



**EASTERN
METALS**

ASX:EMS

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EASTERN METALS LIMITED

ABN 29 643 902 943

Annual Report for the year ended 30 June 2024

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CORPORATE DIRECTORY

Directors & Chief Executive Officer

Mr Bob Duffin – Chairman

Ms Ley Kingdom – Chief Executive Officer

Dr Jason Berton – Independent Non-Executive Director

Mr Mark Dugmore – Independent Non-Executive Director

Mr Ian White – Independent Non-Executive Director

Company Secretary & Chief Financial Officer

Ian Morgan

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Securities Exchange

Australian Securities Exchange (ASX)

ASX Code: EMS

Securities Registry

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CHAIRMAN'S LETTER

Dear Fellow Shareholders,

I am pleased to present Eastern Metals' (ASX: EMS) Annual Report for the 2024 financial year, which has seen further progress towards unlocking the compelling potential of our assets in the world-class Cobar Basin of New South Wales and Arunta Province in the Northern Territory.

Both these regions offer good potential for the discovery and development of base metals such as copper and zinc, and precious metals including silver – which are important ingredients in the transition to electrification and global energy security with compelling market fundamentals and a strong long-term demand outlook.

During the year, our field work programs at the Cobar Project in NSW identified two high-priority targets to the north and south of high-grade mineralisation delineated in 2022¹ by Eastern Metals at the Evergreen zone.

Named the "Kelpie Hill" and "Windmill Dam" prospects, both targets² lie along the highly prospective Woorara Fault, with the potential that they may define multiple mineralised zones extending over about 2.5km from Pineview in the south to the new Kelpie Hill target in the north³. Planning and approvals for a Reverse Circulation (RC) drilling campaign to test this theory were completed during the financial year, with drilling kicking off in August 2024 and assay results expected in September and October 2024.

In addition to the newly defined targets, the drilling program also includes extensional drilling at Evergreen.

At the Arunta Project in the Northern Territory, we were very pleased to recently receive a \$100,000 co-funding grant from the Northern Territory Government to assist with the completion of an Induced Polarisation survey to define drill targets along strike from the Home of Bullion deposit⁴.

This IP survey will cover the Bullion Schist along strike from Home of Bullion, which is the primary host rock for the known copper mineralisation. This trend extends between Home of Bullion and the Mulbargas copper prospect, located 9km along strike to the north-west, with the survey aiming to identify potential additional zones of mineralisation.

We expect that these work programs at Cobar and Arunta will generate strong news flow for Eastern Metals over the coming months.

¹ Eastern Metals Ltd (ASX:EMS) ASX Announcement 9 March 2022, "Browns Reef Lode Extended Along Strike and at Depth".

² The potential quantity and grade of an Exploration Target is conceptual in nature, there has been insufficient exploration to define a Mineral Resource, and it is uncertain if further exploration will result in the determination of a Mineral Resource.

³ Eastern Metals Ltd (ASX:EMS) ASX Announcement 3 June 2024, "New High-Priority Targets Identified at Browns Reef, NSW".

⁴ Eastern Metals Ltd (ASX:EMS) ASX Announcement 11 June 2024 "Successful NTGS Co-Funding Collaboration Grant".

With exploration programs at both the Cobar and Arunta Projects ramping up, we reached agreement in late June to divest the Thomson Project in NSW to Legacy Minerals (ASX:LGM), providing the Company with an all-cash consideration of \$200,000 plus a 1.5% Net Smelter Royalty (NSR)⁵. This has also enabled us to prioritise our efforts on the more advanced assets within our portfolio. The transfer and sale is expected to be completed in Q2 FY2025.

The sale of the Thomson Project, together with a successful \$1 million strategic share placement completed in May 2024⁶, has ensured that we are well positioned to accelerate our exploration programs in both NSW and the NT.

Despite what has been a difficult year for junior exploration companies – with macroeconomic headwinds and geopolitical uncertainty having a significant impact on equity markets – I am confident that we have the right assets to deliver growth, with strong momentum in our exploration programs as we move into FY2025.

I would like to sincerely thank the small but dedicated Eastern Metals team, led by our CEO Ley Kingdom, for their hard work and commitment over the course of the year.

I would also like to thank you – our shareholders – for your ongoing support and loyalty.

We have an exciting period ahead and I look forward to sharing it with you all.



Bob Duffin, Chairman
Sydney
30 September 2024

⁵ Eastern Metals Ltd (ASX:EMS) ASX Announcement 24 June 2024 "Thomson Project Sold for \$200,000 Plus 1.5% NSR".

⁶ Eastern Metals Ltd (ASX:EMS) ASX Announcement 20 May 2024 "Successful \$1M Placement to Accelerate Exploration".

DIRECTORS' REPORT

The Directors present their report, together with the financial statements of Eastern Metals Limited ('the **Company**' or "**Eastern Metals**") at the end of and during the year ended 30 June 2024.

The Directors and other Key Management Persons of the Company at any time during or since the end of the financial year are listed below.

DIRECTORS

Bob Duffin, BSc (Hons), MSc (Hons), Grad Dip Mgt, FAusIMM, Chairman

Appointed 2 September 2020.

Bob is a company director with over 45 years' experience in resource exploration, project assessment, mining investment analysis and company management.

Having commenced his career with the Geological Survey of New South Wales, Bob has held senior positions in the exploration divisions of Peko-Wallsend Limited and MIM Holdings Limited, two of Australia's largest mining companies at the time. Prior experience also includes managing director of an international resource exploration consulting and contracting firm, and general manager of a listed mining investment company.

Throughout his career, Bob has lived and worked in mining communities, including periods in Kalgoorlie in Western Australia and Mount Isa in Queensland, where he worked on exploration programs for multiple commodities including copper, other base metals, gold, uranium and iron ore. He later worked as a mining analyst with three stockbroking firms and was head of research at one of Australia's leading brokers during the 1980s.

Bob is a former Non-Executive Director of several listed companies, including Centennial Coal, Midwest Corporation, Ferrowest, Burmine, Austmin Gold, Mt Lyell, the UK resources investment company Europa Minerals Group, and Mancala, a mining contractor.

Jason Berton, BEc BSc (Hons) PhD, Independent Non-Executive Director

Appointed 26 July 2021.

Jason is a geologist and company director who commenced his career as an exploration and mine geologist at the Plutonic Gold Mine in Western Australia, before moving to BHP Billiton in South Australia, where he worked on the Olympic Dam Mine expansion project. Previously he has also worked with SRK, an international firm of consulting geologists, and spent two years in private equity assessing resource sector investment opportunities. He is a former Managing Director of Estrella Resources and is a director of PolarX, where he played a major role in negotiating the acquisition of key tenements in North America. He is also a non-executive director of Lithium Plus Minerals Limited.

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Jason's honours thesis was focussed on the geology of the Lake Cargelligo area in New South Wales, close to the Company's Browns Reef deposit, and his doctorate was in structural geology. He has strong entrepreneurial and corporate skills, as well as a firm understanding of structural geology and its role in the formation of metalliferous orebodies.

Mark Dugmore, BAppSc, MSc, MAusIMM, MAIG, Independent Non-Executive Director

Appointed 4 October 2022.

Mark is an experienced geologist and since 2014 to the present date, has been Managing Director of the ROMARDO Group, a private Brisbane-based, precious-base metals and lithium focused early-stage project generation exploration group. Prior to that he was a director of and advisor to several junior mining exploration companies.

In his current role, Mark's focus is on the leadership of a private mineral prospect generator group involving ex-BHP/WMC senior geoscientists, who were instrumental in the discovery of the giant Cannington (BHP) and Olympic Dam/Ernest Henry (WMC) deposits. His position involves the acquisition of new grassroots mineral exploration projects which demonstrate the potential for world-class ore deposits and marketing/deal-making of these projects employing the JV Business Model.

Previously Mark spent 16 years with BHP Minerals, where he rose to the position of Manager, Global Base Metals.

Ian White, BBus, MBA (Marketing), Grad Dip CSP, FCPA, Independent Non-Executive Director

Appointed 4 October 2022.

Ian has 45 years corporate experience including more than 23 years as Director and Company Secretary. He has served on over 20 Boards including many ASX listed companies, and is currently Company Secretary of Ark Mines Ltd (ASX: AHK) and Lucknow Gold Limited.

Ian is highly experienced in all areas of corporate management. He is particularly experienced in all aspects of corporate financial reporting and corporate governance, including all of the corporate governance elements included in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

Ian was a key advisor to WPG Resources Limited during its development and subsequent \$320M sale of its Peculiar Knob project and has worked extensively in Canada and China.

Ian is at present a Director of Professional Edge Pty Ltd, a legal and financial services provider to listed and unlisted companies, with emphasis on the junior resources sector.

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CHIEF EXECUTIVE OFFICER

Ley Kingdom, BSc Geology, GAICD, MAusIMM

Appointed 7 August 2023.

Ley is a qualified geologist with over 25 years' experience who has recently joined EMS as Chief Executive Officer. Ley's prior experience includes working for Western Mining Corporation, BHP and a number of juniors and mid-tiers overseeing greenfield projects through to resource definition and feasibility. Ley has a comprehensive understanding of the resources industry and first-hand experience of overseeing the development of exploration projects. With her extensive experience, Ley brings to Eastern Metals an important range of skills to lead the Company and its assets forward.

In 2021, Ley formed her own exploration company, Highland Resources Ltd, which she subsequently vended into a development company with gold reserves in north Queensland. As Managing Director and CEO, Ley successfully led Highlands Resources' corporate and investor relations division, liaising directly with investors, brokers and corporate entities.

Previously Ley has worked with a number of junior to mid-sized resource companies in a number of positions from Project Geologist through to Exploration Manager, across multiple jurisdictions and commodities, including gold, base metals, lithium, iron ore and coal. In the early 2000s, Ley worked with the Central Land Council advising Traditional Owners and their representatives, as well as exploration and mining companies, on access to land subject to the *Aboriginal Land Rights Act 1976* (NT) and *Native Title Act 1993* (Cth) in the Northern Territory.

COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER

Ian Morgan, BBus, MCom Law, Grad Dip AppFin, CA, AGIA, MAICD, FFin

Appointed 1 July 2021.

Ian is a member of Chartered Accountants Australia and New Zealand and the Governance Institute of Australia, with over 35 years of experience. Ian provides secretarial and advisory services to a range of companies, including holding the position of Company Secretary and CFO for other listed public companies.

NATURE OF OPERATIONS AND PRINCIPAL ACTIVITIES

Eastern Metals Limited is an early-stage mineral exploration company.

DIVIDENDS

There were no dividends paid or declared by the Company to members during or since the end of the financial year.

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REVIEW OF OPERATIONS AND OUTLOOK

Eastern Metals (ASX:EMS) is an Australian exploration company focussed on discovering and developing strategically located base and precious metals projects in New South Wales (Cobar Project) and the Northern Territory (Arunta Project).

Eastern Metals' flagship assets are the:

Cobar Project

- Browns Reef zinc-silver-lead-copper-gold deposit in the Cobar Basin, New South Wales, including the Tara and Black Range exploration licences; and

Arunta Project

- Home of Bullion deposit located east of Barrow Creek in the Northern Territory, which hosts a total Identified Mineral Resource of 3.1 million tonnes⁷ at an average grade of 2.9% copper equivalent⁸.

COBAR PROJECT, NEW SOUTH WALES

The Cobar Project is located in the southern Cobar Basin, a prolific mining district with a long history of primarily base and precious metals mining (**Figure 1**). Within the Cobar Project, Eastern Metals' core focus is on the Browns Reef zinc-silver-lead-copper-gold deposit. The Company holds a significant portion of the regional scale Woorara Fault, which is believed to be the controlling structure for the Browns Reef deposit.

BROWNS REEF, EL6321

The Browns Reef base metal deposit lies 5km west of the town of Lake Cargelligo, approximately 470km west of Sydney, New South Wales. The area surrounding the Browns Reef deposit is used for agricultural purposes, including grazing and cropping.

The known deposit at Browns Reef occupies a small part of the tenement, with most historical deeper drilling confined to a 2.7km-long zone in the central to southern part of the tenement between the Pineview and Evergreen high-grade zones.

The Project's previous owner, Kidman Resources, defined a JORC 2012 Exploration Target⁹ for the Browns Reef deposit, based on 52 diamond drill holes and 22 RC holes, of 27 to 37Mt grading between 1.3-1.4% zinc, 0.6-0.7% lead, 9-10g/t silver and 0.2-0.3% copper¹⁰.

⁷ Eastern Metals Ltd (ASX:EMS) ASX Announcements 8 & 10 March 2023, "Resource Grows at Home of Bullion Copper Project".

⁸ For details of material factors contributing to the copper equivalent (CuEq), refer to page 66 Table 2.

⁹ The potential quantity and grade of the Exploration Target is conceptual in nature and there has been insufficient exploration drilling conducted to estimate a Mineral Resource. At this stage it is uncertain if further exploration drilling will result in the estimation of a Mineral Resource. The Exploration Target has been prepared in accordance with the JORC Code (2012).

¹⁰ Kidman Resources Ltd (ASX:KDR) ASX Announcement 20 January 2015, "Clarification to Browns Reef Announcement". Kidman Resources Ltd (ASX:KDR) ASX Announcement 16 October 2014, "New Mineralised Extensions at Browns Reef".

Browns Reef is a large, structurally controlled base metals system extending over a total strike length of about 6km with two higher-grade mineralised zones, Evergreen and Pineview (**Figure 2**).

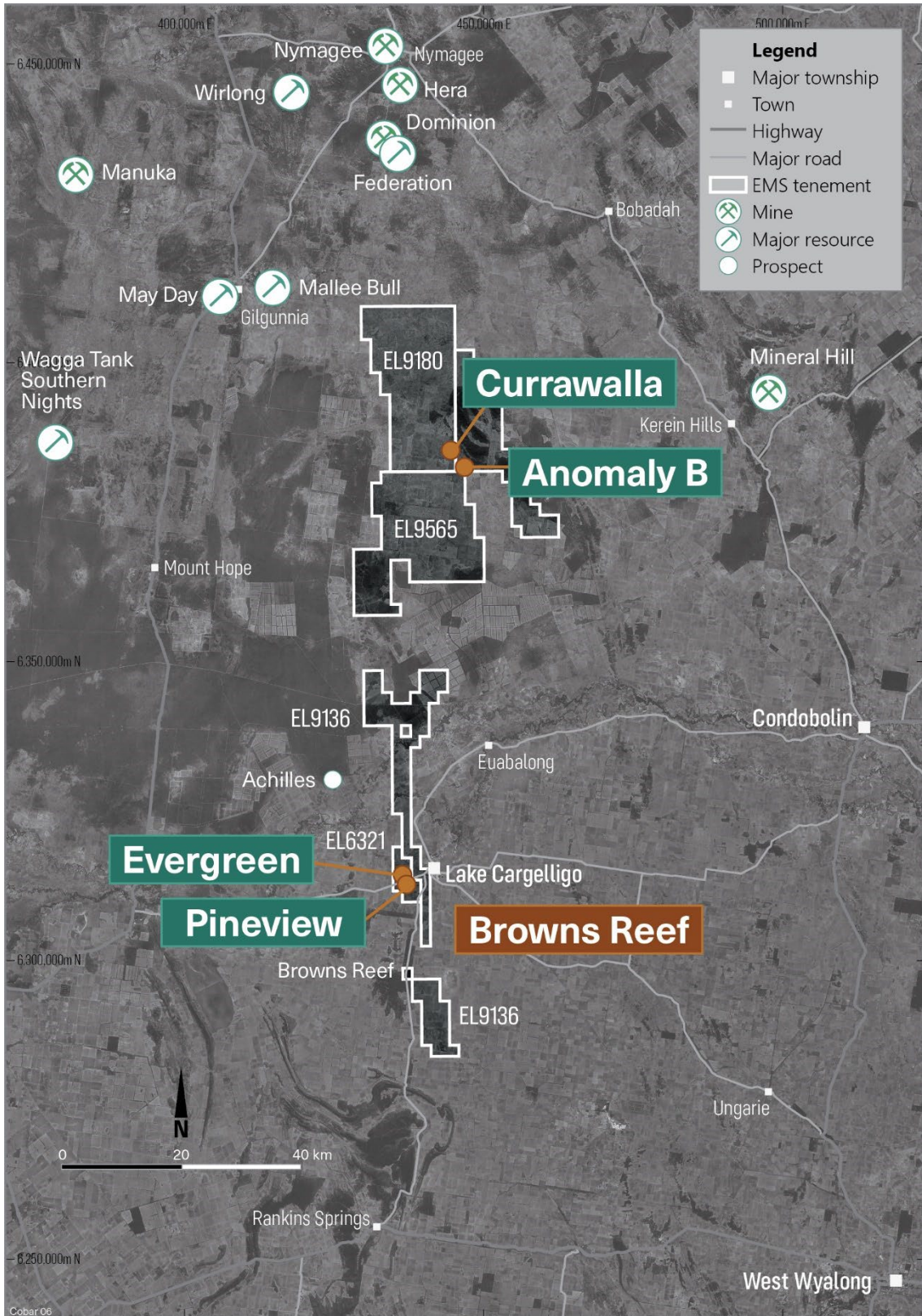


Figure 1: Location of tenements comprising the 100%-owned Cobar Project in NSW.

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2024 Fieldwork Programs

Fieldwork programs undertaken across EL6321 during FY2024 identified new zones of anomalous base metal mineralisation¹¹ in the northern portion of the project area. The fieldwork programs were completed in April and May 2024 and focused on the Woorara Fault, to the north of the known high-grade Pineview and Evergreen zones.

Fieldwork undertaken in April 2024 focused on the area between the Lachlan Valley Way Road and the North Uabba Road. The program was aimed at ground truthing and, where possible, adding to the auger and rotary air blast (RAB) hole data and geological mapping originally acquired by the Electrolytic Zinc Company of Australasia Ltd (EZ) in the 1970s.

Most paddocks in the area have been cropped or cultivated at some stage and outcrop is rare; however, gossanous material is commonly evident in stone raked piles throughout the entire strike length of the inferred Woorara Fault and Preston-Clements contact, defining a north-northwest trending zone.

In addition, ground reconnaissance revealed that gossanous float material was often present scattered along the approximate trend of the inferred mineralised zone; it is believed that significant displacement of this float due to farm activities has not taken place.

In total, 28 samples of gossanous rock material were collected for assaying, comprising an average of 1-2kg per sample from multiple pieces of surface float.

A second field trip was conducted in mid-May 2024 utilising a SciAps X555 portable X-ray fluorescence analyser (pXRF) to conduct soil readings every 10 metres along east-west traverses. Line spacing was informed based on real-time results and the previous day's visual assessment of geochemical dispersion of lead.

The program was used to test the pXRF capabilities for detecting lead in soils and identifying geochemical trends across the different lithologies at Browns Reef.

The Tertiary basalt coverage within EL6321 is a considerable masking lithology that potentially covers portions of the northern extension of the Browns Reef mineralisation. The pXRF demonstrated that soil anomalism of lead (Pb) and arsenic (As) were readily traceable within the soil profiles and decreasing Pb results could effectively map out the basalt and Clements Formation contact zones. Rock chip samples paired with the pXRF readings were able to distinguish further prospective zones to the south and north of the Evergreen deposit.

Of particular note are two new prospective areas now designated "Kelpie Hill" and "Windmill Dam". Kelpie Hill is located approximately 700 metres to the north-west of Evergreen, and Windmill Dam is 500 metres to the south-east.

¹¹ ASX EMS Announcement of 3 June 2024, "New High-Priority Targets Identified at Browns Reef, NSW".

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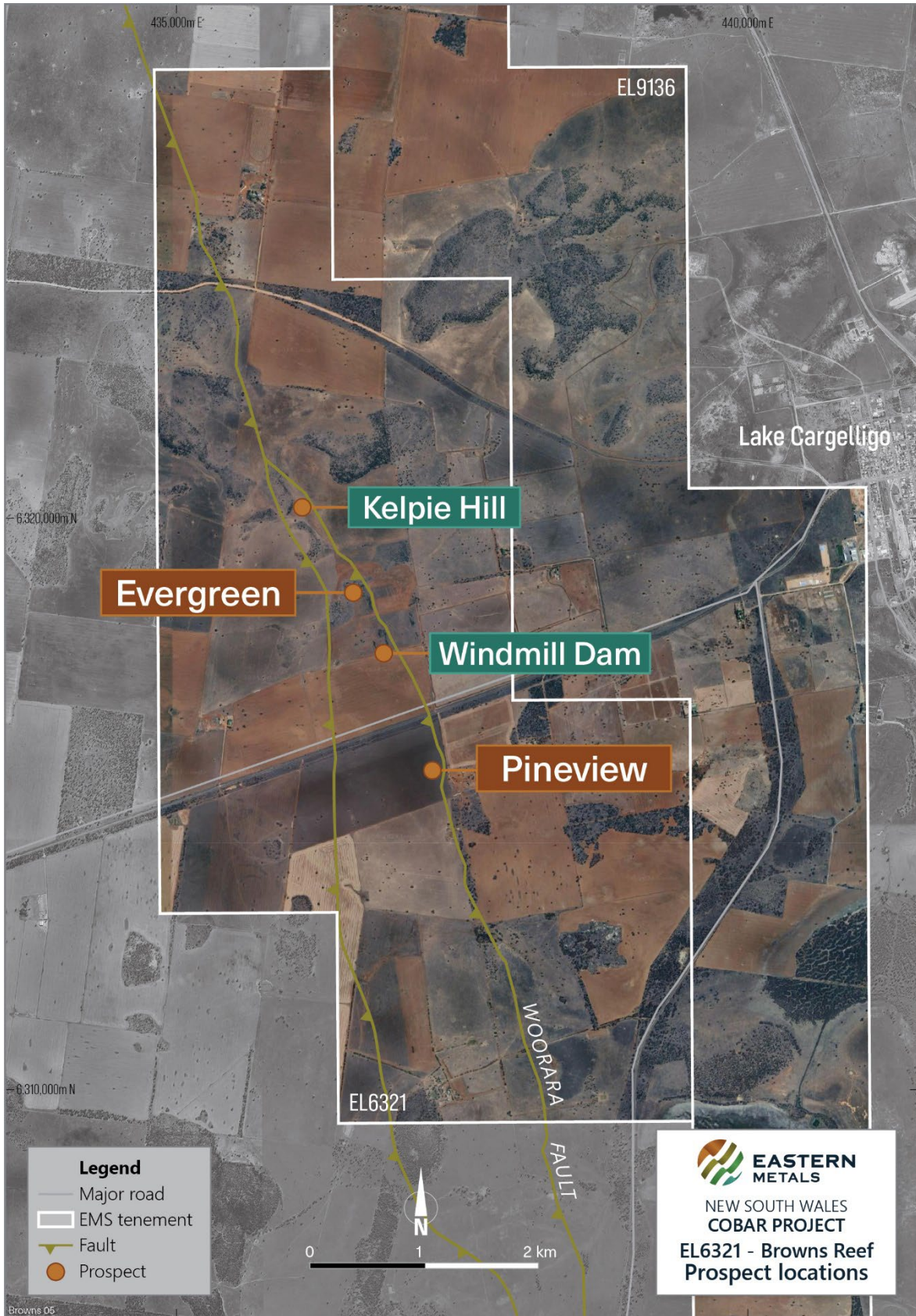


Figure 2: Location of EL6321, Browns Reef and the Pineview, Evergreen, Kelpie Hill & Windmill Dam prospects.

Rock Chip Sample Summary

A total of twenty-eight (28) rock chip samples of gossanous float lithologies were sent for assaying in April 2024. Multi-Element ICP and Low-Level Fire Assay techniques were used for all samples with potential pathfinder elements (e.g. As) included in the analysis suite.

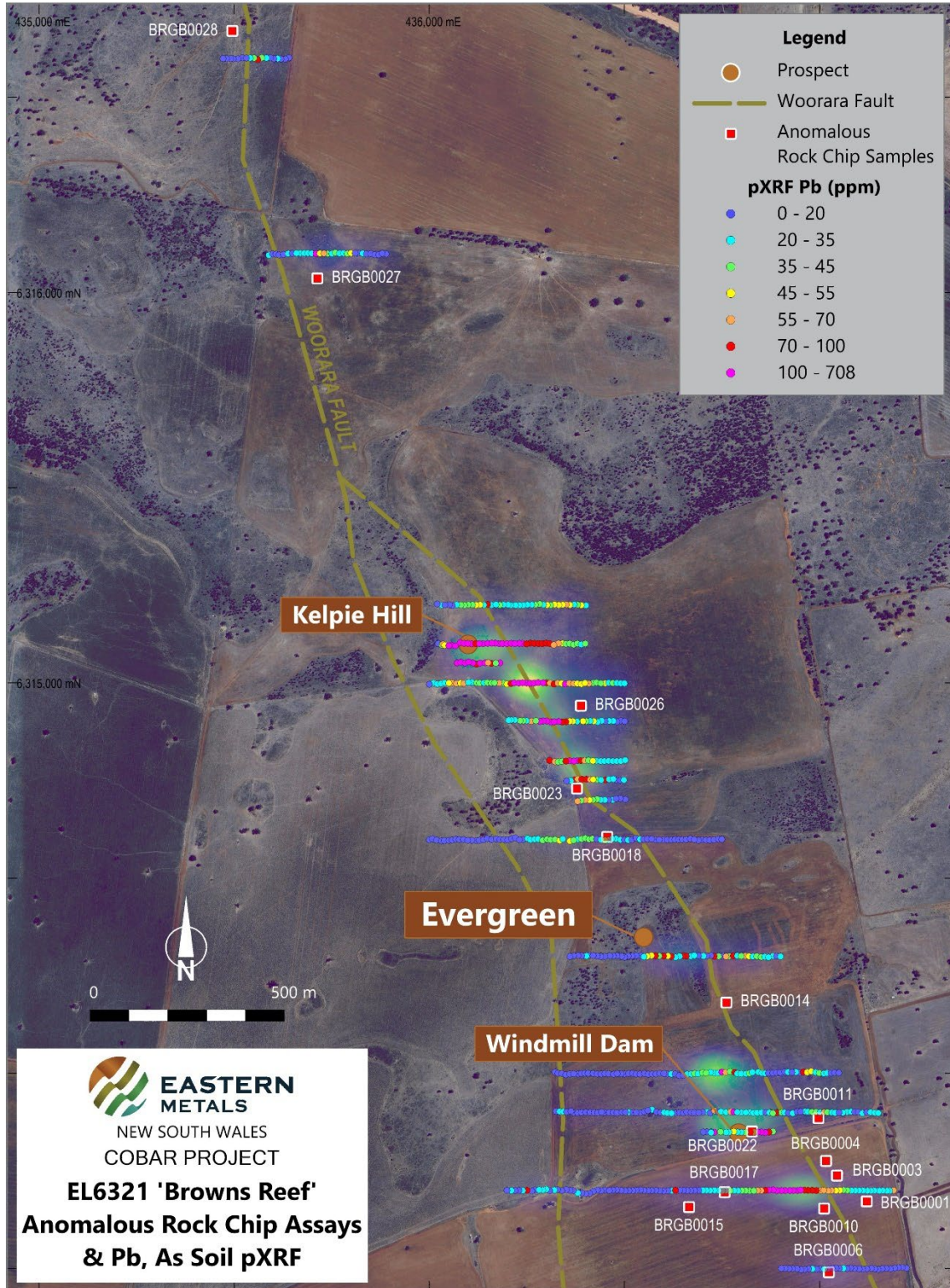


Figure 3: Location of rock chip samples, pXRF traverses with Pb (ppm) and As (ppm, 'heat mapped').

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A summary of anomalous results is presented in **Table 1**.

All but one of these samples were collected from gossanous and ferruginous ex-sulphide float, the remaining sample from a stone raked pile (BRGB0001). Preliminary results from these rock chip samples were used as a guide for the pXRF traverse program described below, particularly in areas of low auger/RAB drilling density. The locations of rock chip samples are shown in **Figure 3**.

Table 1: EL6321 rock chip sample significant anomalous assay results¹²

Sample ID	MGA94 E	MGA94 N	Au (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)
BRGB0001	437120	6313677	0.01	23.1	68	2400
BRGB0003	437044	6313743	<0.01	61.2	1000	2600
BRGB0004	437016	6313780	<0.01	116.0	150	3700
BRGB0006	437023	6313495	0.01	132.0	1200	1800
BRGB0010	437011	6313658	0.01	99.2	50	1600
BRGB0011	436996	6313890	<0.01	51.5	82	1200
BRGB0014	436761	6314186	0.01	157.0	3200	6400
BRGB0015	436665	6313662	<0.01	86.1	1500	1200
BRGB0017	436756	6313700	0.01	136.0	3000	1000
BRGB0018	436455	6314610	<0.01	65.6	2100	1100
BRGB0022	436826	6313856	0.01	622.0	4200	1400
BRGB0023	436378	6314734	0.03	90.6	1300	1700
BRGB0026	436388	6314946	0.02	98.4	1200	2200
BRGB0027	435713	6316041	<0.01	231.0	1600	2500
BRGB0028	435495	6316675	<0.01	52.9	400	1700

pXRF Summary

Seventeen (17) lines of 10m spacing pXRF soil readings were collected between 17 and 21 May 2024. A total of 753 readings were taken with a SciAps X555 pXRF utilised on 'soils' mode which allows for highly sensitive multi-elemental analysis.

Initial sampling lines were chosen based on their proximity to gossanous rock chip samples that were collected in April 2024. Sampling lines were between 6313500N and 6316600N, which commenced close to the Lachlan Valley Way and ended near the North Uabba Road.

The ability of the pXRF to pick up Pb within soils is evident and background soil Pb within the Tertiary basalt and Ordovician Clements Formation cover soils was approximately 10-20 ppm. Even within cultivated paddocks, the elevation in Pb along the interpreted Browns Reef mineralisation trend was apparent (see Figure 2). Pb often ranged from 70-100+ ppm within these zones. The highest Pb value recorded for the program was 708 ppm which fell within the newly designated Kelpie Hill prospect.

¹² ASX EMS Announcement of 3 June 2024, "New High-Priority Targets Identified at Browns Reef, NSW".

In-fill lines were added at the beginning of each day pending the visual display of the Pb values from the previous day. In-fill lines were also added to provide a clearer anomalous trend line where the EZ auger/RAB drillholes were sparse. In matching bottom-hole assay data from the 1970s and pXRF results, a clearer trend of anomalous base metal zones can be distinguished where the Tertiary basalt is not present (see Figure 3).

Drilling Program

Reverse Circulation (RC) drilling to test these new, high-priority targets commenced subsequent to the end of the reporting period.

On 7 August 2024, the Company announced that it had commenced Reverse Circulation (RC) drilling to test new, high-priority areas at the Cobar Project in the Cobar Basin, NSW¹³.

The drilling will initially focus on the Kelpie Hill and Windmill Dam targets, with in-fill and extensional drilling also planned at other areas within the tenement including at Evergreen.

The drilling program will be undertaken by Drillit Consulting Pty Ltd – an experienced drilling contractor based in the Cobar Basin. Initial assay results are expected in Q2 FY2025.

Pineview Land Access Agreement

A key land access and compensation agreement with the Pineview landowner was executed in November 2023. This agreement covers key target areas at Browns Reef and complements other agreements the Company has negotiated in relation to the Evergreen high-grade zone discovered by Eastern Metals in 2022.

The execution of the land access agreements follows extensive consultation and negotiation with landowners and represents a key de-risking step for the Cobar Project, allowing Eastern Metals to plan and execute ground-based exploration activities.

As part of the Pineview access agreement, monitoring of the primary water bore on the property has commenced which, as the project moves forward, will contribute to the Company's acquisition of baseline environmental data and monitoring the de-risking process.

A condition of the Pineview access agreement included the removal of historical drill core and rehabilitation of the core farm site, which had not been accessed for over a decade.

This work, which was finalised in early February 2024, involved restacking, strapping and relocating ~75+ pallets of core to Eastern Metal's core storage facility at Lake Cargelligo.

During this time, ~850m of core from Phase 1 drilling at Browns Reef, which led to the discovery of the high-grade Evergreen zone, was oriented and processed for structural measurements to aid

¹³ ASX EMS Announcement of 7 August 2024, "Drilling Underway to Test New, High Priority Targets".

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geological and structural modelling.

Further analysis of the core will be undertaken in conjunction with detailed field mapping along the Woorara Fault.

BLACK RANGE, EL9565

Black Range (EL9565) is located approximately 60km to the north of Browns Reef (EL6321) and to the east and south of Tara (EL9180). A ground magnetic survey over the recently identified 'Anomaly B' prospect within EL9565 was completed in February 2023.

The 'Anomaly B' prospect was identified using regional geophysical data and is defined by a discrete "bullseye" magnetic anomaly, similar to the magnetic anomaly defined at the Company's Currawalla prospect¹⁴ immediately to the north-west of 'Anomaly B' (**Figure 4**).

Both the Anomaly B and Currawalla anomalies are located along the Ordovician sediment (Currawalla Shale) and Silurian granitic (Urambie Granodiorite) contact zone, and it is thought that the magnetic anomalies may be attributed to pyrrhotite content in association with the base metal mineralisation along the geological contact. In addition, anomalous base metals were encountered in Reverse Circulation drilling at Currawalla in 2023¹⁵.

The on-ground magnetic survey was designed to acquire more detailed, higher resolution, data over the regional geophysical airborne data; however, the ground magnetic survey indicated that the body identified in the coarser, regional airborne data is large and complex – and additional data will be required in order to adequately process and model the recently acquired ground magnetic data.

In light of this, the Company intends to acquire additional ground magnetic data, as well as carry out further detailed mapping and surface sampling.

¹⁴ ASX EMS Announcement of 31 May 2023, "Ground Magnetism Enhances Currawalla Rare Earths Potential".

¹⁵ ASX EMS Announcements of 24 August 2023, "Currawalla Drilling Results Received".

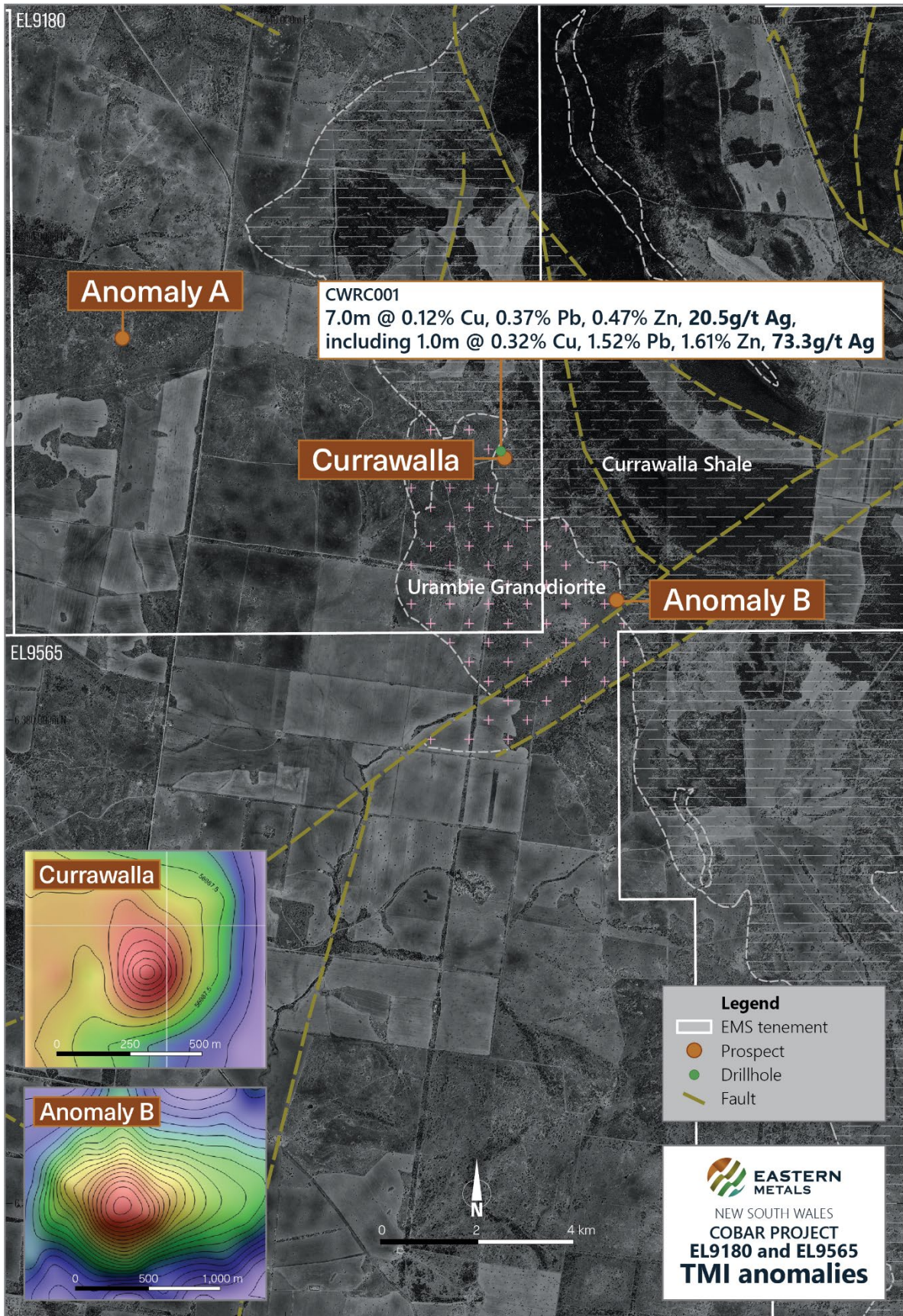


Figure 4: Location of 'Anomaly B', EL9565, on the Urambie Granite, Currawalla Shale contact with Currawalla and Anomaly B Total Magnetic Intensity (TMI). Insets show scale.

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BOTHROONEY, EL9136

Three land access agreements were signed by landholders for EL9136 (Bothrooney) in mid-May 2024 and reconnaissance fieldwork on this tenement is ongoing to assess the potential of Tabberabberan basin structures associated with the regional Woorara and Kilparney faults.

A renewal application was lodged with the NSW Resources Regulator on 7 April 2024 and was approved on 13 June 2024.

TARA, EL9180

Tara is the northern-most exploration licence (EL9180) held by Eastern Metals in the Cobar Basin. It is located 120km south of Cobar and 80km north of the Company's flagship Browns Reef tenement. A four-hole RC drilling program totalling 426m was completed in August 2023¹⁶ in the immediate vicinity of the historical Currawalla mine.

Three of the four holes were designed to test the prospective quartz breccia unit near the base of oxidation, while one hole was designed to test the prospective zone below the base of oxidation, which is interpreted to be the source of a magnetic anomaly.

The holes showed that the quartz breccia unit dips steeply to the north-west, is up to 10m thick, and lies on the contact between the Silurian Urambie granodiorite and the Ordovician sediments to the south-east.

The quartz breccia is interpreted to be a conduit for the introduction of mineralising fluids with the magnetic anomaly caused by pyrrhotite within the anomalous base metal mineral zone; this is also reflected in anomalous magnetic susceptibility readings.

Based on the results of the drilling, the Company now believes that previously reported very high Total Rare Earth Oxide (TREO) readings in soils and mullock at Currawalla are likely due to supergene enrichment and mobilisation of Rare Earth Elements (REEs) from weathering of the granodiorite to the west of the quartz breccia, and their capture in clays in the near-surface or regolith zone.

Key results from the drilling program included:

- 7m from 41m averaging 0.12% Cu, 0.37% Pb, 0.4% Zn, 20.5g/t Ag and 132ppm TREO in hole CWRC001, including 1m from 44m averaging 0.32% Cu, 1.52% Pb, 1.61% Zn, 73.3g/t Ag and 88ppm TREO
- 33m from 78m averaging 0.2% Zn and 202ppm TREO in hole CWRC002
- 19m from 54m averaging 0.05% Zn and 219ppm TREO in hole CWRC003
- 10m from 59m averaging 0.06% Cu, 0.04% Pb, 0.24% Zn and 92ppm TREO in hole CWRC004

Drilling at Tara tested a hypothesis, and while REEs were present in lower concentrations than anticipated, the anomalous base metal results highlight the prospectivity of EL9180 and the Cobar

¹⁶ ASX EMS Announcement of 24 August 2023 "Currawalla Drilling Results Received".

Basin generally. The anomalous base metal results warrant follow-up work within the Tara EL and the adjoining tenement (EL9565 Black Range).

A renewal application for EL9180 was lodged with the NSW Resources Regulator on 7 May 2024 and was approved on 28 June 2024.

ARUNTA PROJECT, NORTHERN TERRITORY

The Arunta Project, which is located in the Northern Territory, east of the Stuart Highway between Alice Springs and Tennant Creek near the township of Barrow Creek, comprises two groups of tenements, 'Neutral Junction' in the north and 'Adnera Hill' to the south (**Figure 5**).

The Company's core focus within the Arunta Project is the Home of Bullion deposit (EL23186), which hosts a 3.1 million tonne¹⁷ Mineral Resource grading 2.9% CuEq¹⁸, Mulbangas and Prospect D.

HOME OF BULLION, EL23186

An updated Mineral Resource estimate (3.1 million tonnes, 2.9% CuEq¹⁹) for the Home of Bullion copper deposit was released by the Company in the March 2023 Quarter²⁰.

During the June 2024 Quarter, Eastern Metals was awarded co-funding for up to \$100,000 in Round 17 of the Northern Territory (NT) Geophysics and Drilling Collaborations Program (GDGP)²¹, part of the NT Government's 'Resourcing the Territory' initiative²². This is a competitive grants program administered by the Northern Territory Geological Survey (NTGS) to address geoscientific knowledge gaps, advance exploration activity and support the discovery and development of resources in the NT.

The funding will support the completion of an Induced Polarisation (IP) survey at the Arunta Project to generate drill targets along strike from Home of Bullion. This area offers strong potential for the discovery of additional high-grade structurally controlled Volcanic Massive Sulphide-style lodes.

The survey design within EL23186 is consistent with the orientation of the Bullion Schist host rock and the structural framework of the known areas of mineralisation at Home of Bullion.

¹⁷ Eastern Metals Ltd (ASX:EMS) ASX Announcements 8 & 10 March 2023, "Resource Grows at Home of Bullion Copper Project".

¹⁸ For details of material factors contributing to the copper equivalent (CuEq), refer to page 66 Table 2.

¹⁹ For details of material factors contributing to the copper equivalent (CuEq), refer to page 66 Table 2.

²⁰ ASX EMS Announcements of 8 March 2023 and 10 March 2023, "Resource Grows at Home of Bullion Copper Project".

²¹ Eastern Metals Ltd (ASX:EMS) ASX Announcement 20 May 2024 "Successful \$1M Placement to Accelerate Exploration".

²² <https://resourcingtheterritory.nt.gov.au/>

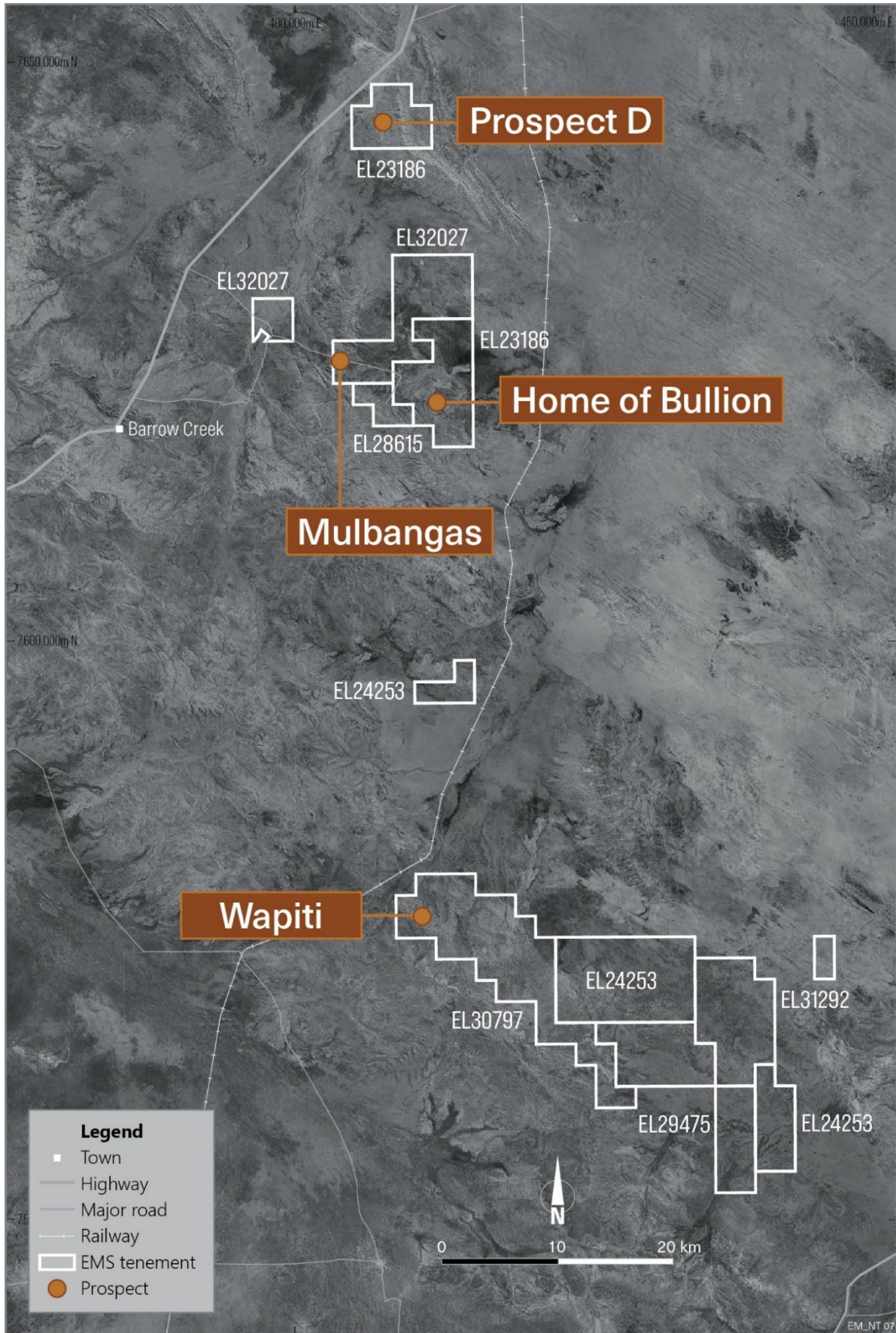


Figure 5: Location of the Company's Arunta Project tenements in the Northern Territory.

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It is anticipated that the survey coverage will enable correlation of the Home of Bullion's geological features along strike, such as key host faults and folds, mineralisation lodes within the Bullion Schist, magnetic anomalies and other geophysical signatures associated with alteration patterns. This will allow a more precise testing of previously defined exploration targets.

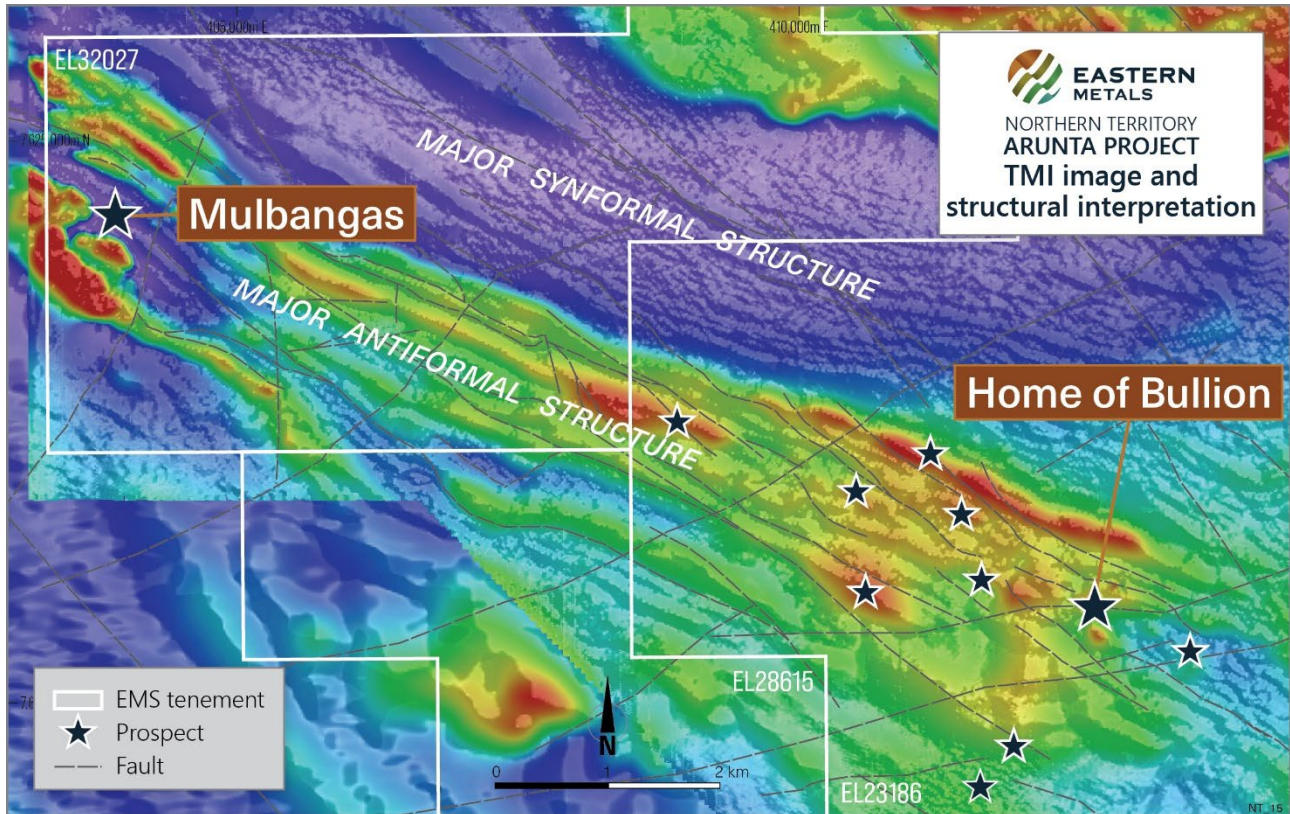


Figure 6: Structural interpretation of the TMI-RTP magnetic imagery showing a major northwest-trending structure that defines the prospective area between the Home of Bullion deposit and Mulbangas prospect (Source: Adapted from Dr John Stewart, PGN Geoscience).

Eastern Metals will integrate the IP data with previous datasets such as magnetic and gravity images, drilling information, geochemical results, structural models and solid geology interpretation to obtain a more detailed analysis of the project area. Overall, the IP survey is expected to improve the geological understanding of the prospective lodes within the Bullion Schist and possibly increase the scale of the Home of Bullion deposit.

During the reporting period, Eastern Metals engaged SRK Consulting to undertake a structural review and interpretation of the Home of Bullion deposit.

Mitre Geophysics was also engaged to review the extensive existing geophysical dataset focusing on Home of Bullion and the Mulbangas prospect (EL32027), which will complement the structural review and aid target generation along the ~9km magnetic trend between Home of Bullion and Mulbangas.

A Mining Management Plan under the *Mining Management Act 2001* (NT) for drilling at Home of Bullion will be prepared and submitted to the regulator in anticipation of drilling activities in FY2025.

A renewal application for EL23186 was lodged with the NT Department of Industry, Tourism and Trade on 8 July 2024 and is still being assessed by the regulator.

DONKEY CREEK, EL28615

A renewal application was lodged with the NT Department of Industry, Tourism and Trade on 28 August 2023. The application was approved by the regulator on 5 January 2024.

OORALINGIE, EL30797

A renewal application was lodged with the NT Department of Industry, Tourism and Trade on 3 November 2023 and was approved on 7 March 2024.

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TENEMENT INTERESTS

Eastern Metals' tenement holding as of 30 June 2024.

Tenure ²³	Location	Company's Interest	Holder	Status
EL23186	Home of Bullion, Northern Territory	100%	Company	Renewal lodged ²⁴
EL28615	Donkey Creek, Northern Territory	100%	Company	Current
EL32027	Barrow Creek, Northern Territory	100%	Company	Current
EL24253	Mount Skinner, Northern Territory	75.14%	Mithril ²⁵	Current
EL29475	Adnera, Northern Territory	100%	Company	Current
EL30797	Ooralingie, Northern Territory	100%	Company	Current
EL31292	Buggy Camp, Northern Territory	100%	Company	Current
EL6321	Browns Reef, New South Wales	100%	Company	Current
EL9180	Tara, New South Wales	100%	Company	Current
EL9136	Bothrooney, New South Wales	100%	Company	Current
EL9190	Falcon, New South Wales	100%	Company	Transfer pending
EL9194	Harrier, New South Wales	100%	Company	Transfer pending
EL9565	Black Range, New South Wales	100%	Company	Current

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²³ EL9190 and EL9194 were agreed to be divested during the quarter; transfer is pending. Refer ASX EMS Announcement of 24 June 2024, "Thomson Project Sold for \$200,000 Plus 1.5% NSR". There were no other tenement acquisitions or disposals during the June 2024 quarter.

²⁴ A renewal application for EL23186 was lodged prior to its expiry on 14 July 2024. This licence is still current and will remain in good standing until assessed by the regulator.

²⁵ Tenement held by Mithril Resources Limited (ASX: MTH) (Mithril). The 75.14% interest held by Bowgan Minerals Ltd (Bowgan) in the Joint Venture is pursuant to a Joint Venture Agreement dated 26 April 2011 between Mithril Resources Ltd, Mega Hindmarsh Pty Ltd and Bowgan.

SUMMARY OF THE RESULTS OF ANNUAL REVIEW OF MINERAL RESOURCES

There are no material changes in the mineral resource holdings in the period between the date of annual review of the mineral resource and the date of this report (30 September 2024).

MINERAL RESOURCES HOLDINGS

Home of Bullion (EL23186) Mineral Resource Estimate

Table 1: 2023 Review

Home of Bullion	Tonnes (kt)	Density	CuEq (%)	Cu (%)	Zn (%)	Ag (ppm)	Pb (%)	Au ppm	Co (%)
Indicated	480	3.6	4.6	2.7	3.4	53	1.5	0.3	0.03
Inferred	2,580	3.8	2.6	1.5	1.8	32	1.0	0.1	0.02
Total	3,100	3.7	2.9	1.7	2.0	35	1.1	0.17	0.02

Notes:

- Tonnages and grades are rounded to two significant figures. Discrepancies in totals may exist due to rounding.
- All lodes reported at a 0.5% CuEq cut-off. A cut-off grade of 0.5% CuEq is consistent with other comparable copper deposits and can be demonstrated to be break even for base processing costs at approximately US\$45/t ore. (Cut off (%) = processing cost / (recovery * price [per % unit]). For example, 0.5 = 45 / (0.9 * 100).
- $CuEq = Cu + (Zn * 0.25) + (Ag * 83.49) + (Au * 5940) + (Pb * 0.19) + (Co * 4.29)$; all elements in ppm. Material factors contributing to CuEq values i.e. assumed metal prices and recoveries are listed in Table 2.

As set out in **Table 1**, the updated total Mineral Resource Estimate is of 3.1 million tonnes at an average grade of 1.7% copper, 2.0% zinc, 35 grams per tonnes silver, 1.1% lead, 0.17 parts per million gold and 0.02% cobalt. Expressed as a copper equivalent, this is 3.1 million tonnes at an average grade of 2.9% copper equivalent. When compared with the previous estimate, the tonnage has increased by 0.6 mt or 24% and the grade by 0.1% CuEq or 4%. Contained copper equivalent has increased from 70,000 tonnes to 89,900 tonnes of metal – an increase of 19,900 tonnes or 28%.

The deposit consists of two lodes, the Main Lode and the South Lode. In addition, a low-grade footwall unit (LGFW) has been modelled that abuts the South Lode footwall contact.

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Table 2: Metal Price and Recovery Assumptions

Metal	Prices	Units	Recoveries
Cu	8,900	US\$/t	0.9
Zn	3,300	US\$/t	0.6
Ag	26	US\$/troy oz	0.8
Au	1,850	US\$/troy oz	0.8
Pb	2,500	US\$/t	0.6
Co	57,300	US\$/t	0.6

Notes:

- All lodes have been reported at 0.5% Cu equivalent (CuEq)²⁶.
- CuEq, as well as the six estimated elements, are reported. CuEq has been calculated from the block estimates on a block-by-block basis.
- Copper equivalent is calculated as follows:
- $CuEq = Cu + (Zn \times 0.25) + (Ag \times 83.49) + (Au \times 5904) + (Pb \times 0.19) + (Co \times 4.29)$ (all elements in ppm)
- This calculation is based on the assumed metal prices and recoveries in **Table 2**.
- A cut-off grade of 0.5% CuEq is consistent with other comparable copper deposits and can be demonstrated to be break even for base processing costs at approximately US\$45/t ore. Cut-off (%) = processing cost / (recovery * price [per % unit]). For example, $0.5 = 45 / (0.9 \times 100)$.

It is the Company's opinion that all the elements included in the metal equivalents calculation have a reasonable potential to be recovered and sold.

Table 3: 2022 Review

Home of Bullion	Tonnes (kt)	Density	CuEq (%)	Cu (%)	Zn (%)	Ag (ppm)	Pb (%)	Au ppm	Co (%)
Indicated	470	3.6	2.8	-	3.4	56	1.6	0.30	0.03
Inferred	2,000	3.7	1.6	-	1.7	31	1.0	0.11	0.02
Total	2,500	3.7	1.8	-	2.0	36	1.2	0.14	0.02

Table 4: 2021 (refer to Prospectus dated 18 August 2021)

Home of Bullion	Tonnes (kt)	Density	CuEq (%)	Cu (%)	Zn (%)	Ag (ppm)	Pb (%)	Au ppm	Co (%)
Indicated	470	3.6	2.8	-	3.4	56	1.6	0.30	0.03
Inferred	2,000	3.7	1.6	-	1.7	31	1.0	0.11	0.02
Total	2,500	3.7	1.8	-	2.0	36	1.2	0.14	0.02

²⁶ Eastern Metals Ltd (ASX:EMS) ASX Announcements 8 & 10 March 2023, "Resource Grows at Home of Bullion Copper Project".

CORPORATE

APPOINTMENT OF CHIEF EXECUTIVE OFFICER

Eastern Metals appointed Ms Ley Kingdom as the Company's Chief Executive Officer, effective 7 August 2023.

Ley is a qualified geologist with over 25 years' experience having worked for Western Mining Corporation, BHP and a number of juniors and mid-tiers on greenfield projects through to resource definition and feasibility. Ley has a comprehensive understanding of resource projects and their development, and with her broad experience, brings an important range of skills to the Company.

DIVESTMENT OF THE THOMSON PROJECT

Eastern Metals signed a binding Heads of Agreement ("**HoA**") in June 2024 for the sale of the Thomson Project (EL9190 and EL9194) in New South Wales to Legacy Minerals Holdings Ltd (ASX: LGM, "Legacy Minerals") for \$200,000 in cash and a 1.5% Net Smelter Royalty ("**NSR**").

The sale will streamline Eastern Metals' asset portfolio, enabling the Company to focus its funds and resources on the high-potential, advanced base metals Cobar Project in New South Wales and Arunta Project in the Northern Territory.

The total consideration is:

- \$200,000 cash payable to EMS, with \$50,000 payable within seven days of the HoA execution date, and \$150,000 payable on completion; and
- A 1.5% NSR, on all minerals produced with a buy-back option for:
 - Half of the NSR (0.75%) for \$2M at any time; and
 - The remaining half of the NSR (0.75%), for \$4M at any time.

Upon completion, Legacy Minerals will hold a 100% unencumbered interest in the two Thomson Project tenements, EL9190 and EL9194.

Completion will be subject to a number of standard conditions precedent (if required), including any approvals required by the ASX, Ministerial consent and other conditions precedent usual for this type of transaction.

CAPITAL RAISING

Eastern Metals completed a successful share placement to professional and sophisticated investors in May 2024, raising \$1,000,000 (before costs) through the issue of 31.25 million new fully paid ordinary shares ("**Shares**") at an issue price of \$0.032 per Share ("the **Placement**").

The proceeds of the Placement will be used to accelerate the Company's exploration activities across its highly prospective portfolio of polymetallic projects in the Cobar Basin and NT, as well as to provide additional working capital.

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As announced on 20 May 2024, the Company secured firm commitments to undertake a cash placement to raise \$1 million through the issue of 31.25 million new fully paid ordinary shares at issue price of \$0.032 per Share. The placement price represented a 22.5% discount to the 15-day Volume Weighted Average Price (“**VWAP**”).

16.4 million of the Shares under the placement were issued on 24 May 2024 under the ASX’s Listing Rules 7.1 (8.4 million Shares) and 7.1A (8.0 million Shares) for an issue price of \$0.032 per Share and raising \$524,800 (Note 5) before capital raising costs.

On 20 May 2024, the Company’s ASX Listing Rule capacity to issue equity securities without shareholder approval was approximately 16 million equity securities, consisting of 8 million (ASX Listing Rule 7.1, 15% limit) plus 8 million (ASX Listing Rule 7.1A, 10% limit).

The additional 14.85 million Shares agreed to be issued were subject to shareholder approval under ASX Listing Rule 7.1.

Taylor Collison Ltd acted as the sole lead manager for the placement and, subject to shareholder approval, it was agreed to grant Taylor Collison or its nominees 5,000,000 unlisted options (“**Broker Options**”). Each Broker Option provides the right for the holder to be issued one (1) Share upon payment of an exercise price of \$0.06 per Share, expiring three (3) years from the date of issue.

Shareholder approval was obtained at the Company’s general meeting held 10 July 2024 to:

1. Ratify the issue of 16,400,000 Shares issued on 24 May 2024 under the placement, for an issue price of \$0.032 per Share;
2. Approve the issue of 14,850,000 Shares under the placement for an issue price of \$0.032 per Share. These Shares were issued on 16 July 2024, raising \$475,200 (Note 13) before capital raising costs;
3. Approve the issue of Broker Options to Taylor Collison. The 5,000,000 Broker Options were issued on 18 July 2024, each providing the right to be issued one Share upon payment of the \$0.06 exercise price during the period 18 July 2024 to 18 July 2027; and
4. Approve the Eastern Metals Limited Employees and Officers Share Option Plan.

The fair value of the Broker Options was calculated at the date of grant using the Black Scholes option pricing model.

Fair value at grant date	Share price at grant date	Grant date	Exercise price per option	Expected volatility (weighted average)	Risk free interest rate (based on government bonds)	Dividend yield
\$0.018	\$0.031	18 Jul 2024	\$0.06	112.9%	3.96%	0.00%

CORPORATE ADVISOR OPTIONS

On 16 August 2024, the Company issued a further 5,000,000 options in lieu of a cash fee for corporate advisory services being rendered by a non-related provider.

The 5,000,000 options provided the right to be issued one Share upon payment of the \$0.06 exercise price during the period 16 August 2024 to 18 July 2027.

The fair value of these options was calculated at the date of grant using the Black Scholes option pricing model.

Fair value at grant date	Share price at grant date	Grant date	Exercise price per option	Expected volatility (weighted average)	Risk free interest rate (based on government bonds)	Dividend yield
\$0.014	\$0.026	16 Aug 2024	\$0.06	113.0%	3.52%	0.00%

EMPLOYEE OPTIONS

On 7 July 2023, 600,000 unquoted options each with an exercise price of \$0.10 expiring on 9 June 2026 and a fair value of \$0.034 were granted and vested to an unrelated employee in accordance with the rules of the Eastern Metals Limited Employees and Officers Share Option Plan approved 31 May 2021.

On 23 August 2023, 2,000,000 unquoted options each with an exercise price of \$0.10 expiring on 9 June 2026 and a fair value of \$0.024 were granted and vested to an unrelated employee in accordance with the rules of The Eastern Metals Limited Employees and Officers Share Option Plan approved 31 May 2021.

The fair value of the unquoted options was calculated at the date of grant using the Black Scholes option pricing model.

Fair value at grant date	Share price at grant date	Grant date	Exercise price per option	Expected volatility (weighted average)	Risk free interest rate (based on government bonds)	Dividend yield
\$0.034	\$0.063	7 Jul 2023	\$0.10	100.4%	3.78%	0.00%
\$0.024	\$0.050	23 Aug 2023	\$0.10	101.0%	3.91%	0.00%

JUNIOR MINERALS EXPLORATION INCENTIVE SCHEME 2024-25

On 22 July 2024, Eastern Metals announced it had been successful in its application for the Australian Government's Junior Minerals Exploration Incentive scheme for the 2024-25 income tax year. The Company has received an allocation of \$910,750 in refundable tax offsets and franking credits, available for potential distribution to Eligible Shareholders for the 2024-25 income tax year²⁷.

EVENTS SUBSEQUENT TO THE REPORTING DATE

On 16 July 2024, the Company issued 14.85 million shares under the placement for an issue price of \$0.032 per Share, raising \$475,200 (Note 13) before capital raising costs.

²⁷ Eastern Metals Ltd (ASX:EMS) ASX Announcement 22 July 2024 "Eastern Metals Granted \$910,750 in JMEI Credits".

Other than the above, there have been no matters or circumstances that have arisen since the end of the year which significantly affected, or may significantly affect, the operations of the Company, the results of these operations or the Company's state of affairs in future financial years, excepting the matters occurring after 30 June 2024 reported on pages 26 to 28.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no other significant changes in the state of affairs of the Company during the financial year.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The Company intends to continue its exploration and development activities on its existing projects and to acquire further suitable projects for exploration as opportunities arise.

ENVIRONMENTAL REGULATION

The Board believes that the Company has adequate systems in place for the management of its environmental requirements.

Based on results of enquiries made, the Directors are not aware of any significant breaches during the period covered by this report.

DIRECTORS' MEETINGS

During the year ended 30 June 2024, there were eleven Board meetings, one Audit Committee meeting and no Remuneration Committee meetings where Directors were eligible to attend and attended in person or by alternate during the financial year:

Director	Board Meetings		Audit Committee Meetings		Remuneration Committee Meetings	
	Eligible to Attend	Attended	Eligible to Attend	Attended	Eligible to Attend	Attended
Bob Duffin	11	11	1	1	-	-
Jason Berton	11	11	1	1	-	-
Mark Dugmore	11	11	1	1	-	-
Ian White	11	11	1	1	-	-

MOVEMENTS IN SECURITIES HELD BY DIRECTORS

The relevant interest of each director in the Company's ordinary fully paid shares and options over shares issued by the Company, at the date of this report is as follows:

Shares

Director	Balance of Shares at 1 July or date of appointment, as applicable	Shares issued during the period	Shares purchased on market during the period	Balance of Shares at the date of the Directors' Report or date of resignation, as applicable
	Number	Number	Number	Number
2024				
Bob Duffin	16,166,667	-	1,600,000	17,766,667
Jason Berton	-	-	-	-
Mark Dugmore	-	-	-	-
Ian White	165,000	-	-	165,000
2023				
Bob Duffin	14,166,667	2,000,000	-	16,166,667
Jason Berton (appointed 26 Jul 2021)	-	-	-	-
Mark Dugmore (appointed 4 Oct 2022)	-	-	-	-
Ian White (appointed 4 Oct 2022)	-	165,000	-	165,000
Wayne Rossiter (resigned 30 Nov 2022)	2,500,000	-	-	2,500,000
Cathy Moises (resigned 28 Sep 2022)	-	-	-	-

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Unquoted Options

Director	Exercise Price	ASX Escrow Expiry Date	Option Expiry Date	Balance of Options at 1 July or date of appointment, as applicable	Options granted during the period	Balance of Options at the date of the Directors' Report or date of resignation, as applicable
				Number	Number	Number
2024						
Bob Duffin	\$0.30	25 Oct 2023	14 Oct 2024	1,000,000	-	1,000,000
	\$0.10	Not applicable	9 Jun 2026	1,000,000	-	1,000,000
Jason Berton	\$0.30	25 Oct 2023	14 Oct 2024	1,000,000	-	1,000,000
Mark Dugmore	\$0.30	Not applicable	7 Dec 2025	1,000,000	-	1,000,000
Ian White	\$0.30	Not applicable	7 Dec 2025	1,000,000	-	1,000,000
	\$0.10	Not applicable	9 Jun 2026	27,500	-	27,500
2023						
Bob Duffin	\$0.30	25 Oct 2023	14 Oct 2024	1,000,000	-	1,000,000
	\$0.10	Not applicable	9 Jun 2026	-	1,000,000	1,000,000
Jason Berton	\$0.30	25 Oct 2023	14 Oct 2024	-	1,000,000	1,000,000
Mark Dugmore (appointed 4 Oct 2022)	\$0.30	Not applicable	7 Dec 2025	-	1,000,000	1,000,000
Ian White (appointed 4 Oct 2022)	\$0.30	Not applicable	7 Dec 2025	-	1,000,000	1,000,000
	\$0.10	Not applicable	9 Jun 2026	-	27,500	27,500
Wayne Rossiter (resigned 30 Nov 2022)	\$0.30	25 Oct 2023	14 Oct 2024	4,000,000	-	4,000,000
Cathy Moises (resigned 28 Sep 2022)	\$0.30	25 Oct 2023	14 Oct 2024	1,000,000	-	1,000,000

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REMUNERATION REPORT

This report outlines the remuneration arrangements in place for key management personnel of the Company. Remuneration is referred to as compensation throughout this report.

REMUNERATION POLICY

Directors and key management personnel have authority and responsibility for planning, directing and controlling the activities of the Company.

Compensation levels for key management personnel of the Company will be competitively set to attract and retain appropriately qualified and experienced Directors, executives and future executives. Current remuneration levels are driven largely by the requirement to conserve cash within the Company. There were no remuneration consultants used to set the remuneration of key management personnel.

The compensation structures explained below are designed to attract suitably qualified candidates, reward the achievement of strategic objectives, and achieve the broader outcome of creation of value for shareholders. The compensation structures take into account:

- the capability and experience of the key management personnel
- the key management personnel's ability to control the Company's performance
- the Company's performance including:
 - the Company's earnings;
 - the growth in the Company's share price and delivering constant returns on shareholder wealth; and
 - the amount of incentives within each key management person's compensation.

Compensation packages will include a mix of fixed and variable compensation, and short-term and long-term performance-based incentives.

In addition to their salaries, the Company also provides non-cash benefits to its key management personnel, and where applicable, contributes to the individual's elected post-employment superannuation plan on their behalf.

CONTRACT TERMS AND CONDITIONS

The determination of Directors' remuneration is made by the Board having regard to the current position of the Company, in that it is not in production and continues to prioritise cash being used for exploration.

The Board may award additional remuneration to Directors called upon to perform extra services or make special exertions on behalf of the Company.

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The Board reviews remuneration to reflect current industry norms, and determines remuneration policies and practices generally, reviews and makes specific decisions on the remuneration packages and other terms of employment of its directors and senior executives.

No Director remuneration package includes terms for redundancy, retirement (excluding statutory superannuation) or termination benefits. No such amounts were accrued or paid for any Director during the current financial year.

TERMS OF EMPLOYMENT

During the year ended 30 June 2024, 2,600,000 (2023: 2,000,000) unquoted options were granted by the Company, in accordance with the Company's employee share and option plan. None of the options were subject to escrow:

Exercise Price	Vesting Date	Expiry Date	Number
2024			
\$0.10	7 Jul 2023	9 Jun 2026	600,000
\$0.10	23 Aug 2023	9 Jun 2026	2,000,000
			2,600,000
2023			
\$0.30	7 Dec 2022	7 Dec 2025	666,666
\$0.30	7 Dec 2023	7 Dec 2025	666,666
\$0.30	7 Dec 2024	7 Dec 2025	666,668
			2,000,000

Each option is exercisable into one Company ordinary fully paid share for the exercise price. Other than as disclosed in this report, there are no entitlements for the Company's option holders to participate in new issues of capital which may be offered to the Company's existing ordinary shareholders.

The Company prohibits those entities which are granted share-based payments as part of their remuneration from entering other arrangements that limit their exposure to losses that would result from share price decreases. Entering such arrangement is prohibited by law.

OPTIONS ISSUED TO DIRECTORS OR EXECUTIVES

Options were previously granted to Directors, or their nominees, in lieu of market determined cash remuneration. The options were granted at no cost to the recipient.

There are no entitlements for the Company's option holders to participate in new issues of capital, which may be offered to the Company's existing ordinary shareholders. No options were exercised by Directors during the financial year ended 30 June 2024 (2023: Nil).

UNQUOTED OPTIONS GRANTED AS REMUNERATION

The movement during the year in the number of unquoted options of the Company granted as remuneration, held, directly, indirectly or beneficially, by each specified Director including their personally related entities, is as follows:

Director	Exercise Price	ASX Escrow Expiry Date	Option Expiry Date	Balance of Options at 1 July or date of appointment, as applicable	Options granted during the period	Balance of Options at the date of the Directors' Report or date of resignation, as applicable
				Number	Number	Number
2024						
Bob Duffin	\$0.30	25 Oct 2023	14 Oct 2024	1,000,000	-	1,000,000
	\$0.10	Not applicable	9 Jun 2026	1,000,000	-	1,000,000
Jason Berton	\$0.30	25 Oct 2023	14 Oct 2024	1,000,000	-	1,000,000
Mark Dugmore	\$0.30	Not applicable	7 Dec 2025	1,000,000	-	1,000,000
Ian White	\$0.30	Not applicable	7 Dec 2025	1,000,000	-	1,000,000
2023						
Bob Duffin	\$0.30	25 Oct 2023	14 Oct 2024	1,000,000	-	1,000,000
	\$0.10	Not applicable	9 Jun 2026	-	1,000,000	1,000,000
Jason Berton	\$0.30	25 Oct 2023	14 Oct 2024	-	1,000,000	1,000,000
Mark Dugmore (appointed 4 Oct 2022)	\$0.30	Not applicable	7 Dec 2025	-	1,000,000	1,000,000
Ian White (appointed 4 Oct 2022)	\$0.30	Not applicable	7 Dec 2025	-	1,000,000	1,000,000
Wayne Rossiter (resigned 30 Nov 2022)	\$0.30	25 Oct 2023	14 Oct 2024	4,000,000	-	4,000,000
Cathy Moises (resigned 28 Sep 2022)	\$0.30	25 Oct 2023	14 Oct 2024	1,000,000	-	1,000,000

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OPTIONS VESTING PROFILES

Details of vesting profiles of the options granted as remuneration to each key management person of the Company and each of the named key management persons are detailed below:

Director	Exercise Price	ASX Escrow Expiry Date	Option Expiry Date	Number	Vested at the end of the reporting period		Lapsed during the reporting period	
					2024	2023	2024	2023
Year ended 30 June 2024					2024	2023	2024	2023
Bob Duffin	\$0.30	25 Oct 2023	14 Oct 2024	1,000,000	100.0%	100%	-	-
Jason Berton	\$0.30	25 Oct 2023	14 Oct 2024	1,000,000	100.0%	100%	-	-
Mark Dugmore	\$0.30	Not applicable	7 Dec 2025	1,000,000	66.7%	33.3%	-	-
Ian White	\$0.30	Not applicable	7 Dec 2025	1,000,000	66.7%	33.3%	-	-
Year ended 30 June 2023					2023	2022	2023	2022
Bob Duffin	\$0.30	25 Oct 2023	14 Oct 2024	1,000,000	100.0%	100%	-	-
Jason Berton	\$0.30	25 Oct 2023	14 Oct 2024	1,000,000	100.0%	100%	-	-
Mark Dugmore (appointed 4 Oct 2022)	\$0.30	Not applicable	7 Dec 2025	1,000,000	33.3%	-	-	-
Ian White (appointed 4 Oct 2022)	\$0.30	Not applicable	7 Dec 2025	1,000,000	33.3%	-	-	-
Wayne Rossiter (resigned 30 Nov 2022)	\$0.30	25 Oct 2023	14 Oct 2024	4,000,000	100.0%	100%	-	-
Cathy Moises (resigned 28 Sep 2022)	\$0.30	25 Oct 2023	14 Oct 2024	1,000,000	100.0%	100%	-	-

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KEY FINANCIAL STATISTICS

	2024	2023
Loss for the financial year attributable to owners of the Company	\$1,893,266	\$2,485,865
Working capital surplus at 30 June	\$946,146	\$2,259,970
Net assets at 30 June	\$1,949,069	\$3,272,585
Number of Shares on issue at 30 June	98,826,245	82,426,245
Share price at 30 June	\$0.03	\$0.054
Market capitalisation at 30 June	\$2,964,787	\$4,451,017
Less: Cash and cash equivalents at 30 June	\$1,045,868	\$2,357,318
Enterprise value at 30 June	\$1,218,919	\$2,093,699
Loss on net assets	97.0%	76.0%
Options benefits of key management persons	\$48,149	\$33,478
Other compensation of key management persons	\$445,481	\$468,823
Total compensation of key management persons for the financial year	\$493,630	\$502,301

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DIRECTORS' REMUNERATION FOR THE YEAR ENDED 30 JUNE 2024

Details of the nature and amount of each major element of remuneration of each Director of the Company and other key management personnel of the Company are:

Director / Key Management Person		Short-term				Total	Post-employment	Other long term	Termination benefits	Share-based payments	Total	Proportion of remuneration performance related	Value of options as proportion of remuneration
		Salary & fees	Consulting fees	Cash bonus	Non-monetary benefits		Super-annuation benefits	Options ²⁸					
		\$	\$	\$	\$	\$	\$	\$	\$	\$			
Bob Duffin (Non-Executive Chairman)	2024	65,000	-	-	-	65,000	-	-	-	-	65,000	-	-
	2023	65,000	-	-	-	65,000	-	-	-	65,000	-	-	
Ley Kingdom (Chief Executive Officer, appointed 7 Aug 2023)	2024	221,154	-	-	-	221,154	24,327	-	-	48,149	293,630	16.40%	16.40%
	2023	-	-	-	-	-	-	-	-	-	-	-	-
Jason Berton (Non-Executive Director)	2024	45,000	-	-	-	45,000	-	-	-	-	45,000	-	-
	2023	45,000	-	-	-	45,000	-	-	-	45,000	-	-	
Mark Dugmore (Non-Executive Director, appointed 4 Oct 2022)	2024	45,000	-	-	-	45,000	-	-	-	45,000	-	-	
	2023	33,452	-	-	-	33,452	-	-	27,200	60,652	44.85%	44.85%	
Ian White (Non-Executive Director, appointed 4 Oct 2022)	2024	45,000	-	-	-	45,000	-	-	-	45,000	-	-	
	2023	33,452	-	-	-	33,452	-	-	27,200	60,652	44.85%	44.85%	
Cathy Moises (Non-Executive Director, resigned 28 Sept 2022)	2024	-	-	-	-	-	-	-	-	-	-	-	
	2023	11,364	-	-	-	11,364	1,193	-	-	12,557	-	-	
Wayne Rossiter (Managing Director, resigned 30 Nov 2022)	2024	-	-	-	-	-	-	-	-	-	-	-	
	2023	104,826	-	-	-	104,826	24,968	-	149,568	279,362	-	-	
Total compensation	2024	421,154	-	-	-	421,154	24,327	-	-	48,149	493,630	9.75%	9.75%
	2023	293,094	-	-	-	293,094	26,161	-	149,568	54,400	523,223	10.40%	10.40%

END OF REMUNERATION REPORT

²⁸ The fair value of the options is calculated at the date of grant using the Black Scholes option pricing model and allocated to each reporting period evenly over the period from grant date to vesting date. The value disclosed is the portion of the fair value of the options recognised as an expense in each reporting period.

SHARES UNDER OPTION

Each option offers the holder the right to be issued one ordinary fully paid Company share upon payment of the exercise price to the Company. No options were exercised during the period (2023: Nil).

Expiry date	Exercise Price	Options outstanding 1 July Number	Options granted during the period Number	Options outstanding at the date of this Directors' Report Number
2024				
14 October 2024	\$0.30	24,250,000	-	24,250,000
17 February 2025	\$0.30	300,000	-	300,000
7 December 2025	\$0.30	2,000,000	-	2,000,000
9 June 2026	\$0.10	17,737,701	2,600,000	20,337,701
18 August 2027	\$0.06	-	5,000,000	5,000,000
		44,287,701	7,600,000	51,887,701
2023				
14 October 2024	\$0.30	24,250,000	-	24,250,000
17 February 2025	\$0.30	300,000	-	300,000
7 December 2025	\$0.30	-	2,000,000	2,000,000
9 June 2026	\$0.10	-	20,337,701	20,337,701
		24,550,000	22,337,701	46,887,701

INDEMNIFICATION AND INSURANCE OF OFFICERS AND AUDITOR

Indemnification and Insurance

The Company indemnifies current and former Directors and Officers for any loss arising from any claim by reason of any specified act committed by them in their capacity as a Director or Officer (subject to certain exclusions as required by law).

The Company has paid insurance premiums in respect of directors' and officers' liability. Insurance cover relates to liabilities that may arise from their position (subject to certain exclusions as required by law).

Details of the nature of the liabilities covered or the amount of the premium paid in respect of the Directors' and Officers' liability insurance are not disclosed. Such disclosure is prohibited under the terms of the policy.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such by an officer or auditor.

AUDIT SERVICES

During the year ended 30 June 2024, the Company expensed an amount of \$44,400 (2023: \$43,877) payable to its auditor, RSM Australia Partners, for audit services provided to the Company and Eastern Metals Limited.

NON-AUDIT SERVICES

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in Note 23 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in Note 23 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- All non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the Company or jointly sharing economic risks and rewards.

OFFICERS OF THE COMPANY WHO ARE FORMER PARTNERS OF RSM AUSTRALIA PARTNERS

There are no officers of the company who are former partners of the Company's Auditor RSM Australia Partners.

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.

LEAD AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration made under Section 307C of the *Corporations Act 2001* (Cth) is set out on page 68.

PREVIOUSLY REPORTED INFORMATION

Information in this report is extracted from reports lodged as market announcements referred to above and available on the Company's website www.easternmetals.com.au or on the ASX website www.asx.com.au.

The Company confirms that it is not aware of any new information that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcements.

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



Bob Duffin, Chairman
Sydney
30 September 2024

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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**YEAR ENDED 30 JUNE 2024**

	Note	Year ended 30 June 2024	Year ended 30 June 2023
		\$	\$
Other Income	19	79,589	10,460
Expenses			
Exploration & evaluation expenses	9	(974,648)	(1,463,289)
Administration expenses	20	(912,698)	(999,558)
Share based payments expense	5	(85,509)	(33,478)
Total expenses		(1,972,854)	(2,496,325)
Loss before income tax		(1,893,266)	(2,485,865)
Income tax benefit	21	-	-
Net loss attributable to the members of the Company		(1,893,266)	(2,485,865)
Other comprehensive income, net of income tax		-	-
Total comprehensive loss for the year		(1,893,266)	(2,485,865)
		Cents	Cents
Loss per share – basic	22	(2.25)	(4.51)
Loss per share – diluted	22	(2.25)	(4.51)

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying **Notes**.

STATEMENT OF FINANCIAL POSITION**AS AT 30 JUNE 2024**

	Note	30 June 2024 \$	30 June 2023 \$
Assets			
Current assets			
Cash and cash equivalents	8	1,045,868	2,357,318
Other receivables		119,207	35,176
Total current assets		1,165,075	2,392,494
Non-current assets			
Exploration and evaluation assets	9	840,148	840,148
Tenement deposits		127,069	127,069
Plant and Equipment		35,706	45,398
Total non-current assets		1,002,923	1,012,615
Total assets		2,167,998	3,405,109
Liabilities			
Current liabilities			
Trade and other payables		218,929	132,524
Total current liabilities		218,929	132,524
Total non-current liabilities		-	-
Total liabilities		218,929	132,524
Net assets		1,949,069	3,272,585
Equity			
Issued capital	5	9,143,774	8,618,974
Share based payment reserve	5	1,736,518	1,651,009
Capital raising costs		(1,165,024)	(1,124,465)
Accumulated losses		(7,766,199)	(5,872,933)
Net equity		1,949,069	3,272,585

The above Statement of Financial Position should be read in conjunction with the accompanying **Notes**.

STATEMENT OF CHANGES IN EQUITY**YEAR ENDED 30 JUNE 2024**

	Note	Ordinary fully paid shares	Accumulated Losses	Share based payment reserve	Capital raising costs	Total Equity
		\$	\$	\$	\$	\$
Balance at 1 July 2023	5	8,618,974	(5,872,933)	1,651,009	(1,124,465)	3,272,585
Net loss attributable to the members of the Company		-	(1,893,266)	-	-	(1,893,266)
Other comprehensive income for the year, net of tax		-	-	-	-	-
Total comprehensive income for the year		-	(1,893,266)	-	-	(1,893,266)
Contributions of equity and related capital raising costs	5	524,800	-	-	(40,559)	484,241
Equity settled share-based payments for the year	5	-	-	85,509	-	85,509
		524,800	-	85,509	(40,559)	569,750
Balance at 30 June 2024		9,143,774	(7,766,199)	1,736,518	(1,165,024)	1,949,069
Balance at 1 July 2022	5	7,145,203	(3,387,068)	1,526,483	(953,824)	4,330,794
Net loss attributable to the members of the Company		-	(2,485,865)	-	-	(2,485,865)
Other comprehensive income for the period, net of tax		-	-	-	-	-
Total comprehensive income for the period		-	(2,485,865)	-	-	(2,485,865)
Contributions of equity and related capital raising costs	5	1,473,771	-	-	-	1,473,771
Equity settled share-based payments for the period	5	-	-	124,526	(170,641)	(46,115)
		1,473,771	-	124,526	(170,641)	1,427,656
Balance at 30 June 2023		8,618,974	(5,872,933)	1,651,009	(1,124,465)	3,272,585

The above Statement of Changes in Equity should be read in conjunction with the accompanying **Notes**.

STATEMENT OF CASH FLOWS**YEAR ENDED 30 JUNE 2024**

	Note	Year ended 30 June 2024 \$	Year ended 30 June 2023 \$
Cash flows used in operating activities			
Interest received		27,746	8,960
Payments for exploration and evaluation assets expensed		(886,478)	(1,606,645)
Payments to suppliers and employees		(936,959)	(1,134,594)
Net cash used in operating activities	6	(1,795,691)	(2,732,279)
Cash flows used in investing activities			
Payments for exploration and evaluation assets capitalised	7	-	(77,430)
Payments for tenement deposits		-	(10,000)
Payments for plant and equipment	7	-	(3,155)
Net cash used in investing activities		-	(90,585)
Cash flows from financing activities			
Proceeds from shares issued	5	524,800	1,373,771
Payments for capital raising costs	7	(40,559)	(79,593)
Net cash generated from financing activities		484,241	1,294,178
Net decrease in cash and cash equivalents		(1,311,450)	(1,528,686)
Opening Cash and cash equivalents at 1 July		2,357,318	3,886,004
Closing Cash and cash equivalents at 30 June	8	1,045,868	2,357,318

The above Statement of Cash Flows should be read in conjunction with the accompanying **Notes**.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2024

General Information

The financial statements cover Eastern Metals Limited (“the **Company**”) as an individual entity. The financial statements are presented in Australian dollars, which is the Company’s functional and presentation currency.

A description of the nature of the Company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, 30 September 2024.

The Notes to the financial statement are set out in the following main sections:

A KEY FINANCIAL INFORMATION AND PREPARATION BASIS page 45

B RISK AND JUDGEMENT page 56

C KEY MANAGEMENT PERSONNEL AND RELATED PARTY DISCLOSURES page 59

D OTHER DISCLOSURES page 60

A. KEY FINANCIAL INFORMATION AND PREPARATION BASIS

This section sets out the basis upon which the Company’s financial statements have been prepared as a whole and explains the results and performance of the Company that the Directors consider most relevant in the context of the operations of the entity.

1. Statement of Compliance

The Company’s financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (**AASB**) and the *Corporations Act 2001* (Cth). The Company’s financial statements comply with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (**IASB**).

2. Historical cost convention

The financial report is prepared on the historical cost basis other than share-based transactions that are assessed at fair value.

3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on

historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the financial year are discussed below.

Share-based payment transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using Black-Scholes model taking into account 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 reporting period but may impact profit or loss and equity. Refer to Note 5 for further information.

Exploration and evaluation costs

Exploration and evaluation expenditure is charged against profit and loss as incurred except for acquisition costs and for expenditure incurred after a decision to proceed to development is made, in which case the expenditure would be capitalised as an asset.

Recovery of deferred tax assets

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

4. Going Concern

The Board has prepared these Financial Statements on a going concern basis having consideration of the factors below:

- As announced on 20 May 2024, the Company secured firm commitments to undertake a cash placement to raise \$1 million through the issue of 31.25 million new fully paid ordinary shares ("Shares") at issue price of \$0.032 per Share.
- On 24 May 2024, the Company issued 16.4 million Shares under the placement for an issue price of \$0.032 per Share and raising \$524,800 (Note 5) before capital raising costs; and
- On 16 July 2024, the Company issued 14.85 million Shares under the placement for an issue price of \$0.032 per Share, raising \$475,200 (Note 13) before capital raising costs.

Refer to Notes 5 and 13 for more details.

5. Capital and Reserves

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.

Share Capital

Ordinary shares issued and fully paid	Date	Number of shares	Issue Price per share	\$
Balance	1 Jul 2023	82,426,245		8,618,974
Share issue for part consideration to acquire the Neutral Junction Project	-	-	-	-
Share issue	24 May 2024	16,400,000	\$0.032	524,800
Balance	30 June 2024	98,826,245		9,143,774
Balance	1 Jul 2022	54,542,667		7,145,203
Share issue for part consideration to acquire the Neutral Junction Project	31 Oct 2022	408,163	\$0.245	100,000
Share issue	19 Jun 2023	6,986,697	\$0.05	349,335
Share issue	29 Jun 2023	20,488,718	\$0.05	1,024,436
		27,883,578		1,473,771
Balance	30 June 2023	82,426,245		8,618,974

Holders of ordinary shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

Ordinary shares have no par value.

No dividends have been declared or paid by the Company during or since the end of the financial year.

The Company's Board may resolve that the whole or any portion of profits, reserve or other account which is available for distribution, be distributed to shareholder in the same proportions in which they would be entitled to receive it if distributed by way of dividend, or in accordance with relevant terms of issue of any shares or securities.

If the Company is wound up, whether voluntarily or otherwise, the liquidator may divide among all or any of the contributories, as the liquidator thinks fit, in specie or in kind, any part of the assets of the Company, and may vest any part of the assets of the Company in trustees for the benefit of all or any of the contributories as the liquidator thinks fit.

In the event of winding up of the Company, ordinary shareholders rank after creditors and are entitled to any proceeds of liquidation.

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Options

Each option provides the right for the option holder to be issued one fully paid share by the Company, upon payment of the exercise price of each option. The options do not entitle the holder to participate in any share issue of the Company or any other body corporate.

During the year ended 30 June 2024 there were no shares issued on the exercise of options (2023: Nil). 2,600,000 unquoted options were granted during the year ended 30 June 2024 (2023: 19,731,701).

Details of options over ordinary shares in the Company that were granted and vested during the year ended 30 June 2024 are as follows:

Expiry date	Exercise Price	Options outstanding 1 July		Options granted during the year	Options vested during the year	Options outstanding 30 June	
		Vested	Unvested			Vested	Unvested
		Number	Number			Number	Number
2024							
14 Oct 2024	\$0.30	24,250,000	-	-	-	24,250,000	-
17 Feb 2025	\$0.30	300,000	-	-	-	300,000	-
7 Dec 2025	\$0.30	666,666	1,333,334	-	666,666	1,333,332	666,668
9 Jun 2026	\$0.10	17,737,701	-	2,600,000	2,600,000	20,337,701	-
		42,954,367	1,333,334	2,600,000	3,266,666	46,221,033	666,668
2023							
14 Oct 2024	\$0.30	24,250,000	-	-	-	24,250,000	-
17 Feb 2025	\$0.30	300,000	-	-	-	300,000	-
7 Dec 2025	\$0.30	-	-	2,000,000	666,666	666,666	1,333,334
9 Jun 2026	\$0.10	-	-	17,737,701	17,737,701	17,737,701	-
		24,550,000	-	19,737,701	18,404,367	42,954,367	1,333,334

No options were exercised or expired during the year ended 30 June 2024 (2023: Nil). Options expenses for the year ended 30 June 2024 totalled \$84,509 (2023: \$124,526):

	Year ended 30 June 2024	Year ended 30 June 2023
	\$	\$
Share based payments expense	85,509	33,478
Share based payments costs capitalised	-	91,048
	85,509	124,526

Share Based Payment Reserve

	Number of Options Granted	\$
Balance at 1 July 2023	44,287,701	1,651,009
Equity settled share-based payments for the year		
Share based payments expense	2,600,000	85,509
Share based payments capital raising costs	-	-
Options granted for no further consideration under a capital raising	-	-
	2,600,000	85,509
Balance at 30 June 2024	46,887,701	1,736,518
Balance at 1 July 2022	24,550,000	1,526,483
Equity settled share-based payments for the year		
Share based payments expense	2,000,000	33,478
Share based payments capital raising costs	4,000,000	91,048
Options granted for no further consideration under a capital raising	13,737,701	-
	19,737,701	124,526
Balance at 30 June 2023	44,287,701	1,651,009

Unquoted Options

The fair value of the unquoted options was calculated at the date of grant using the Black Scholes option pricing model and allocated to each reporting period evenly over the period from grant date to vesting date. The value disclosed is the portion of the fair value of the options recognised as an expense in each reporting period.

Fair value at grant date	Share price at grant date	Grant date	Exercise price per option	Expected volatility (weighted average)	Risk free interest rate (based on government bonds)	Dividend yield
2024						
\$0.034	\$0.063	7 Jul 2023	\$0.10	100.4%	3.78%	0.00%
\$0.024	\$0.050	23 Aug 2023	\$0.10	101.0%	3.91%	0.00%
2023						
\$0.027	\$0.094	7 Dec 2022	\$0.30	84.2%	3.07%	0.00%
\$0.023	\$0.050	29 Jun 2023	\$0.10	93.9%	3.91%	0.00%

The Company's accounting policy for the treatment of equity-settled share-based payment arrangements granted to employees.

The grant-date fair value of equity-settled share-based payment arrangements granted to employees and consultants is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Capital and Reserves Management

The Company's objectives when managing capital and reserves are to safeguard the Company's ability to continue as a going concern, so as to maintain a strong capital base sufficient to maintain future exploration and development of its projects. In order to maintain or adjust the capital and reserve structure, the Company may return capital to shareholders, issue new shares or sell assets to reduce debt. The Company's focus has been to raise sufficient funds through equity to fund exploration and evaluation activities.

There were no changes in the Company's approach to capital management during the year. Risk management policies and procedures are established with regular monitoring and reporting.

The Company is not subject to externally imposed capital requirements.

6. Cash Flow Reconciliation

Cash flows from operating activities	Note	2024 \$	2023 \$
Net loss attributable to members of the Company		(1,893,266)	(2,485,865)
Less: Non-cash expenditure			
Share based payments expense	5	85,509	33,478
Depreciation expense	20	9,692	9,319
		(1,798,065)	(2,443,068)
Increase in other receivables		(84,032)	(3)
Increase / (Decrease) in accounts payable and accruals		86,406	(289,208)
Net cash used in operating activities		(1,795,691)	(2,732,279)

7. Non-cash investing and financing activities

	Note	2024 \$	2023 \$
<i>Exploration and Evaluation Assets</i>			
Non-cash additions to exploration and evaluation assets			
Share issue for part consideration to acquire the Neutral Junction Project	5	-	100,000
Cash additions to exploration and evaluation assets		-	77,430
Additions to exploration and evaluation assets	9	-	177,430
<i>Plant and Equipment</i>			
Cash additions to plant and equipment		-	3,155
Additions to plant and equipment		-	3,155
<i>Share Issue costs</i>			
Non-cash additions to share issue costs			
Share based payments capital raising costs	5	-	91,048
Cash additions to capital raising costs		40,559	79,593
Additions to share issue costs		40,559	170,641

8. Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances and call deposits with an original maturity 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.

For the statement of cash flows presentation purposes, cash and cash equivalents comprise the below.

	2024 \$	2023 \$
Cash on hand	1,045,868	2,357,318
Cash and cash equivalents in the statements of cash flows	1,045,868	2,357,318

9. Exploration and Evaluation

Exploration & evaluation expenses

Exploration and evaluation expenses were incurred for the following:

Tenement	2024		2023	
	Cumulative expenditure to 30 June 2024	Expenditure for the year ended 30 June 2024	Cumulative expenditure to 30 June 2023	Expenditure for the year ended 30 June 2023
	\$	\$	\$	\$
EL23186	999,451	136,699	862,752	779,125
EL6321	1,663,566	307,890	1,355,676	217,181
EL9565	95,312	60,477	34,835	34,835
EL9136	67,527	49,970	17,557	11,847
EL9180	360,194	208,100	152,094	144,104
EL9190	158,355	40,637	117,718	76,613
EL9194	95,282	17,785	77,497	44,632
EL24253	49,116	18,676	30,440	21,109
EL28615	73,299	40,390	32,909	28,568
EL29475	28,639	12,801	15,838	15,838
EL30797	38,098	16,240	21,858	21,858
EL31292	27,181	11,904	15,277	15,277
EL32027	117,514	53,079	64,435	49,571
Project evaluation costs	28,894	-	28,894	2,731
Tenement acquisition costs expensed	56,374	-	56,374	-
	3,858,802	974,648	2,884,154	1,463,289

Exploration & evaluation assets

Exploration and evaluation assets are stated at cost less accumulated amortisation and impairment losses (see Note 15).

	2024	2023
	\$	\$
Tenement acquisition costs capitalised	840,148	840,148
	840,148	840,148

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Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Note	2024 \$	2023 \$
Cost			
Opening balance		840,148	662,718
Additions	9	-	177,430
Closing balance		840,148	840,148
Amortisation			
Opening balance		-	-
Additions		-	-
Closing balance		-	-
Carrying amounts			
Opening balance		840,148	662,718
Closing balance		840,148	840,148

The Company's accounting policy for the treatment of its exploration and evaluation costs is in accordance with the following requirements.

The accounting policy is to charge exploration and evaluation expenditure against profit and loss as incurred; except for acquisition costs and for expenditure incurred after a decision to proceed to development is made, in which case the expenditure would be capitalised as an asset.

Costs of acquiring licences, are capitalised as exploration and evaluation assets on an area of interest basis. Costs incurred before the entity has obtained the legal rights to explore an area are recognised in profit or loss.

An exploration and evaluation asset is only recognised in relation to an area of interest if the following conditions are satisfied:

- (a) the rights to tenure of the area of interest are current; and
- (b) at least one of the following conditions is also met:
 - (i) the exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; and
 - (ii) exploration and evaluation activities in the area of interest have not at the end of the reporting period reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

10. Segment Reporting

An operating segment is a component of the Company that engages in business activities whose operating results are reviewed regularly by the Company's Board and for which discrete financial information is available.

For the year ended 30 June 2024, the Company did not trade and had a single operating segment.

Business and geographical segments

The results and financial position of the Company's single operating segment are prepared on a basis consistent with Australian Accounting Standards and thus no additional disclosures in relation to the revenues, profit or loss, assets and liabilities and other material items have been made. Entity-wide disclosures in relation to the Company's product and services and geographical areas are detailed below.

Products and services

The Company currently provides no products for sale.

Geographical areas

The Company's activities are located solely in Australia.

11. Commitments

Exploration expenditure commitments

Included in the commitments below are tenement maintenance costs only. Work programme costs have been excluded on the basis that there is no contractual obligation to incur such costs. In order to maintain current rights of tenure to exploration tenements, the Company is required to perform minimum exploration work to meet the minimum expenditure requirements specified by the New South Wales Government. There is significant judgement involved in determining whether the work programme costs submitted to the regulator are commitments as defined given that these obligations are subject to renegotiation when application for a mining lease is made and at other times.

As at 30 June 2023, these obligations are not provided for in the financial report and are payable as follows:

Exploration expenditure commitments	2024	2023
	\$	\$
Within one year	79,973	98,407
One year or later and not later than five years	48,256	51,677
Later than five years	-	-
	128,229	150,084

12. Contingencies

On 17 June 2024, the Company agreed to sell exploration licences EL9190 and EL 9194 (“Tenements”), known as the “Thomson Project”, for \$200,000.

\$50,000 was receivable within 7 days and is reflected as other income in Note 19. The balance of \$150,000 is considered to be a contingent asset, as the balance is only receivable on completion of various conditions precedent that have not yet been fulfilled as at the date of this report.

The Company has a further contingent asset in the form of a 1.5% Net Smelter Royalty (NSR), on all minerals produced from the Tenements, including mining titles derived from the Tenements. The purchaser of the Tenements has the right to buy back half of the NSR (0.75%) for \$2m at any time, and the remaining half of the NSR (0.75%) for \$4m at any time.

There were no contingent liabilities at 30 June 2024 (2023: \$Nil).

13. Events Subsequent to the Reporting Date

There are no matters or circumstances that have arisen since the end of the year which significantly affected, or may significantly affect, the operations of the Company, the results of these operations or the Company’s state of affairs in future financial years, excepting:

Cash Placement

As announced on 20 May 2024, the Company secured firm commitments to undertake a cash placement to raise \$1 million through the issue of 31.25 million new fully paid ordinary shares (“Shares”) at issue price of \$0.032 per Share.

16.4 million of the Shares under the placement were issued on 24 May 2024 under the ASX’s Listing Rules 7.1 (8.4 million Shares) and 7.1A (8.0 million Shares), for an issue price of \$0.032 per Share and raising \$524,800 (Note 5) before capital raising costs.

On 20 May 2024, the Company’s ASX Listing Rule capacity to issue equity securities without shareholder approval was approximately 16 million equity securities, consisting of 8 million (ASX Listing Rule 7.1, 15% limit) plus 8 million (ASX Listing Rule 7.1A, 10% limit).

The additional 14.85 million Shares agreed to be issued were subject to shareholder approval under ASX Listing Rule 7.1.

Taylor Collison Ltd acted as the sole lead manager for the placement and, subject to shareholder approval, it was agreed to grant Taylor Collison or its nominees 5,000,000 unlisted options (“**Broker Options**”). Each Broker Option provides the right for the holder to be issued one (1) Share upon payment of an exercise price of \$0.06 per Share, expiring three (3) years from the date of issue.

Shareholder approval was obtained at the Company's general meeting held 10 July 2024 to:

1. Ratify the issue of 16,400,000 Shares issued on 24 May 2024 under the placement, for an issue price of \$0.032 per Share;
2. Approve the issue of 14,850,000 Shares under the placement for an issue price of \$0.032 per Share. These Shares were issued on 16 July 2024, raising \$475,200 before capital raising costs;
3. Approve the issue of Broker Options to Taylor Collison. The 5,000,000 Broker Options were issued on 18 July 2024, each providing the right to be issued one Share upon payment of the \$0.06 exercise price during the period 18 July 2024 to 18 July 2027; and
4. Approve the Eastern Metals Limited Employees and Officers Share Option Plan.

The fair value of the Broker Options was calculated at the date of grant using the Black Scholes option pricing model.

Fair value at grant date	Share price at grant date	Grant date	Exercise price per option	Expected volatility (weighted average)	Risk free interest rate (based on government bonds)	Dividend yield
\$0.018	\$0.031	18 Jul 2024	\$0.06	112.9%	3.96%	0.00%

Corporate Advisor Options

On 16 August 2024, the Company issued a further 5,000,000 options in lieu of a cash fee for corporate advisory services being rendered by a non-related provider.

The 5,000,000 options provided the right to be issued one Share upon payment of the \$0.06 exercise price during the period 16 August 2024 to 18 July 2027.

The fair value of these options was calculated at the date of grant using the Black Scholes option pricing model.

Fair value at grant date	Share price at grant date	Grant date	Exercise price per option	Expected volatility (weighted average)	Risk free interest rate (based on government bonds)	Dividend yield
\$0.014	\$0.026	16 Aug 2024	\$0.06	113.0%	3.52%	0.00%

B. RISK AND JUDGEMENT

This section outlines the key judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period. This section also outlines the significant financial risk the Company is exposed, to which the Directors would like to draw the attention of the readers.

14. Financial Risk Management

Overview

This Note presents information about the Company's exposure to credit, liquidity and market risks, their objectives, policies and processes for measuring and managing risk, and the management of capital.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Management monitors and manages the financial risks relating to the operations of the Company through regular reviews of the risks.

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Presently, the Company is in exploration phase, therefore does not earn revenue from sales and therefore has no accounts receivables. At the reporting date, there were no significant credit risks in relation to receivables.

Cash and cash equivalents

The Company limits its exposure to credit risk by only investing in liquid securities and only with counterparties that have an acceptable credit rating.

Exposure to credit risk

The carrying amount of the Company's financial assets represents the maximum credit exposure. The Company's maximum exposure to credit risk at the reporting date was:

	Note	Carrying Amount	
		2024	2023
		\$	\$
Current			
Cash and cash equivalents	8	1,045,868	2,357,318
Other receivables excluding prepayments		94,282	32,429
		1,140,150	2,389,747

Impairment losses

There were no impairment losses during the year ended 30 June 2024 (2023: \$Nil). Based on historic default rates, the Company believes that no impairment allowance is necessary.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always

have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages liquidity risk by maintaining adequate cash reserves from funds raised in the market and by continuously monitoring forecast and actual cash flows.

The decision on how the Company will raise future capital will depend on market conditions existing at that time.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Company is not exposed to currency risk and at the reporting date the Company holds no financial assets or liabilities which are exposed to foreign currency risk.

Interest rate risk

The Company is exposed to interest rate risk (primarily on its cash and cash equivalents), which is the risk that a financial instrument's value will fluctuate as a result of changes in the market interest rates on interest-bearing financial instruments. The Company does not use derivatives to mitigate these exposures. The Company adopts a policy of ensuring that as far as possible it maintains excess cash and cash equivalents in short terms deposit at interest rates maturing over three-month rolling periods.

Profile

At the reporting date the interest rate profile of the Company's and the Company's interest-bearing financial instruments was:

	Interest rate 2024	Carrying amount 2024 \$	Interest rate 2023	Carrying amount 2023 \$
Variable rate instruments				
Financial assets	2.07%	1,140,150	-	2,389,747
Financial liabilities	-	(152,693)	-	(81,164)
		987,457		2,308,583

15. Impairment

The carrying amounts of the Company's assets other than deferred tax assets (see Note 21), are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

16. Financial Instruments

Effective interest rates and repricing analysis

In respect of income-earning financial assets and interest-bearing financial liabilities, the following table indicates their effective interest rates at the reporting date and the periods in which they reprice.

	Effective interest rate	Total	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
	%	\$	\$	\$	\$	\$	\$
2024							
Financial assets	2.07%	1,140,150	1,140,150	-	-	-	-
Financial liabilities	-	(152,693)	(152,693)	-	-	-	-
		987,457	987,457	-	-	-	-
2023							
Financial assets	-	2,389,747	2,389,747	-	-	-	-
Financial liabilities	-	(81,164)	(81,164)	-	-	-	-
		2,308,583	2,308,583	-	-	-	-

C. KEY MANAGEMENT PERSONNEL AND RELATED PARTY DISCLOSURES

This section includes information about key management personnel's remunerations, related parties information and any transactions key management personnel or related parties may have had with the Company during the year.

17. Key Management Personnel Expenses

The following related party transaction charges for Directors' benefits, were made with the Company on normal terms and conditions and in the ordinary course of business:

	Year ended 30 June 2024	Year ended 30 June 2023
	\$	\$
Short term benefits	421,154	293,094
Superannuation benefit	24,327	26,161
Termination Benefit	-	149,568
Share based payments	48,149	54,400
	493,630	523,223

18. Key Management Personnel Disclosures

Individual Directors and executive compensation disclosures

Information regarding individual Directors' and executives' compensation and some equity instruments disclosures are required by Corporation Regulation 2M.3.03.

Apart from the details disclosed in this Note, no Director has entered into a material contract with the Company during the financial year and there were no material contracts involving Directors' interests existing at year-end.

Directors' transactions with the Company

There are no amounts payable to Directors and their Director related entities for unpaid Directors' fees, statutory superannuation owed to each Director's superannuation fund, and consulting fees at the reporting date (2023: Nil).

D. OTHER DISCLOSURES

This section includes information that the Directors do not consider to be significant in understanding the financial performance and position of the Company but must be disclosed to comply with the Accounting Standards, the *Corporations Act 2001* (Cth) or the Corporations Regulations.

19. Other Income

	Note	Year ended 30 June 2024 \$	Year ended 30 June 2023 \$
Non-refundable deposit received on the sale of the Thompson Project		50,000	-
Interest Income		29,589	10,460
		79,589	10,460

20. Administration Expenses

	Note	Year ended 30 June 2024	Year ended 30 June 2023
		\$	\$
Accounting fees		(49,115)	(27,583)
Audit fees		(44,400)	(43,877)
Computer software & support costs		(7,321)	(8,801)
Consulting expenses		(120,563)	(162,011)
Depreciation	6	(9,692)	(9,319)
Directors' fees		(200,000)	(176,904)
Insurance		(34,118)	(49,815)
Investor relations		(142,172)	(116,554)
Legal expenses		(28,054)	(26,019)
Other costs		(6,584)	(25,714)
Regulation and compliance		(69,021)	(71,711)
Salaries and wages (including statutory superannuation):			
Non-Directors		(502,765)	(237,226)
Directors		-	(291,919)
Less: Salaries and wages classified as exploration		318,489	262,954
Subscriptions		(1,421)	(900)
Travel		(15,961)	(14,159)
Total Administration expenses		(912,698)	(999,558)

21. Income Tax

Income tax is recognised in the statement of profit or loss and other comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill, the initial recognition of assets and liabilities that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets recorded at each reporting date are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Current tax expense/ income, deferred tax liabilities and deferred tax assets arising from temporary differences are recognised in the financial statements of the Company.

The Company recognises deferred tax assets arising from unused tax losses to the extent that it is probable that future taxable profits of the Company will be available against which the asset can be utilised.

Any subsequent period adjustments to deferred tax assets arising from unused tax losses as a result of revised assessments of the probability of recoverability is recognised by the Company.

Numerical reconciliation between tax benefit and pre-tax net loss

	Year ended 30 June 2024 \$	Year ended 30 June 2023 \$
Net loss attributable to the members of the Company	(1,893,266)	(2,485,865)
Prima facie Income tax benefit at a tax rate of 25.0% (2023: 25.0%)	473,317	621,466
Permanent differences		
Options expense	(21,377)	(8,370)
Capital expenditure deductible	32,428	28,153
	484,368	641,249
Temporary differences	(52,126)	53,200
Decrease in income tax benefit due to:		
Income tax losses not recognised	(432,242)	(694,449)
Income tax benefit on pre-tax net loss	-	-

Temporary differences

	2024 \$	2023 \$
Deferred Tax Liability	-	53,200
Deferred Tax Asset	52,126	-
	52,126	53,200

Unrecognised deferred tax assets

	Year ended 30 June 2024 \$	Year ended 30 June 2023 \$
Revenue tax losses	7,736,972	5,782,162

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The tax losses do not expire under current legislation though these losses are subject to testing under loss recoupment rules in order for them to be utilised. Deferred tax assets have not been recognised in respect of this item because, at this time, it is not probable that future taxable profit will be available against which the benefits can be offset.

At 30 June 2024, the Company had no franking credits available for use in subsequent reporting (2023: \$Nil).

22. Earnings per Share

Basic earnings per share ("EPS") is calculated by dividing the net profit or loss attributable to members of the Company for the financial year, after excluding any costs of servicing equity (other than ordinary shares and converting preference shares classified as ordinary shares for EPS calculation purposes), by the weighted average number of ordinary shares of the Company, adjusted for any bonus issue. Diluted EPS is calculated by dividing the basic EPS earnings, adjusted by the after-tax effect of financial costs associated with dilutive ordinary shares and the effect on revenues and expenses of conversion to ordinary shares associated with dilutive potential ordinary shares, by the weighted average number of ordinary and dilutive potential ordinary shares adjusted for any bonus issue.

The calculation of basic and diluted loss per share for the year ended 30 June 2024 was based on the net loss attributable to ordinary shareholders of \$1,893,266 (2023: \$2,485,865) and a weighted average number of ordinary shares outstanding during the year ended 30 June 2024 of 84,084,168 (2023: 55,079,976) calculated as follows:

	Year ended 30 June 2024	Year ended 30 June 2023
	\$	\$
Net loss attributable to the members of the Company	(1,893,266)	(2,485,865)
Weighted average number of ordinary shares		
Undiluted Number of Shares	Number	Number
Issued ordinary shares at beginning of the year	82,426,245	54,542,667
Effect of share issues 24 May 2024	1,657,923	-
Effect of share issues 31 October 2022	-	270,618
Effect of share issues 19 June 2022	-	210,558
Effect of share issues 29 June 2022	-	56,133
Weighted average number of ordinary shares used in calculating basic and diluted profit per share	84,084,168	55,079,976
	Cents	Cents
Loss per share – basic	(2.25)	(4.51)
Loss per share – diluted	(2.25)	(4.51)

49,181,144 potential shares were excluded from the calculation of diluted loss per share because they are antidilutive for the year ended 30 June 2024 (2023: 25,817,592).

23. Auditor's Remuneration

	Year ended 30 June 2024	Year ended 30 June 2023
	\$	\$
Auditor of the Company – RSM Australia Partners		
Review of the interim financial report 31 December	11,000	10,000
Audit of the annual financial report 30 June	33,400	33,877
	44,400	43,877
Income tax and BAS returns preparation, review and lodgement	6,125	8,950
	50,525	52,827

24. Financing Income

Interest revenue is recognised as interest accrues using the effective interest method.

25. GST

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

26. New Accounting Standards

Effective for the first time at 30 June 2024.

The table below summarises the amended reporting requirements that must be applied for the first time for financial years ending 30 June 2024.

Effective for annual reporting periods beginning on or after	Pronouncement
1 January 2023	<i>IFRS 17 Insurance Contracts</i>
1 January 2023	<i>Disclosure of Accounting Policies -Amendments to IAS 1 and IFRS Practice Statement 2</i>
1 January 2023	<i>Definition of Accounting Estimates -Amendments to IAS 8</i>
1 January 2023	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction -Amendments to IAS 12</i>
23 May 2023 ²⁹	<i>International Tax Reform-Pillar Two Model Rules - Amendments to IAS 12</i>

The table below summarises the amended reporting requirements that must be applied for the first time for financial years ending on or after 30 June 2025.

Effective for annual reporting periods beginning on or after	Pronouncement
1 January 2024	<i>Non-current Liabilities with Covenants -Amendments to IAS 1 – and Classification of Liabilities as Current or Non-current-Amendments to IAS 1</i>
1 January 2024	<i>Lease Liability in a Sale and Leaseback-Amendments to IFRS 16</i>
1 January 2024	<i>Supplier Finance Arrangements -Amendments to IAS 7 and IFRS 7</i>
1 January 2025	<i>Lack of Exchangeability-Amendments to IAS 21</i>
1 January 2025	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture-Amendments to IFRS 10 and IAS 28³⁰</i>

END OF NOTES

²⁹ The amendments introduce a relief from deferred tax accounting for the global minimum top-up tax under Pillar Two, which applies immediately from their release on 23 May 2023, and new disclosure requirements about the Pillar Two exposure that apply from 31 December 2023. No disclosures are required in interim periods ending on or before 31 December 2023.

³⁰ The effective date for these amendments was deferred indefinitely by the IASB Board. Due to regulatory framework in Australia, the AASB set an effective date of 1 January 2025. Early adoption continues to be permitted.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT**YEAR ENDED 30 JUNE 2024**

Eastern Metals Limited (“the **Company**”) has no subsidiaries and is not required by Australian Accounting Standards (AAS) to prepare consolidated financial statements and as a result subsection 295(3A)(a) of the *Corporations Act 2001* to prepare a Consolidated Entity Disclosure Statement does not apply to the Company.

Entity Name	Body corporate, partnership or trust	Place incorporated / formed	% of share capital held directly or indirectly by the Company in the body corporate	Australian or Foreign tax resident	Jurisdiction for Foreign tax resident
Parent entity Eastern Metals Limited (Company)	Body corporate	New South Wales, Australia	-	Australian	Not applicable

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DIRECTORS' DECLARATION

The directors declare that:

- (a) in the directors' opinion, there are reasonable grounds to believe that Eastern Metals Limited ("the Company") will be able to pay its debts as and when they become due and payable;
- (b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity;
- (c) the directors have been given the declarations required by s. 295A of the *Corporations Act 2001*; and
- (d) in the directors' opinion, the attached consolidated entity disclosure statement is true and correct.

Signed in accordance with a resolution of the directors made pursuant to section 295(5) of the *Corporations Act 2001*.

On behalf of the Directors.



Bob Duffin, Chairman
Sydney
30 September 2024

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Eastern Metals Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

RSM

RSM Australia Partners



Gary N Sherwood
Partner

Sydney, NSW
Dated: 30 September 2024

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INDEPENDENT AUDITOR'S REPORT
To the Members of Eastern Metals Limited

Opinion

We have audited the financial report of Eastern Metals Limited (the Company), which comprises the statement of financial position as at 30 June 2024, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a material accounting policy information, and the directors' declaration.

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

- i. giving a true and fair view of the Company's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- ii. complying with Australian Accounting Standards and the Corporations Regulations 2001.

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 Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (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 confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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



Key Audit Matter	How our audit addressed this matter
<p>Exploration and Evaluation Expenditure</p> <p>Refer to Note 9 in the financial statements</p>	
<p>The Statement of Profit or Loss and Other Comprehensive Income reflects exploration & evaluation expenses of \$974,648 for the year ended 30 June 2024.</p> <p>The exploration & evaluation expenses are considered to be a Key Audit Matter due to the materiality of the expenditure relative to total expenses.</p> <p>The Company's policy is to charge exploration and evaluation expenditure against profit and loss as incurred except for acquisition costs and for expenditure incurred after a decision to proceed to development is made, in which case the expenditure would be capitalised as an asset.</p>	<p>Our audit procedures in relation to the carrying value of exploration & evaluation expenditure included:</p> <ul style="list-style-type: none"> • Agreeing a sample of the exploration and evaluation expenses during the year to supporting documentation and understanding the nature of the expenses. • Assessing the adequacy of the accounting policy in relation to exploration and evaluation and the related disclosures in the financial statements.



Sale of Thomson Project

Refer to Note 12 & 19 in the financial statements

On 17 June 2024, the Company agreed to sell exploration licences EL9190 and EL 9194 (“Tenements”), known as the “Thomson Project”, for \$200,000.

\$50,000 was receivable within 7 days and is reflected as other income in Note 19. The balance of \$150,000 is only receivable on completion of various conditions precedent that have not yet been fulfilled as at the date of this report.

The Company has a further contingent asset in the form of a 1.5% Net Smelter Royalty (NSR), on all minerals produced from the Tenements, including mining titles derived from the Tenements. The purchaser of the Tenements has the right to buy back half of the NSR (0.75%) for \$2m at any time, and the remaining half of the NSR (0.75%) for \$4m at any time.

We consider this to be a key audit matter for the following reasons:

- The transaction is non-routine and potentially complex from an accounting perspective.
- the total consideration is potentially material to the audit.
- The quantification of the consideration contains an element of judgment on the part of management and the Board.
- The potential timing of the recognition of the revenue in relation to the transaction contains an element of judgement.
- The accounting disclosures are non-routine and bespoke to the transaction.

Our audit procedures included, among others:

- Making enquiries with management to understand the nature of the transaction and related accounting considerations.
- Reviewing the Tenement Sale Heads of Agreement as well as the related ASX announcements to understand the contractual terms and conditions of the sale agreement and having consideration of the proposed accounting treatment.
- Reviewing the accounting treatment for the \$50,000 reflected in other income having consideration of our materiality and the requirements of AASB 15 - Revenue from Contracts.
- Testing the receipt of the \$50,000 to bank statements.
- Reviewing the proposed accounting treatment for the remaining consideration of \$150,000 and the 1.5% NSR, on all minerals produced with a buy-back option.
- Reviewing the adequacy of the relevant disclosures in the financial statements.
- Liaising with management and reviewing the ASX announcements to determine whether the transaction has completed in terms of the potential impact of completion as a subsequent event.

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Other Information

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

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

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

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

Responsibilities of the Directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at https://www.auasb.gov.au/admin/file/content102/c3/ar2_2020.pdf. This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in page 32 of the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Eastern Metals 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.

RSM

RSM Australia Partners



Gary N Sherwood
Partner

Sydney, NSW

Dated: 30 September 2024

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ADDITIONAL SHAREHOLDER INFORMATION

SHARES

Subject to any rights or restrictions for the time being attached to any class or classes of shares and to the Company's constitution:

1. On a show of hands, every person present in the capacity of a member or a proxy, attorney or representative (or in more than one of those capacities) has one vote; and
2. On a poll, every person present who is a member a proxy or who has cast a direct vote, an attorney or representative has:
 - (a) for each fully paid share that the person holds or represents – one vote; and
 - (b) for each share other than a fully paid share that the person holds or represents - that proportion of one vote that the amount paid (not credited) on the share bears to the total amounts paid and payable on the share (excluding amounts credited). Amounts paid in advance of a call are ignored when calculating the proportion.

At 23 August 2024, issued capital was 113,676,245 ordinary fully paid shares ("**Shares**") held by 555 holders. None of the Shares were escrowed at 23 August 2024.

20 Largest Holders by Name of Ordinary Shares and their Share Holdings at 23 August 2024:

Rank	Name	Number of Shares	% of Issued Capital
1	Rec Investment Management Pty Ltd	15,266,667	13.43%
2	Scintilla Strategic Investments Limited	3,750,000	3.30%
3	Mr Scott Robert Weir <The S R Investment A/C>	3,604,519	3.17%
4	Aquiline Nominees Pty Ltd <The Aquiline Family A/C>	2,696,508	2.37%
5	Gary James Jones	2,575,500	2.27%
6	Irrawaddy Investments Pty Ltd <Duffin Family A/C>	2,500,000	2.20%
7	Mr Paul St Wood	2,125,701	1.87%
8	Sailors Of Samui Pty Ltd	2,050,000	1.80%
9	Syndicate Minerals Pty Ltd	1,954,806	1.72%
10	Jack Capital WA Pty Ltd	1,938,330	1.71%
11	Fairbrother Holdings Pty Ltd	1,834,956	1.61%
12	Symington Pty Ltd	1,700,000	1.50%
13	Azzurra Investments Pty Ltd	1,611,007	1.42%
14	Bluestar Management Pty Ltd	1,550,000	1.36%
15	Puntero Pty Ltd	1,500,000	1.32%
16	Mad Fish Management Pty Ltd	1,500,000	1.32%
17	Longridge Partners Pty Ltd	1,499,998	1.32%
18	Calama Holdings Pty Ltd <Mambat Super Fund A/C>	1,465,000	1.29%
19	Octifil Pty Ltd	1,400,000	1.23%
19	Ocean Reef Holdings Pty Ltd	1,400,000	1.23%
20	Budworth Capital Pty Ltd <Rolling Hills Capital A/C>	1,355,481	1.19%
Top 20 holders of ORDINARY SHARES (TOTAL)		55,278,473	48.63%

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Distribution of Share Holders and Share Holdings at 23 August 2024:

Range	Holders	Total Shares	% Issued Share Capital
1-1,000	15	1,684	0.00
1,001-5,000	55	190,602	0.17
5,001-10,000	65	553,678	0.49
10,001-100,000	262	10,851,930	9.55
100,001-9,999,999,999	158	102,078,351	89.79
Totals	555	113,676,245	100.00

Unmarketable Parcels at 23 August 2024

	Minimum Parcel Size	Holders	Number of Shares
Minimum \$ 500.00 parcel at \$ 0.023 per share	21,739	222	2,158,969

Substantial Shareholder at 23 August 2024

	Number of Shares	Proportion of Issued Shares
Robert H Duffin and Pamela C Duffin (jointly)	17,766,667	15.63%

Unquoted Options

At 23 August 2024 there were 56,887,701 unquoted options with various expiry dates and exercise prices, and none of the unquoted options were escrowed. Each option provides the right for the option holder to be issued one fully paid share by the Company, upon payment of the exercise price of each option.

Option Expiry Date	Option Exercise Price	Number of Options
14 October 2024	\$0.30	24,250,000
17 February 2025	\$0.30	300,000
7 December 2025	\$0.30	2,000,000
		26,550,000
9 June 2026	\$0.10	20,337,701
18 July 2027	\$0.06	10,000,000
		56,887,701

Distribution of Option Holders and Option Holdings at 23 August 2024 (\$0.30 Exercise Price Expiry Date 14 October 2024)

Range	Holders	Total Options	% of Total Options
1-1,000	-	-	-
1,001-5,000	83	311,644	1.290
5,001-10,000	54	449,185	1.850
10,001-100,000	184	6,105,933	25.180
100,001-9,999,999,999	28	17,383,238	71.680
Totals	349	24,250,000	100.00

Distribution of Option Holders and Option Holdings at 23 August 2024 (\$0.30 Exercise Price Expiry Date 17 February 2025)

Range	Holders	Total Options	% of Total Options
1-1,000	-	-	-
1,001-5,000	-	-	-
5,001-10,000	-	-	-
10,001-100,000	-	-	-
100,001-9,999,999,999	1	300,000	100.00
Totals	1	300,000	100.00

Distribution of Option Holders and Option Holdings at 23 August 2024 (\$0.30 Exercise Price Expiry Date 7 December 2025)

Range	Holders	Total Options	% of Total Options
1-1,000	-	-	-
1,001-5,000	-	-	-
5,001-10,000	-	-	-
10,001-100,000	-	-	-
100,001-9,999,999,999	2	2,000,000	100.00
Totals	2	2,000,000	100.00

Distribution of Option Holders and Option Holdings at 23 August 2024 (\$0.10 Exercise Price Expiry Date 9 June 2026)

Range	Holders	Total Options	% of Total Options
1-1,000	11	5,250	0.03
1,001-5,000	27	80,752	0.40
5,001-10,000	8	64,022	0.31
10,001-100,000	60	3,078,924	15.14
100,001-9,999,999,999	44	17,108,753	84.12
Totals	150	20,337,701	100.00

Distribution of Option Holders and Option Holdings at 23 August 2024 (\$0.06 Exercise Price Expiry Date 18 July 2027)

Range	Holders	Total Options	% of Total Options
1-1,000	-	-	-
1,001-5,000	-	-	-
5,001-10,000	-	-	-
10,001-100,000	-	-	-
100,001-9,999,999,999	2	10,000,000	100.00
Totals	2	10,000,000	100.00

Option Holders and Option Holdings at 23 August 2024 (\$0.06 Exercise Price Expiry Date 18 July 2027) where holding is 20% or more

Holder Name	Number of Options	% of Total Options
Taycol Nominees Pty Ltd <211 A/C>	5,000,000	50.00%
Salient Corporate Pty Ltd	5,000,000	50.00%

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SECURITIES EXCHANGE LISTING

The Company's ordinary shares are listed on the Australian Securities Exchange. The Company's ASX code for quoted ordinary shares is EMS.

ON-MARKET BUY BACK

There is no on-market buy-back.

CORPORATE GOVERNANCE STATEMENT

The Company's Corporate Governance statement for the financial year ended 30 June 2024 is available for members to download and access from <https://easternmetals.com.au/company/corporate-governance/>

GENDER DIVERSITY

The Company's corporate governance statement for the financial year ended 30 June 2024 requires that the Board report, at least annually, on the relative proportion of women and men appointed or employed within the Company. A Senior Executive is defined as an executive that reports directly to the Chief Executive Officer or Board.

The Company's Senior Executives comprise 20% female and 80% male.

	Senior Executive		Non-Executive		Total	
	Number	%	Number	%	Number	%
Male	1	33%	4	100%	5	71%
Female	2	67%	-	-	2	29%
Total	3	100%	4	100%	7	100%

Following are the Company's Senior Executives and Non-Executives at the date of this report:

Name	Gender	Executive/ Non-Executive	Title
Bob Duffin	Male	Non-Executive	Chairman
Ley Kingdom	Female	Executive	Chief Executive Officer (CEO)
Dr Jason Berton	Male	Non-Executive	Independent Director
Mark Dugmore	Male	Non-Executive	Independent Director
Ian White	Male	Non-Executive	Independent Director
Ian Morgan	Male	Executive	Company Secretary & Chief Financial Officer
Samantha Murray	Female	Executive	Senior Exploration Geologist