMP

Directors	Held at 1 July 2023	Entitlement offers	On-market purchases	Off-market purchases	Disposals	Held at 30 June 2024
Mr Grant Davey	23,073,673	-	28,276,327	-	-	51,350,000
Mr Matt Kay[1]	-	-		44,072,747	-	44,072,747
Mr Chris Bath	1,864,246	-	7,500,000	-	-	9,364,246
Mr David Wheeler	-	-	2,250,000	-	-	2,250,000
Mr Josh Puckridge	-	-	-	-	-	-
	24,937,919	**-**	**82,099,074**	**-**	**-**	**107,036,993**

[1]*Off-market shares acquired as part of consideration for acquisition of Volt and Within.*

Option holdings of KMP

Directors	Held at 1 July 2023	Part of Remuneration	Exercised	Forfeiture	Held at 30 June 2024
Mr Grant Davey[1]	-	10,000,000	-	-	10,000,000
Mr Matt Kay[1]	-	29,018,016	-	(29,018,016)	-
Mr Chris Bath[1]	-	10,000,000	-	-	10,000,000
Mr David Wheeler[1]	-	4,000,000	-	-	4,000,000
Mr Josh Puckridge	-	11,256,000	-	-	11,256,000
	-	**64,274,016**	**-**	**(29,018,016)**	**35,256,000**

[1] *The options were issued in conjunction with the Company's re-quotation onto ASX.*

Fair value of options of key management personnel

The following table represents the Company's outstanding balance of options as at 30 June 2024 granted to KMP. All these options are on issue however, ASX escrow restrictions apply (for those options granted on 28 December 2023) for a period of 24 months commencing on the date of re-listing of the Company's shares on 7 February 2024.

Name	Grant date	Vesting date	Expiry date	No. of options	Exercise price	Fair value per share	Total Fair value
Grant Davey*	28/12/2023	27/12/2028	01/01/2029	5,000,000	$0.00	$0.02	$99,950
Chris Bath*	28/12/2023	27/12/2028	01/01/2029	5,000,000	$0.00	$0.02	$99,950
David Wheeler*	28/12/2023	27/12/2028	01/01/2029	2,000,000	$0.00	$0.02	$39,980
Grant Davey**	28/12/2023	27/12/2028	01/01/2029	5,000,000	$0.00	$0.02	$99,950
Chris Bath**	28/12/2023	27/12/2028	01/01/2029	5,000,000	$0.00	$0.02	$99,950
David Wheeler**	28/12/2023	27/12/2028	01/01/2029	2,000,000	$0.00	$0.02	$39,980
Josh Puckridge	04/06/2024	04/06/2027	04/06/2027	2,814,000	$0.00	$0.01	$33,740
Josh Puckridge	04/06/2024	04/06/2027	04/06/2027	3,752,000	$0.00	$0.01	$44,987
Josh Puckridge	04/06/2024	04/06/2027	04/06/2027	4,690,000	$0.00	$0.01	$56,233
				35,256,000			**$614,721**

** Part of Class A Tranche 1 Directors Options*
** Part of Class B Tranche 2 Directors Options*

Performance of the Group

The earnings of the Group for the last five years to 30 June 2024 are summarised below:

	2024 $	2023 $	2022 $	2021 $	2020 $
Other income	-	11,902	952	3,229	12,892
Net (loss) / profit before tax	(1,366,920)	(347,138)	876,025	(2,088,378)	(534,604)
Net (loss) / profit after tax	(1,366,920)	(356, 806)	876,025	(2,088,378)	(534,604)
Dividends paid	-	-	-	-	-

Other transactions with Related Parties

Mr Grant Davey is an executive Director of the Group and is a director and shareholder of Matador Capital Pty Ltd (Matador Capital). Matador Capital provides various services under a Shared Services Agreement in which Matador Capital provides office space, technical staff, accounting and administration services, project management and general office costs to the Group at cost plus 5%. The total cost incurred for the year ended 30 June 2024 was $196,631 (2023: $35,837).

In July 2022, The Company entered into an agreement with Davey Management (Aus) Pty Ltd ("Davey Management" or the "Lender"), a related entity of Mr Grant Davey, whereby Davey Management agreed to provide a loan facility of up to $500,000 to the Company. The key terms are:

- Facility Limit of $500,000
- Interest rate of 8% per annum
- Limited recourse – the recourse of the Lender against the Company is limited to the assets of the Company after payment of all unsubordinated creditors
- Subordination – the repayment of the total outstanding amount shall be subordinated and postponed and made subject to all debts, claims, demands, rights and causes of action of all unsubordinated creditors
- Repayment date is 31 July 2024

The subordinated loan facility agreement was terminated effective 29 February 2024.

Contracts with Directors and KMP

Mr Grant Davey, Executive Director, is engaged under a consultancy agreement with Matador Capital Pty Ltd ("Matador"). The agreement may be terminated by either party at any time for any or no reason without payment or penalty upon at least one (1) month's prior written notice of termination to the other, or payment in lieu thereof. Matador receives a monthly retainer of A$10,000 and may receive a discretionary bonus based on achievement of KPIs to be determined by the Board.

Contract with CEO

Mr Josh Puckridge is engaged as the CEO under an executive services agreement ("ESA"). The ESA commenced on 3 June 2024 and shall continue for the period of six months or until terminated by either party. The Executive is entitled to payment of annual leave and long-service leave to which he has become entitled during the service period.

End of Remuneration Report.

Signed in accordance with a resolution of the Directors.

Grant Davey
Executive Director
17 September 2024

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Building a better working world

Auditor's independence declaration to the directors of Earths Energy Limited

As lead auditor for the audit of the financial report of Earths Energy Limited for the financial year ended 30 June 2024, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;

b. No contraventions of any applicable code of professional conduct in relation to the audit; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Earths Energy Limited and the entities it controlled during the financial year.

Ernst & Young

Ernst & Young

Pierre Dreyer
Partner
17 September 2024

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2024

	Notes	2024 $	2023 $
Interest income		**28,255**	55
Sundry Income	5	**-**	11,847
Total income		**28,255**	11,902
ASX re-compliance costs		**(509,254)**	-
Corporate and administrative expenses	5	**(492,523)**	(155,151)
Share-based payments expense		**(51,811)**	-
Consultancy fees, including directors' fees	5	**(380,779)**	(213,557)
Finance costs – interest expense on loan payable		**(1,401)**	-
Loss before tax		**(1,407,513)**	(356,806)
Tax expense	6	**-**	-
Net loss for the for the financial year		**(1,407,513)**	(356,806)
Other comprehensive loss for the financial year, net of tax		**-**	-
Total comprehensive loss for the financial year		**(1,407,513)**	(356,806)
Loss and other comprehensive loss attributable to:			
Members of parent		**(1,400,144)**	(356,806)
Non-controlling interests		**(7,369)**	-
		(1,407,513)	(356,806)
Loss per share			
Basic and diluted loss per share (cents per share)	17	**(0.28)**	(0.19)

The consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the notes to the consolidated financial statements.

Consolidated Statement of Financial Position
As at 30 June 2024

	Notes	2024 $	2023 $
ASSETS			
Current Assets			
Cash and cash equivalents	7	**4,903,233**	4,877
Other receivables	8	**114,418**	26,309
Total Current Assets		**5,017,651**	31,186
Non-current Assets			
Exploration & evaluation assets	9	**5,603,505**	-
Total Non-current Assets		**5,603,505**	-
TOTAL ASSETS		**10,621,156**	31,186
LIABILITIES			
Current Liabilities			
Trade and other payables	10	**(357,396)**	(229,801)
Loan payable	11	**-**	(17,596)
Total Current Liabilities		**(357,396)**	(247,397)
TOTAL LIABILITIES		**(357,396)**	(247,397)
NET ASSETS/(LIABILITIES)		**10,263,760**	(216,211)
EQUITY/(DEFICIENCY ON EQUITY)			
Contributed equity	13	**21,869,049**	11,034,280
Reserves	14	**199,754**	-
Accumulated losses	15	**(12,650,635)**	(11,250,491)
Equity attributable to equity holders of the Company		**9,418,168**	(216,211)
Non-controlling interests	14	**845,592**	-
TOTAL EQUITY/ (DEFICIENCY ON EQUITY)		**10,263,760**	(216,211)

The consolidated statement of financial position should be read in conjunction with the notes to the consolidated financial statements.

Consolidated Statement of Changes in Equity
For the financial year ended 30 June 2024

	Contributed Equity	Share-based Payments Reserve	Consolidation Reserve	Accumulated Losses	Non-controlling Interests	Total Equity
	$	$	$	$	$	$
Balance at 1 July 2023	**11,034,280**	**-**	**-**	**(11,250,491)**	**-**	**(216,211)**
Net loss for the financial year	**-**	**-**	**-**	**(1,400,144)**	**(7,369)**	**(1,407,513)**
Total comprehensive loss for the financial year	**-**	**-**	**-**	**(1,400,144)**	**(7,369)**	**(1,407,513)**
Transactions with owners in their capacity as owners:						
Issuance of shares from initial capital offer	**850,000**	**-**	**-**	**-**	**-**	**850,000**
Issuance of shares from capital raising (note 16)	**6,000,000**	**-**	**-**	**-**	**-**	**6,000,000**
Issuance of shares from Acquisitions (note 16)	**4,407,207**	**-**	**-**	**-**	**852,961**	**5,260,168**
Share issue costs on Acquisitions (note 13)	**(274,495)**	**-**	**-**	**-**	**-**	**(274,495)**
Share issue costs via share-based payments to lead manager (note 13)	**(147,943)**	**147,943**	**-**	**-**	**-**	**-**
Share-based payments to key management personnel	**-**	**51,811**	**-**	**-**	**-**	**51,811**
Balance at 30 June 2024	**21,869,049**	**199,754**	**-**	**(12,650,635)**	**845,592**	**10,263,760**
Balance at 1 July 2022	11,034,280	-	10,921,281	(21,814,966)	-	140,595
Net loss for the financial year	-	-	-	(356,806)	-	(356,806)
Total comprehensive loss for the financial year	-	-	-	(356,806)	-	(356,806)
Transaction with owners recorded directly in equity:						
Reclassification of consolidation reserve to accumulated losses (note 15)	-	-	(10,921,281)	10,921,281	-	-
Balance at 30 June 2023	11,034,280	-	-	(11,250,491)	-	(216,211)

The consolidated statement of changes in equity should be read in conjunction with the notes to the consolidated financial statements.

Consolidated Statement of Cash Flows
For the financial year ended 30 June 2024

	Notes	2024 $	2023 $
Cash flows used in operating activities			
Payments to suppliers and employees		**(1,325,074)**	(216,893)
Other income		**-**	11,847
Interest paid		**(1,401)**	(118)
Interest received		**8,694**	55
Net cash used in operating activities		**(1,317,781)**	(205,109)
Cash flows used in investing activities			
Payments for exploration and evaluation assets		**(341,772)**	-
Proceeds from return of security deposit		**-**	62,018
Net cash (used in)/from investing activities		**(341,772)**	62,018
Cash flows used in financing activities			
Repayment of borrowing		**(17,596)**	(1,836)
Proceeds from the issue of ordinary shares		**850,000**	-
Share subscriptions received		**6,000,000**	-
Share issue costs paid		**(274,495)**	-
Net cash from/(used in) financing activities		**6,557,909**	(1,836)
Net increase/(decrease) in cash and cash equivalents		**4,898,356**	(144,927)
Cash and cash equivalents at beginning of financial year		**4,877**	149,804
Cash and cash equivalents at end of financial year	7	**4,903,233**	4,877

The consolidated statement of cash flows should be read in conjunction with the notes to the consolidated financial statements.

1. Corporate Information

The consolidated financial statements of Earths Energy Limited (the "Company" or "EE1") and its subsidiaries (the "Group") were authorised for issue in accordance with a resolution of the directors on 17 September 2024. The Company is a for-profit company limited by shares and incorporated in Australia, whose shares are publicly traded on the Australian Securities Exchange.

The registered office is located at Level 20, 140 St Georges Terrace Perth, Western Australia.

The nature of the operations and principal activities of the Group are described in the Directors Report.

2. Summary of Material Accounting Policies

(a) Basis of Preparation
The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and other authoritative pronouncements of the Australian Accounting Standards Board.

Except for the derivative financial instruments which were measured at fair value and disclosed in note 12, the financial report has been prepared on a historical cost basis and presented in Australian dollars.

(b) Statement of compliance
The financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board and also International Financial Reporting Standards ("IFRS") as issued by the international Accounting Standards Board.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended 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 has not resulted in a significant or material change to the Group's accounting policies.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory have not been early adopted by the Group for the financial year ended 30 June 2024. The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

(c) Basis of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the Company as at 30 June 2024 and the results of all subsidiaries from the acquisition date to 30 June 2024.

Subsidiaries are entities controlled by the Group. Control is achieved when the Group is exposed to or has rights to variable returns from his involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls and investee if, and only if, the Group has all of the following:

- power over the investee
- exposure or rights to variable returns from its involvement with the investee
- the ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. When the Group has less than a majority of the voting, or similar, rights of an investor, it considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangements with the other vote holders of the investee
- rights arising from other contractual arrangements
- the Group's voting rights and potential voting rights.

The relevant activities are those which significantly affect the subsidiary's returns. The ability to approve the operating and capital budget of a subsidiary and the ability to appoint key management personnel are decisions that demonstrate that the Group has the existing rights to direct the relevant activities of a subsidiary.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit loss and other comprehensive income from that date the Group gains control until the date the Group ceases to control the subsidiary. Where the Group's interest is less than 100 per cent, the interest attributable to outside shareholders is reflected in non-controlling interest ("NCI").

Profit or loss and each component of other comprehensive income ("OCI") are attributed to the equity holders of the parent of the Group and to the NCIs, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intragroup assets and liabilities, equity, income expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary without a loss of control is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it de-recognises the related assets, liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

Details of the Company's subsidiaries incorporated in Australia as at 30 June 2024 are as follows:

Name	Ownership %	Parent entity	Principal activity
Volt Geothermal Pty Ltd ("Volt")	84%	Earths Energy Limited	Renewable energy company
Within Energy Pty Ltd ("Within")	84%	Earths Energy Limited	Renewable energy company
Heatflow Energy Pty Ltd	84%	Within Energy Pty Ltd	Renewable energy company

i. Asset acquisition

If the Group acquires an asset or a group of assets (including any liabilities assumed) that does not constitute a business, then the transaction is outside the scope of AASB 3, Business Combination because it cannot meet the definition of a business combination. Such transactions are accounted for as an asset acquisition in which the cost of acquisition is generally allocated between the individual identifiable assets and liabilities in the group based on their relative fair values at the date of acquisition and does not give rise to goodwill. Transaction costs are capitalised into the carrying value of individual assets, rather than being expensed as is the case for business combinations.

In addition, the acquisition of non-financial assets that does not constitute a business in exchange for equity instruments is in scope of AASB 2, Share-based Payments, where the Group shall measure the goods or services received, and the corresponding increase in equity, directly at the fair value of the goods or services received, unless the fair value cannot be estimated reliably.

If the Group cannot estimate reliably the fair value of the goods or services received, the entity shall measure their fair value, and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted.

(d) Foreign currency

(i) Foreign currency transactions
Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Foreign currency differences are generally recognised in profit or loss.

(e) Exploration & evaluation assets
Exploration and evaluation assets arising out of acquisition of an area of interest are capitalised as part of Exploration & Evaluation Asset.

Expenditure on acquisition, exploration and evaluation relating to an area of interest is carried forward at cost where rights to tenure of the area are current and:

- it is expected that expenditure will be recouped through successful development and exploitation of the area of interest or alternatively by its sale; and/or
- exploration and evaluation activities are continuing in an area of interest but at reporting date have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves.

A regular review is undertaken at each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. where uncertainty exists as to the future viability of an area the value of the area of interest is written off to the profit and loss or provided against.

Impairment

The carrying value of capitalised exploration and evaluation expenditure is assessed for impairment on a regular basis or whenever impairment indicators are present. When information becomes available suggesting that the recovery of expenditure which had previously been capitalised is unlikely or that the Group no longer holds tenure, the relevant capitalised amount is written off to the profit or loss in the period when the new information becomes available.

(f) Financial instruments

(i) Financial assets at initial recognition
On initial recognition, a financial asset is classified as measured at (i) amortised cost, or (ii) fair value through other comprehensive income ("FVOCI") – equity investment; or fair value through profit or loss ("FVTPL").

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
– it is held with an objective to hold assets to collect contractual cash flows; and
– its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company's cash and cash equivalents and other receivables are measured at amortised cost.

(ii) Financial assets – subsequent measurement
Financial assets at amortised cost are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

(iii) Financial liabilities – initial recognition and subsequent measurement
On initial recognition, the Company's financial liabilities are measured at its fair value.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(g) Cash and cash equivalents
Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(h) Trade and other payables
Trade and other payables are carried at amortised cost and due to their short-term nature, they are not discounted. They represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

(i) Provisions
Provisions are recognised when the Company has a present (legal or constructive) obligation as a result of a past event, it is probable the Company will be required to settle the obligation, and a reliable estimate of the consideration required to settle the present obligation at the reporting date, considering the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

(j) Income tax

(i) Current income tax
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Company operates and generates taxable income.

(ii) Deferred income tax
Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements (where applicable), when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entity's which intend to settle simultaneously.

(k) Earnings per share
Basic earnings per share is calculated as net profit attributable to the Company, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net (loss)/profit attributable to the Company, adjusted for:

- Costs of servicing equity (other than dividends) and preference dividends;
- The after-tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- Other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares, divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(l) Share capital
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(m) Goods and services tax ("GST")
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case, it is recognised as part of the cost of the acquisition of asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

(n) Segment reporting

The Company has identified its operating segments based on the internal reports that are reviewed and used by the chief operating decision maker. The chief operating decision maker, who is responsible in assessing the performance and determining the allocation of resources of the operating segments, is considered to be the Board of Directors.

Discrete financial information is presented for the Company as a whole. Accordingly, the Board of Directors considers that its business operates in one segment, being that of geothermal exploration.

(o) Going concern

For the year ended 30 June 2024, the Group made a loss of $1,407,513 (2023: $356,806) and the operating cash outflows amounted to $1,317,781 (2023: $205,109). At 30 June 2024, the Group's cash and cash equivalents amounted to $4,903,233 (2023: $4,877) and net current assets amounted to $4,660,255 (2023: net current liabilities $216,211).

The consolidated financial statements have been prepared on a going concern basis which assumes the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business. The Company has been focused on assessing and acquiring new business opportunities and assets, specifically in the renewable energy sectors.

On 7 July 2023, the Company announced that it entered into a binding agreement to acquire Volt Geothermal Pty Ltd and Within Energy Pty Ltd with geothermal assets in Queensland and South Australia ("the Projects"). On the same date, the Company completed a placement of $850,000 at $0.02 per share plus a free attaching option with an exercise price of $0.05 and expiry of three years from date of issue. The acquisition of the Projects was approved by the shareholders on 5 December 2023 and notably will not require cash outlay from the Company. Detailed discussion of the acquisitions of Volt and Within and the approval of options was disclosed in note 16.

In December 2023, the Company completed the Acquisitions of 84% shareholding of both Volt Geothermal Pty Ltd ("Volt") and Within Energy Pty Ltd ("Within") via issuance of shares. In addition, on the same month, the Company completed the capital raising offers and received cash proceeds of $6,000,000 to finance the work programs of the Projects. The Company would not require additional capital to fund ongoing activities and working capital requirements for the next 12 months from the date of authorisation of these financial statements.

The Group prepared a cash flow forecast for the next 12 months from the date of authorisation of these consolidated financial statements. The cash flow forecast supports that Group has sufficient funds to finance the Projects' work programme and for working capital purposes. Therefore, the Directors believe that it is reasonable for the Group to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the consolidated financial statements.

3. Critical Accounting Estimates and Judgements

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities in the consolidated financial statements. Estimates and assumptions are continually evaluated and are based managements experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In particular, the Group has identified a number of areas where significant judgments, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below.

a) *Share-based payments transactions*
The Group measures the cost of equity-settled transactions with employees and key management personnel by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using an appropriate valuation model considering the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

b) *Asset Acquisitions of Volt and Within*
When an asset acquisition does not constitute a business combination, the assets and liabilities are assigned a carrying amount based on their relative fair values in an asset purchase transaction. No goodwill will arise on the acquisition and transaction costs of the acquisition will be included in the capitalised cost of the asset. Estimates and judgements are required by the Group, taking into consideration all available information at the acquisition date, to assess the fair value of assets acquired, liabilities and contingent liabilities assumed.

4. Segment Reporting

During the financial year ended 30 June 2024 (2023: Nil), the Group operated in one business segment located in Australia, being the geothermal exploration.

As the Acquisitions of Within and Volt were only completed in December 2023, there were no transactions in the financial year ended 30 June 2023 which were attributable to the segment.

5. Income and Expenses

	2024 $	2023 $
Sundry income	**-**	11,847
Corporate and administrative expenses		
Accounting and audit fees	**79,542**	51,099
Occupancy	**7,836**	10,238
Compliance costs	**77,646**	43,717
Insurance expenses	**42,381**	10,238
Investor relations costs	**88,357**	-
Travel and accommodation expenses	**32,360**	-
Other expenses	**164,401**	39,859
	492,523	155,151
Consultancy fees, including directors' fees		
Directors' consulting fees	**365,240**	191,000
Salaries and wages	**15,539**	-
Other consultants	**-**	22,557
	380,779	213,557

The Sundry income represents an amount returned by Matador Capital Pty Ltd, a related entity in the previous financial year in relation to reduction of cost of recharges for that financial year.

6. Tax Expense

	2024 $	2023 $
a) Recognised in profit or loss:		
Current income tax	**-**	-
Deferred income tax:		
- Origination and reversal of temporary differences	**308,245**	106,515
- Unrecognised deferred tax assets	**(308,245)**	(106,515)
Total income tax expense	**-**	-
b) Reconciliation of net loss before tax to tax expense		
Net loss before tax	**(1,407,513)**	(356,806)
At the domestic income tax rate of 30% (2023: 30%)	**(422,254)**	(107,042)
Adjustment to tax expense due to:		
- Non-taxable income	**-**	(4,641)
- Non-deductible expenses	**114,009**	5,168
- Unrecognised tax losses	**308,245**	106,515
	-	-
c) Deferred tax assets		
Deferred income tax assets relates to the following:		
Tax losses	**2,946,017**	2,637,772
Deferred tax assets not brought to account	**(2,946,017)**	(2,637,772)
	-	-

At 30 June 2024, the Group's unused tax losses amounting to $9,820,055 (2023: $8,792,572). No deferred tax assets have been recognised with respect to these losses because the Directors do not believe it is appropriate to recognise the deferred tax asset at this point in time. This benefit will only be obtained if:

- the Group expects to derive future assessable income of a nature and of an amount sufficient to enable the benefits from the deduction for the losses to be realised;
- the Group continues to comply with the conditions for deductibility imposed by tax legislation; and,
- no changes in tax legislation adversely affect the Company in realising the benefit from the deduction for the losses.

7. Cash and Cash Equivalents

	2024 $	2023 $
Cash at banks	**903,233**	4,877
Term deposits	**4,000,000**	-
	4,903,233	4,877

As at 30 June 2024, the term deposits have maturity dates of less than three months.

Reconciliation of cash flows cash used in operating activities		
Net loss for the financial year	**(1,407,513)**	(356,806)
Adjustments to reconcile net loss before tax to net cash flows:		
- Share-based payments expense	**51,811**	-
- Interest income	**(28,255)**	(55)
- Interest expense	**1,401**	-
- Change in operating assets and liabilities:		-
- Other receivables	**(36,281)**	9,737
- Trade and other payables	**93,764**	141,960
- Interest received	**8,693**	55
- Interest paid	**(1,401)**	-
Net cash used in operating activities	**(1,317,781)**	(205,109)

8. Other Receivables

	2024 $	2023 $
Prepayments	**32,302**	18,114
Security deposit	**29,496**	-
GST receivable	**33,058**	8,195
Interest receivable	**19,562**	-
	114,418	26,309

The Security deposit represents amounts deposited for the guarantee of the tenements' permits held by the subsidiaries of the Company.

9. Exploration & Evaluation Assets

Volt geothermal exploration project	**2,799,809**	-
Within geothermal exploration project	**2,803,696**	-
	5,603,505	-

Movement of exploration & evaluation assets	2024 $	2023 $
At 1 July	**-**	-
Acquired at Acquisitions (note 16) [1]	**5,332,573**	-
Additions	**270,932**	-
At 30 June	**5,603,505**	-

[1] The outstanding amounts above represent the identifiable exploration costs as a result of the acquisitions of Volt and Within in December 2023.

10. Trade and Other Payables

	2024 $	2023 $
Trade creditors	**217,316**	200,223
Accrued expenses	**67,428**	29,578
Provision for annual leave	**1,538**	-
Other payables	**71,114**	-
	357,396	229,801

11. Loan Payable

	2024 $	2023 $
Loan payable - current	**-**	17,596

The loan payable was the amount drawn in June 2023 from a third-party financing company to fund the premium on insurance. The amount was payable in 10 equal monthly instalments, where the first instalment was paid on 30 June 2023. The loan payable was fully settled in March 2024.

12. Financial risk management objectives and policies

a) Overview

The Group's principal financial instruments comprise, cash and cash equivalents, interest receivable, security deposit and trade and other payables. The main risks arising from the Group's financial instruments are interest rate risk, credit risk and liquidity risk.

This note presents information about the Group's exposure to each of the above risks, its objectives, policies and processes for measuring and managing risk, and the management of capital. Other than as disclosed in this note, there have been no significant changes since the previous financial year to the exposure or management of these risks.

The Group manages its exposure to key financial risks in accordance with the Group's financial risk management policy. Key risks are monitored and reviewed as circumstances change and policies are revised as required. The overall objective of the Group's financial risk management policy is to support the delivery of the Group's financial targets whilst protecting future financial security. Given the nature and size of the business and uncertainty as to the timing and amount of cash inflows and outflows, the Group does not enter into derivative transactions to mitigate the financial risks. In addition, the Group's policy is that no trading in financial instruments shall be undertaken for the purposes of making speculative gains.

The Board of Directors has the overall responsibility in the establishment and oversight of the risk management framework. The Board reviews and agrees policies for managing the Group's financial risks as summarised below.

b) Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. This arises principally from cash and cash equivalents, interest receivables and security deposit.

The Group's short-term cash surpluses are placed with banks that have investment grade ratings. The maximum credit risk exposure relating to the financial assets is represented by the carrying value as at the reporting date. The Group considers the credit standing of counterparties when making deposits to manage the credit risk.

The carrying amounts of the Group's cash and cash equivalents and other financial assets (interest receivables and security deposit) represents the maximum credit risk exposure, as represented below:

	2024 $	2023 $
Cash and cash equivalents	**4,903,233**	4,877
Other receivables	**49,058**	-
	4,952,291	4,877

The Company does not have any significant exposure to bad or doubtful debts.

c) Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Board's approach to managing liquidity is to ensure, as far as possible, that the Group will always have sufficient liquidity to meet its liabilities when due. As at 30 June 2024 and as at authorisation of these financial statements, the Group has sufficient liquid assets to meet its financial obligations.

Derivative liability

Derivatives are recognised initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss.

As discussed in note 16, The Vendors have an option to require the Company to purchase all of their JVA interests, which may be exercised at any time prior to the third anniversary of the commencement date ("Put Option"). The purchase price for the Put Option will be equal to the fair value of the shareholders' interests at that time.

The Group is accounting for the Put Option over non-controlling interests as a derivative financial liability presented on a net basis measured at fair value if the group has a right to settle the obligation in a variable number of own equity instruments. As at 30 June 2024, the estimated potential gross outflow of future settlement amounted to $503,681.

The contractual maturities of financial liabilities, including estimated interest payments and estimated gross outflow from the future settlement of derivative liability for the Group, are provided below. There are no netting arrangements in respect of these financial liabilities.

	Current $	Less than 6 Months $	6-12 Months $	1-5 Years $	Total $
2024					
Financial Liabilities					
Trade and other payables, excluding provision for annual leave	**(221,219)**	**(134,639)**	**-**	**-**	**(355,858)**
Derivative liability	**-**	**-**	**-**	**(503,681)**	**(503,681)**
	(221,219)	**(134,639)**	**-**	**(503,681)**	**(859,539)**
2023					
Financial liabilities					
Trade and other payables	98,312	105,642	43,443	-	247,397
	98,312	105,642	43,443	-	247,397

d) Interest Rate Risk
The Group's exposure to the risk of changes in market interest rates relates primarily to cash and cash equivalents with a floating interest rate.

At the reporting date, the Company did not have any material exposures to interest rate risk.

e) Fair Value
The fair value of financial assets and financial liabilities approximates the carrying value as at 30 June 2024 (2023: fair value approximates the cost).

13. Contributed Equity

	2024 $	2023 $
a) Issued capital		
750,324,547 fully paid ordinary shares (30 June 2023: 187,464,218)	**21,869,049**	11,034,280

b) Movement in issued capital

		Number	$
1 July 2022 and 30 June 2023	Opening and ending balance	**187,464,218**	11,034,280
1 July 2023	Opening balance	**187,464,218**	11,034,280
7 July 2023	Issuance of shares for capital raising	**42,500,000**	850,000
28 December 2023	Shares issue at Acquisitions (note 16)	**220,360,329**	4,407,207
28 December 2023	Capital raising share issue (note 16)	**300,000,000**	6,000,000
28 December 2023	Capital raising costs	**-**	(422,438)
30 June 2024	Closing balance	**750,324,547**	21,869,049

c) Capital raising share issue

In December 2023, the Group issued 300,000,000 shares at an issue price of $0.02 per share to raise up to $6,000,000 capital to fund the work program of the projects disclosed in note 16. The aforementioned shares offered will rank equally with the existing shares on issued.

d) Capital raising costs

The capital raising cost represents an amount paid to lead managers for the capital raising in November 2023 and at the completion of the Acquisitions of Volt and Within as disclosed in note 16.

e) Capital Management

The Group defines its capital as total equity of the Group of $10,263,760 as at 30 June 2024 (2023: $216,211 net capital deficiency). The Company manages its capital to ensure that entities within the Group will be able to continue as a going concern while financing the development of its projects primarily through equity-based financing. The Board's policy is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain future development of the business. Given the stage of development of the Company, the Board's objective is to minimise debt and to raise funds as required through the issue of new shares.

The Company is not subject to externally imposed capital requirements.

There were no changes in the Company's approach to capital management during the financial year.

14. Reserves and Non-controlling Interests

	2024 $	2023 $
a) Share-based payments reserve		
At 1 July	-	-
Share-based payments to lead managers	**147,943**	-
Share-based payments to key management personnel recognised	**51,811**	-
At 30 June	**199,754**	-

As part of the acquisitions of Volt and Within and disclosed in note 16, on 6 December 2023, the Company's shareholders approved the issue of lead manager options of up to 15,000,000 as part of the capital offer in the Prospectus as disclosed in note 10.a above.

	2024 $	2023 $
b) Non-controlling interests		
At 1 July	**-**	-
At Acquisitions	**852,961**	-
Movement from Acquisition date to 30 June 2024	**(7,369)**	-
At 30 June	**845,592**	-

As part of the acquisitions of Volt and Within which were disclosed in note 16, the Group recognised the 16% share of the minority shareholders on the acquisitions as non-controlling interests.

15. Accumulated Losses

	2024 $	2023 $
At July	**11,250,491**	21,814,966
Net loss for the financial year	**1,400,144**	356,806
Reclassification of consolidation reserve to accumulated losses	**-**	(10,921,281)
	12,650,635	11,250,491

On 6 June 2014, the Company entered into an Investment and Shareholders Agreement with Tremont, Panda Hill Mining ("PHM") and Panda Hill Tanzania ("PHT") to fund a certain project, pursuant to which Tremont was granted the right to take up an interest in PHM, equal to its interest in PHT for $nil consideration. Tremont was therefore deemed to have present ownership interest in PHM. The transaction was accounted for as an equity transaction (i.e., consolidation reserve) at that date.

On 30 July 2021, shareholders of the Company approved the demerger of its 37.2% interest in PHT and PHM. As at 30 June 2023, the consolidation reserve was reclassified to accumulated losses following the demerger.

16. Acquisition of Volt Geothermal Pty Ltd ("Volt") and Within Energy Pty Ltd ("Within")

On 7 July 2023, the Company entered into a binding agreement ("Volt Agreement" or "Within Agreement") to acquire 84% of all the issued shares in Volt Geothermal Pty Ltd ("Volt") and Within Energy Pty Ltd ("Within") (collectively "Acquisitions"), which hold geothermal assets in Queensland and South Australia ("the Projects").

On 31 October 2023, the Company executed binding share sale agreements to acquire 84% of the issued share capital of each of Volt and Within.

On 6 December 2023, the Company obtained shareholder approval for (among others) the following:

- a change to the nature and scale of the Company's activities as a result of the Acquisitions;
- the issue of 300,000,000 shares under the capital raising offer with an aggregate value of $6,000,000;
- the issue of 220,360,329 shares ("Vendors shares") to shareholders of Volt and Within (the "Vendors");
- the participation of the directors in the capital raising offer up to an aggregate of 21,250,000 shares;
- the issue of director options of 10,000,000 each to Mr Grant Davey and Mr Chris Bath and 4,000,000 director options to Mr David Wheeler;
- the issue of 15,000,000 lead manager options to the lead manager;
- the issue of the free attaching placement options of 42,500,000 to investors where none of whom are related parties, members of key management personnel, substantial holders or advisers of the Company; and
- the issue of the following management options:

(a) Issue 29,018,016 management options to Mr Matt Kay as follows:

1) 11,018,016 Class A Management Options, comprising of:
   i. 5,509,008 Tranche 1 Class A management options ; and
   ii. 5,509,008 Tranche 2 Class A management options.

2) 18,000,000 Class B Management Options, comprising of:
   i. 6,000,000 Tranche 1 Class B management options;
   ii. 6,000,000 Tranche 2 Class B management options; and
   iii. 6,000,000 Tranche 3 Class B management options.

(b) Issue of 6,000,000 Class B management options to Dr. Trey Meckel (and/or his nominee), as the head of Subsurface Divisions of the Projects as follows:

   i. 2,000,000 Tranche 1 Class B management options;
   ii. 2,000,000 Tranche 2 Class B management options; and
   iii. 2,000,000 Tranche 3 Class B management options.

The above options granted by the Company are held in escrow for up to 24 months from the Company's re-quotation to the Official List effective 7 February 2024.

On 28 December 2023 (the "Completion date"), the Acquisitions were completed and the Company issued 220,360,329 shares at $0.02 per share.

Joint Venture Agreement

As part of the Acquisitions, the Company has also entered into a Joint Venture Agreement ("JVA") with the Vendors in respect of the Projects, which governs the terms and conditions upon which the Company, Volt and Within will operate and the conduct of the joint venture related to the Projects. The terms and conditions of the JVA below (amongst other matters) conclusively provided evidence that there is no joint control among parties over the decisions on the relevant activities (as defined below) in the Projects and therefore no joint arrangement exist:

- The Vendors will have no obligation to contribute funds to the JVA from the commencement date (or the date of Acquisitions) until the earlier to occur of:
  a. completion of a feasibility study in respect of the Volt Project and/or the Within Project;
  b. expenditure in respect of the JVA equalling $15,000,000 less any amounts reimbursed to the Vendors or otherwise provided to Volt or Within in accordance with the Volt Agreement and/or the Within Agreement;
  c. the fifth anniversary of the commencement date or referred to as the Free Carried Period;
- After the Free Carried Period, Volt and Within may issue cash calls to the shareholders of Volt and Within requiring them to contribute funds to the JVA in proportion to their respective JVA interests, and a failure to answer a cash call will result in the dilution of the relevant shareholder's JVA interest;
- From the commencement date, the board of directors of Volt and Within will comprise of the Company's nominees;
- The Company and the Vendors will form an operating committee which will be responsible for the overall management and operation of the JVA (referred to as relevant activities), including the approval of work programs and budgets. The operating committee will comprise of:
  a) three nominees of the Company;
  b) one nominee each of the Volt Vendors and Within Vendors
- The decisions of the operating committee will be made by simple majority approval, excluding certain reserved matters which will require the unanimous approval of the operating committee;
- The quorum for a meeting of the operating committee is two members, with one having been nominated by the Company and one having been nominated by the Vendors;
- The Company will be appointed as the manager of the JVA. The Company's appointment as manager may be terminated if (amongst other matters), the Company's JVA interest is reduced to less than 25%.
- The Company has an option to purchase the JVA interests held by the Vendors which may be exercised at any time following the third anniversary of the commencement date ("Call Option"). The purchase price for the Call Option will be equal to the fair value of the shareholders' interests at that time;
- The Vendors have an option to require the Company to purchase all of their JVA interests, which may be exercised at any time prior to the third anniversary of the commencement date ("Put Option"). The purchase price for the Put Option will be equal to the fair value of the shareholders' interests at that time; and
- The Company and the Vendors agree to jointly investigate and explore for geothermal resources in Queensland and South Australia (or such other region as agreed between the parties) ("Area of Interest").

As a result of the Acquisitions and the Company owning 84% of all the issued shares of Volt and Within, the Company has assessed it has control over Volt and Within based on the relevant accounting standard. Accordingly, the financial report for the financial year ended 30 June 2024 includes the financial position as at 30 June 2024 and the results of operations of Earths Energy Limited and its controlled entities. The remaining 16% shareholding in Volt and Within was accounted for as non-controlling interest as at the same date.

Share options and valuations

The fair value of the equity-settled share-based payments granted as part of the relisting process was estimated at the date of grant using a Black-Scholes option pricing model, which considers factors including the exercise price, volatility of the underlying share price, the risk-free interest rate, market price of the underlying share at grant date, historical and expected dividends, the expected life of the option and, the probability of fulfilling the required hurdles.

The following table represents the vesting conditions attached to the options:

	Class A Management Options		Class B Management Options			Director Options		Lead Manager Options		
Item	**Tranche 1**	**Tranche 2**	**Tranche 1**	**Tranche 2**	**Tranche 3**	**Class A**	**Class B**	**Class A**	**Class B**	**Class C**
Grant date	28/12/23	28/12/23	28/12/23	28/12/23	28/12/23	28/12/23	28/12/23	28/12/23	28/12/23	28/12/23
Underlying spot price	$0.02	$0.02	$0.02	$0.02	$0.02	$0.02	$0.02	$0.02	$0.02	$0.02
Exercise price	$0.00	$0.00	$0.05	$0.10	$0.15	$0.00	$0.00	$0.02	$0.04	$0.06
Last vesting date	27/12/26	27/12/26	27/12/24	27/12/25	27/12/26	27/12/28	27/12/28	28/12/23	28/12/23	28/12/23
Performance period (yr)	3	3	1	2	3	5	5	-	-	-
Expiry date	01/01/27	01/01/27	01/01/27	01/01/28	01/01/29	01/01/29	01/01/29	01/01/27	01/01/27	01/01/27
Life of the options (yr)	3	3	3	4	5	5	5	3	3	3
Volatility	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Risk-free rate	3.76%	3.76%	3.76%	3.68%	3.68%	3.68%	3.68%	3.76%	3.76%	3.76%
Dividend yield	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Number of options	5,509,008	5,509,008	8,000,000	8,000,000	8,000,000	12,000,000	12,000,000	5,000,000	5,000,000	5,000,000
Valuation per option	$0.020	$0.020	$0.009	$0.008	$0.008	$0.020	$0.020	$0.012	$0.009	$0.008
Valuation per tranche	$110,125	$110,125	$68,547	$63,981	$67,741	$239,881	$239,881	$61,374	$47,413	$39,156

Only the lead manager options were valued and recognised as part of share-based payments reserve as at Completion date as these options vested immediately. These options were also issued as part of the capital offer.

All other options have vesting periods and expenses are recognised over the vesting period.

On 31 May 2024, Mr Matt Kay and Mr Trey Meckel resigned and pursuant to the terms of their engagements their management options were forfeited.

The cost of consideration and net assets acquired were summarised as follows:

	2024 $
Fair value of Earths Energy shares (220,360,329 shares at $0.02 cents per share)	**4,407,207**
Share of minority shareholders	**839,468**
Transaction costs	**84,333**
	5,331,008
Identifiable fair value of net assets acquired:	
Trade and other receivables	**32,266**
Exploration & evaluation assets	**5,332,573**
Trade and other payables	**(33,831)**
	5,331,008

17. Loss per Share

The following reflects the income and share data used in the calculations of basic and diluted loss per share:

	2024 $	2023 $
Net loss for the financial year	**1,400,144**	356,806
Weighted average number of ordinary shares outstanding during the financial year used in calculating basic and dilutive loss per share	**493,712,910**	187,464,218
Basic and diluted loss per share (cents per share)	**(0.28)**	(0.19)

18. Share based payments

a. Recognised share-based payments expense

The expense recognised for services received during the financial year is shown in the table below:

	2024 $	2023 $
Expense arising from equity-settled share-based payments	**51,811**	-

b. Grant of share options at Acquisitions

The Company considers that the grant of the Directors Options, Chief Executive Officer ("CEO") Options and Lead Manager Options is a cost effective and efficient reward for the Company to make to appropriately incentivise the performance of the respective key management personnel and consultants in respect of their roles and is consistent with the strategic goals and targets of the Company.

The Company further considers the number Directors Options, CEO Options and Lead Manager Options to be issued to the respective key management personnel and consultants to be appropriate and equitable, having regard to the market levels of remuneration for comparable roles, particular skills and experience of the respective key management personnel and consultants, the Company's need to attract and retain key individuals with the desired skills and experience, and the services that each of the key management personnel and consultants will be providing to the Company.

Vesting conditions of the Short-term incentives ("STI") and ("LTI")

The following summarised the vesting conditions of the LTI outstanding as at 30 June 2024:

Class	Tranche	Exercise Price	Vesting Condition*	Expiry Date
CEO Options:				
A	1	$0.00	Market capitalisation of $40 million 15 consecutive trading days and the executive is engaged by the Company under the services agreement.	04/06/2027
B	2	$0.00	Market capitalisation of $60 million 15 consecutive trading days and the executive is engaged by the Company under the services agreement.	04/06/2027
C	3	$0.00	Market capitalisation of $80 million 15 consecutive trading days and the executive is engaged by the Company under the services agreement.	04/06/2027
Directors Options:				
A	1	$0.00	The Company's shares trade at a daily volume weighted average price of at least $0.04 for a consecutive period of at least 20 trading days.	01/01/2029
B	2	$0.00	The Company's Shares trade at a daily volume weighted average price of at least $0.05 for a consecutive period of at least 20 trading days.	01/01/2029

**The Company was re-listed with ASX on 7 February 2024.*

The following table represents the Company's outstanding balance of options as at 30 June 2024. All these options are on issue however ASX escrow restrictions apply for a period of 24 months commencing on the date of re-listing of the Company's shares on 7 February 2024.

Grant date	Vesting date	Expiry date	No. of options	Exercise price	Fair value per share
28/12/2023	27/12/2028	01/01/2029	5,000,000	$0.00	$0.02
28/12/2023	27/12/2028	01/01/2029	5,000,000	$0.00	$0.02
28/12/2023	27/12/2028	01/01/2029	5,000,000	$0.00	$0.02
28/12/2023	27/12/2028	01/01/2029	5,000,000	$0.00	$0.02
28/12/2023	27/12/2028	01/01/2029	2,000,000	$0.00	$0.02
28/12/2023	27/12/2028	01/01/2029	2,000,000	$0.00	$0.02
28/12/2023	28/12/2023	01/01/2027	5,000,000	$0.02	$0.01
28/12/2023	28/12/2023	01/01/2027	5,000,000	$0.04	$0.01
28/12/2023	28/12/2023	01/01/2027	5,000,000	$0.06	$0.01
28/12/2023*	28/12/2023	01/01/2027	42,500,000	$0.05	$0.01
04/06/2024	04/06/2027	04/06/2027	2,814,000	$0.00	$0.01
04/06/2024	04/06/2027	04/06/2027	3,752,000	$0.00	$0.01
04/06/2024	04/06/2027	04/06/2027	4,690,000	$0.00	$0.01
Total			**92,756,000**		

**Placement options granted to investors where none of whom are related parties, members of key management personnel, substantial holders or advisers of the Company as disclosed in note 16. These options are outside the scope of share-based payments.*

Weighted average remaining contractual life of share-based payments

The weighted average remaining contractual life for the share-based payments outstanding at 30 June 2024 is 3.6 years.

Range of exercise price of share-based payments

The range of exercise price for share-based payments outstanding at the end of the financial year is $0.00 to $0.15.

Weighted average fair value of share-based payments

The weighted average fair value of share-based payments granted during the year was $0.02.

Valuation of share-based payments

The fair value of the equity-settled share-based payments granted to key management personnel and lead managers is estimated at the date of grant using a Black-Scholes option pricing model, which considers factors including the exercise price, volatility of the underlying share price, the risk-free interest rate, market price of the underlying share at grant date, historical and expected dividends, the expected life of the option and, the probability of fulfilling the required hurdles.

19. Dividends Paid or Provided for on Ordinary Shares

No dividend has been paid or provided for during the financial year ended 30 June 2024 (2023: $nil).

20. Related parties transactions

a) Ultimate parent
Earths Energy Limited is the ultimate holding entity.

b) Subsidiaries
Interests in subsidiaries are set out in note 2(c).

c) Key management personnel compensation
The aggregate compensation made to directors and other members of key management personnel of the Group is set out below:

	2024 **$**	**2023** **$**
Short-term employee benefits	**430,376**	191,000
Post-employment benefits	**23,967**	-
Share-based payments	**51,811**	-
	506,154	191,000

d) Loans to related parties
No loans were advanced to related parties during the financial year ended 30 June 2024 (2023: $Nil).

e) Other transactions with related parties

Mr Grant Davey is an executive Director of the Group and is a director and shareholder of Matador Capital Pty Ltd (Matador Capital). From May 2021, Matador Capital has provided various services under a Shared Services Agreement in which Matador Capital provides office space, technical staff including geologists and project management, and general office costs to the Group at cost plus 5%. The total cost incurred for the year ended 30 June 2024 was $196,631 (2023: $35,837). Matador Capital has provided a letter of financial support, whereby Matador Capital agrees, effective from 1 August 2022 to defer recharges of costs for office space and other services pursuant to the Cost Sharing Agreement and the Office Use Agreement.

The Company entered into an agreement with Davey Management (Aus) Pty Ltd ("Davey Management" or the "Lender"), a related entity of Mr Grant Davey, whereby Davey Management agreed to provide a loan facility of up to $500,000 to the Company. The key terms are:

- Facility Limit of $500,000
- Interest rate of 8% per annum
- Limited recourse – the recourse of the Lender against the Company is limited to the assets of the Company after payment of all unsubordinated creditors
- Subordination – the repayment of the total outstanding amount shall be subordinated and postponed and made subject to all debts, claims, demands, rights and causes of action of all unsubordinated creditors
- Repayment date is 31 July 2024

The deferral of the recharges of costs and the subordinated loan facility agreement were terminated effective 1 January 2024 and 29 February 2024, respectively.

21. Parent entity information

For the financial year ended 30 June 2024, the parent entity of the Group was Earths Energy Limited. The consolidated group was effectively formed as at 28 December 2023, therefore the comparative amounts as at and for the financial year ended 30 June 2023 was not presented. The details of its financial information are summarised as follows:

	2024 **$**	**2023** $
Statement of Financial Position		
Assets		
Current assets	**5,291,111**	31,186
Non-current assets	**4,407,207**	-
Total assets	**9,698,318**	31,186
Liabilities		
Current liabilities	**(312,303)**	(247,397)
Non-current liabilities	**-**	-
Total liabilities	**(312,303)**	(247,397)
Equity		
Contributed equity	**21,869,049**	11,034,280
Reserves	**199,754**	-
Accumulated losses	**(12,682,788)**	(11,250,491)
Total equity	**9,386,015**	(216,211)

	2024 $	2023 $
Statement of Profit or Loss and Other Comprehensive income		
Net loss for the financial year	**(1,361,456)**	**(356,806)**
Other comprehensive income	**-**	**-**
Total comprehensive loss for the year	**(1,361,456)**	**(1,361,456)**

Guarantee
The Company has no outstanding guarantee as at 30 June 2024 (2023: None).

Other Commitments
The Company has no commitments as at 30 June 2024 (2023: None).

22. Commitments and Contingencies

a) Exploration Project commitments
Commitments for tenement rentals and expenditure commitments due within one year amounted to $Nil (2023: $Ni).

b) Contingent liabilities
The Group occasionally receives claims which arise in the normal course of business. Where the Group is in receipt of such claims it reviews its nature and substance in order to assess the need for accounting recognition or disclosure. The directors are of the opinion that, based on information currently available, there is currently no material exposure to the Group arising from actual or pending claim at the reporting date.

23. Auditors' remuneration

The auditor of the Group is Ernst & Young. The following amounts were paid or payable for services provided by the auditors of the Group and its related practices.

	2024 $	2023 $
Ernst & Young (Australia):		
- Audit or review of the financial report of the Group	62,031	47,599
	62,031	47,599

24. Events Subsequent to Reporting Date

At the date of this report there are no matters or circumstances which have arisen since 30 June 2024 that have significantly affected or may significantly affect:

- the operations, in financial years subsequent to 30 June 2024, of the Group;
- the results of those operations, in financial years subsequent to 30 June 2024, of the Group; or
- the state of affairs, in financial years subsequent to 30 June 2024 of the Group.

The consolidated entity disclosure statement as at 30 June 2024 was as follows:

Name	Entity Type	Country of Incorporation	Ownership Interest (%) 30 June 2024	Tax residency
Earths Energy Limited	Body Corporate	Australia	Parent Entity	Australia
Volt Geothermal Pty Ltd	Body Corporate	Australia	84%	Australia
Within Energy Pty Ltd	Body Corporate	Australia	84%	Australia
Heatflow Energy Pty Ltd*	Body Corporate	Australia	84%	Australia

**Heatflow Energy Pty Ltd is a wholly-owned subsidiary of Within Energy Pty Ltd.*

Ownership of the Group over the above entities was effective from 28 December 2023, the completion of Acquisitions as disclosed in note 16 of the consolidated financial statements.

Directors Declaration

In accordance with a resolution of directors of Earths Energy Limited, I state that:

In the opinion of the directors:

(a) the financial statements and notes are in accordance with the Corporations Act 2001, including:
   (i) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the year ended on the date; and
   (ii) complying with the Australian Accounting Standards (including the Australian Accounting Interpretations) and Corporations Regulations 2001; and

(b) the financial statements and notes also comply with International Financial Reporting Standards;

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

(d) the consolidated entity disclosure statement as required by Section 295(3A) of the Corporations Act 2001 is true and correct; and

(e) this declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2024.

On behalf of the Board.

Grant Davey
Executive Director
17 September 2024
Perth

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Building a better working world

Independent auditor's report to the members of Earths Energy Limited

Report on the audit of the financial report

Opinion

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

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2024 and of its consolidated financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

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 Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the 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.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

1. Acquisition of Within Energy Pty Ltd ("Within") and Volt Geothermal Pty Ltd ("Volt")

Why significant	How our audit addressed the key audit matter
As disclosed in Note 16 of the financial report, the Group completed the acquisition of an 84% interest in both Within and Volt on 28 December 2023. The Group determined the transactions to be asset acquisitions rather than business combinations. The transactions resulted in the allocation of purchase consideration to the acquired assets and liabilities of Volt and Within based on their relative fair values at completion date of the acquisitions. This allocation resulted in the recognition of an exploration and evaluation asset of $5.3 million in the consolidated statement of financial position on the completion date. This was considered to be a key audit matter because: ► The acquisitions were significant to the Group, and ► There was judgement involved in determining the fair value of purchase consideration and the relative fair values of certain assets and liabilities acquired.	Our audit procedures included: ► Reading the purchase and other related agreements to gain an understanding of the key terms; ► Evaluating the appropriateness of the acquisition accounting determined by the Group for acquisition of the 84% interest in both Within and Volt; ► Assessing the Group's determination of the acquisition completion date, the fair value of the purchase consideration as well as the relative fair values of the assets and liabilities acquired, including considering whether the valuation methodologies applied were in accordance with Australian Accounting Standards; ► Assessing the adequacy of the Group's disclosures in the financial report relating to the acquisitions.

2. Carrying value of capitalised exploration and evaluation assets

Why significant	How our audit addressed the key audit matter
As at 30 June 2024, the Group held capitalised exploration and evaluation assets of $5.6 million, representing 53% of the Group's total assets. The carrying amount of exploration and evaluation assets is assessed for impairment by the Group when facts and circumstances indicate that the carrying amount of exploration and evaluation assets may exceed its recoverable amount. The determination as to whether there are any indicators to require the exploration and evaluation assets to be assessed for impairment involves a number of judgments, including whether the Group has tenure, whether it will be able to perform ongoing expenditure and whether there is sufficient information for a decision to be made that the area of interest is not commercially viable. The directors did not identify any impairment indicators at 30 June 2024. This was considered a key audit matter because of the significance of exploration and evaluation assets to the Group's financial position and the judgment involved in determining whether any impairment indicators were present for the Group's capitalised exploration and evaluation asset balances.	In performing our procedures, we: ► Considered whether the Group's right to explore was current, which included obtaining and assessing supporting documentation such as license and permit agreements. ► Considered the Group's intention to carry out significant ongoing exploration and evaluation activities in the relevant areas of interest which included reviewing the Group's cash-flow forecast and enquiring of senior management and the directors as to their intentions and the strategy of the Group ► Assessed whether exploration and evaluation data existed to indicate that the carrying value of capitalised exploration and evaluation was unlikely to be recovered through development or sale ► Assessed the adequacy of the Group's disclosures in the financial report.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2024 annual report, 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, with the exception of the Remuneration Report and our related assurance opinion.

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 (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- The consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001;* and

for such internal control as the directors determine is necessary to enable the preparation of:

- The financial report (other than the consolidated entity disclosure statement) 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 preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have 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.

Building a better working world

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment 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 Group'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 Group'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 Group 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 Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group 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, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year 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.

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2024.

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

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 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.

Ernst & Young

Ernst & Young

Pierre Dreyer
Partner
Perth
17 September 2024

Additional information required by the Australian Stock Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 9 September 2024.

1. Twenty Largest Shareholders

The names of the twenty largest shareholders are as follows:

Name	Number of Ordinary Shares	%
Mimo Strategies Pty Ltd	79,363,223	10.58%
Stephen Biggins	70,447,615	9.39%
Jadematt Investments Pty Ltd	44,072,747	5.87%
Sunset Capital Management Pty Ltd	43,874,017	5.85%
Aviemore Capital Pty Ltd	32,300,000	4.30%
Davey Holdings (Aus) Pty Ltd	29,602,600	3.95%
Ninety35 Pty Ltd	26,476,744	3.53%
Arredo Pty Ltd	21,400,000	2.85%
Hsbc Custody Nominees (Australia) Limited	18,100,297	2.41%
Davey Management (Aus) Pty Ltd	17,947,400	2.39%
Bnp Paribas Noms Pty Ltd	16,910,995	2.25%
Peterlyn Pty Ltd	9,500,000	1.27%
Tecca Pty Ltd	7,000,000	0.93%
Cb Storage Pty Ltd	6,900,000	0.92%
Helmet Nominees Pty Ltd	6,889,653	0.92%
Mr Carlo Chiodo	6,500,000	0.87%
Davey Holdings (Aus) Pty Ltd	6,300,000	0.84%
Troca Enterprises Pty Ltd	6,250,000	0.83%
Recb Limited	6,200,000	0.83%
Nowak Investments Pty Ltd	5,750,000	0.77%
Total twenty largest shareholders	**461,785,291**	**61.55%**
Balance of register	288,539,256	38.45%
Total ordinary shares on issue	**750,324,547**	**100.00%**

2. Distribution of Equity Securities

The distribution of ordinary shares ranked according to size was as follows:

Category	Ordinary Shares	%	No. of holders	%
100,001 and over	736,227,582	98.12%	341	44.12%
10,001 to 100,000	13,162,723	1.75%	251	32.47%
5,001 to 10,000	730,997	0.10%	88	11.38%
1,001 to 5,000	198,362	0.03%	62	8.02%
1 to 1,000	4,883	0.00%	31	4.01%
Total	**750,324,547**	**100.00%**	**773**	**100.00%**

3. Voting Rights

The rights attaching to fully paid ordinary shares ("Shares") arise from a combination of the Company's Constitution, statute and general law.

(i) Shares - The issue of shares in the capital of the Company and options over unissued shares by the Company is under the control of the Directors, subject to the Corporations Act 2001, ASX Listing Rules and any rights attached to any special class of shares.

(ii) Voting - Subject to any rights or restrictions at the time being attached to any shares or class of shares of the Company, each member of the Company is entitled to receive notice of, attend and vote at a general meeting. Resolutions of members will be decided by a show of hands unless a poll is demanded. On a show of hands each eligible voter present has one vote. However, where a person present at a general meeting represents personally or by proxy, attorney or representative more than one member, on a show of hands the person is entitled to one vote only despite the number of members the person represents. On a poll, each eligible member has one vote for each fully paid share held and a fraction of a vote for each partly paid share determined by the amount paid up on that share.

4. Substantial Shareholders

Substantial Shareholder notices have been received from the following:

	Number of Shares
Mr Grant Davey	50,000,000
Mr Jason Peterson	42,374,017
Mimo Strategies Pty Ltd	80,539,358
Jade Theresa Kay	44,072,066

5. On-Market Buy Back

There are currently no on-market buyback programs for any of Earths Energy Limited's listed securities.

6. Restricted Securities

3,100,000 ordinary shares are subject to an orderly market restriction until the commencement of commercial production at the Panda Hill Niobium Mine.

220,360,329 ordinary shares issued as consideration for the acquisition of Volt Geothermal Pty Ltd ("Volt") and Within Energy Pty Ltd ("Within")are subject to market restriction until 2 January 2026.

73,773,673 ordinary shares are subject to market restriction until 8 January 2025.

7. Corporate Governance

The Company's Corporate Governance Statement for the year ended 30 June 2024, which explains how the Company complies with the ASX Corporate Governance Council's 'Corporate Governance Principles and Recommendations – 4th Edition', is available in the Corporate Governance section of the Company's website, www.ee1.com.au and will be lodged with ASX together with an Appendix 4G at the same time that this Annual Report is lodged with ASX.

8. Interest in Tenements

As at 9 September 2024, the Group's tenement interests are shown in the table below:

Tenement	Registered Holder	Location	Ownership
EPG 2026	Within	Queensland Australia	100%
GEL 692	Volt	South Australia	100%
GEL 693	Volt	South Australia	100%
GEL 694	Volt	South Australia	100%
GEL 695	Volt	South Australia	100%
GEL 696	Volt	South Australia	100%