



ABN 30 107 424 519

IONDRIVE LIMITED
CONSOLIDATED FINANCIAL REPORT
For the Half Year Ended
31 December 2024

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CORPORATE INFORMATION

ABN 30 107 424 519

DIRECTORS

Michael McNeilly	Non-Executive Chairman
Jack Hamilton	Non-Executive Director
Adam Slater	Non-Executive Director
Andrew Sissian	Non-Executive Director
Hugo Schumann	Non-Executive Director

CHIEF EXECUTIVE OFFICER

Ebbe Dommissie

CFO AND COMPANY SECRETARY

Ray Ridge

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

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Perth WA 6000

AUDITORS

Grant Thornton Audit Pty Ltd

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Adelaide SA 5000

EXCHANGE

Australian Securities Exchange Ltd

Exchange Plaza 2 The Esplanade

Perth WA 6000

ASX CODE

Ordinary Fully Paid Shares: ION

DIRECTORS' REPORT

The Directors present their report together with the interim financial report of Iondrive Limited (the Company or Iondrive) and its controlled entities (together, the Group) for the six months ended 31 December 2024 and the independent auditor's review report thereon.

The names of the Directors of the Company who held office during or since the end of the half year were:

Non-Executive Chairman	Michael McNeilly	BA (International Economics)
Non-Executive Director	Jack Hamilton	PhD, B.Eng (Chem), FAICD, FAIE
Non-Executive Director	Adam Slater	BA (Arts)
Non-Executive Director	Andrew Sissian	CPA, MAcc, BCom (Finance)
Non-Executive Director	Hugo Schumann (appointed 3 December 2024)	BBusSc, MBA, CFA
Non-Executive Director	John Rock (resigned 22 November 2024)	BA (Arts)

The names of the Officers of the Company who held office during or since the end of the half year was:

Chief Executive Officer	Ebbe Dommissie	B.Eng (Chem), MSc, PhD, MBA, GAIC
Chief Financial Officer and Company Secretary	Ray Ridge	BA (Acc), CA, GIA (cert)

Financial Results

The loss of the Group after providing for income tax for the half year was \$1,729,554 (2023 loss: \$4,571,733).

Review of Operations

During the half-year ended 31 December 2024, Iondrive Limited (ASX: ION) advanced its battery technology portfolio through the successful completion of a Pre-Feasibility Study (PFS) for its proprietary Deep Eutectic Solvent (DES) battery recycling technology. The PFS confirmed the scalability and economic viability of the DES process, reinforcing its potential as a commercially viable and environmentally sustainable solution for recovery of metals from battery waste. With these positive results, Iondrive is now progressing the design and development of a pilot plant, which will be a crucial step towards commercialisation and is scheduled for completion in 2025.

DES Battery Recycling

Iondrive's DES battery recycling technology represents a significant advancement in the recovery of metals from lithium-ion battery waste. The Pre-Feasibility Study (PFS), completed in October 2024, confirmed that the DES process is both economically viable and environmentally sustainable.

Key outcomes of the PFS included:

- A **36% reduction in capital costs** compared to conventional hydrometallurgical methods.
- **Recovery rates exceeding 95%** for lithium, cobalt, nickel, and manganese.
- Minimal solvent losses, reinforcing the scalability and cost-efficiency of the process.
- Strong market demand driven by global EV adoption and tightening regulations on battery recycling.

Following the PFS, Iondrive is advancing the design and development of a pilot plant. The pilot plant will be a key step in commercialising the DES process, further optimising operational parameters, and providing additional data for potential industry partners and investors.

Iondrive also continued its extensive test work on commercialising the DES process and expanding its technology applications. This included:

- Further refining solvent recovery mechanisms to minimise process losses and enhance economic feasibility.
- Expanding feedstock testing to ensure process adaptability across a wider range of black mass sources.
- Advancing discussions with prospective industry partners in Australia, Europe, and the US to explore opportunities for technology deployment and joint ventures.

Large-Scale Bench Trials and Technology Validation

Iondrive conducted extensive large-scale bench trials during the period to further validate the performance of its DES technology. These trials, undertaken at the University of Adelaide and independently verified by Independent Metallurgical Operations (IMO) in Perth, confirmed the high efficiency and adaptability of the process.

Key trial results included:

- Successful extraction of high-purity lithium, cobalt, nickel, and manganese from precursor Cathode Active Material (pCAM) with minimal solvent losses.
- Consistent metal recoveries confirmed across larger test scales and independently verified by IMO in Perth at a 1,700x scale-up to previous trials, underlining the scalability of the technology.
- High metal recoveries from lithium battery waste, known as Raw Black Mass (grounded spent batteries, containing a mixture of different Li-ion battery types and impurities).
- The application of a three-stage pretreatment process to remove impurities from raw black mass, improving overall metal recovery.
- High recovery rates maintained across different battery chemistries, underscoring the robustness of the DES process.

The trials demonstrated that Iondrive's DES technology can effectively handle varied feedstocks while maintaining superior metal recovery rates, marking an important step towards commercialisation.

Strategic Partnerships and Industry Engagement

To support commercialisation, Iondrive expanded its global partnerships and collaborations:

- **MoU with TNO:** A formalised agreement with the Netherlands Organisation for Applied Scientific Research (TNO) to enhance the deployment of DES technology in Northwestern Europe. This collaboration focuses on the development of sustainable battery material supply chains and alignment with EU regulatory standards.
- **ARC Battery Recycling Initiative:** Iondrive was selected as the largest industry partner in the Australian Research Council's (ARC) \$15 million Battery Recycling Training Centre. This initiative supports the continued refinement of the DES process, with a focus on producing ultra-high-purity battery materials.
- **Collaboration with RWTH Aachen University:** Iondrive advanced its partnership with the Production Engineering of E-Mobility Components (PEM) department at RWTH Aachen University to integrate DES-based recycled materials into battery cell production and validate performance across the battery recycling value chain.

Through these partnerships, Iondrive gained access to key industry networks, technical expertise, and potential commercial opportunities in critical global markets.

londrive EU GmbH Established

On 5 December 2024, the Group acquired londrive Europe GmbH, a German shelf company, for €25,000 (\$41,234). The acquisition was undertaken to support the Group's strategic expansion into the European market and comply with local regulatory requirements.

The transaction is reflected in the Group's consolidated financial statements. This acquisition had no material impact on the Group's financial position or performance as at 31 December 2024.

South Korean Exploration

During the half-year ended 31 December 2024, KoBold Metals advised the Company of its decision to withdraw from the Earn-In and Joint Venture Agreement, effective 8 February 2025. As KoBold had been funding the majority of exploration activities in South Korea, exploration efforts have now been significantly scaled back. This is expected to have minimal impact on the Company's cost base.

In line with the Company's strategic shift away from exploration, negotiations for the potential sale of the exploration business have been expedited, with an update expected in the March quarter. A successful divestment will enable the Company to focus entirely on its battery recycling initiative and other potential battery-related technology developments.

Corporate and Financial Developments

On 18 July 2024, following shareholder approval, the Company issued 103,650,902 Ordinary Shares at \$0.009 per share, raising \$0.9 million as the second and final tranche of the \$2 million placement announced on 3 June 2024. The placement was supported by londrive's two largest shareholders, Strata Investment Holdings Plc and Ilwella Pty Ltd.

In December 2024, the Company received commitments to raise \$6 million through a capital placement at \$0.014 per share, representing a 16.7% premium to the Company's last traded price. Tranche 1 of the placement was completed on 10 December 2024, raising \$2 million, utilising available placement capacity. The placement was supported by institutional investors, including Terra Capital, and will fund the continued development of londrive's pilot plant, technology advancements, and market entry initiatives. Tranche 2 is being completed subsequent to the half year period, raising \$4 million, following shareholder approval at a General Meeting held on 20 February 2025.

In December 2024, londrive also made key leadership appointments to strengthen its commercial and strategic capabilities:

- Mr Hugo Schumann joined as a Non-Executive Director, bringing deep expertise in critical metals and strategic investments.
- Mr Lewis Utting was appointed as Commercial Director, leveraging his extensive experience in technology commercialisation, investor relations, and capital markets.

With a validated process, strong partnerships, and financial backing, londrive made significant strides in progressing its DES technology towards commercialisation. The advancements made during the half-year position the company for further growth in 2025 as it moves towards pilot plant operations and commercialisation.

Mr John Rock retired as a Non-Executive Director on 22 November 2024. The Company thanks him for his significant contribution to the inception and acquisition of londrive Technologies Pty Ltd.

Events Subsequent to Reporting Date

In January 2025, KoBold Metals advised the Company of its withdrawal from the Earn-In and Joint Venture Agreement effective 8 February 2025. As a result, exploration activities in South Korea have now been significantly scaled back. The Company is expediting negotiations for the potential sale of the exploration business, with an update expected in the March quarter.

On 20 February 2025, the Company's shareholders approved the second tranche placement of 291,373,125 shares at \$0.014 per share, to raise approximately \$4 million.

Forward-looking Statements

Some statements in this release regarding estimates or future events are forward looking statements. These may include, without limitation:

- Estimates of future cash flows, the sensitivity of cash flows to metal prices and foreign exchange rate movements;
- Estimates of future metal production; and
- Estimates of the resource base and statements regarding future exploration results.

Such forward looking statements are based on a number of estimates and assumptions made by londrive and its consultants in light of experience, current conditions and expectations of future developments which londrive believes are appropriate in the current circumstances. Such statements are expressed in good faith and believed to have a reasonable basis. However, the estimates are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from estimated results.

All reasonable efforts have been made to provide accurate information, but londrive does not undertake any obligation to release publicly any revisions to any "forward-looking statement" to reflect events or circumstances after the date of this presentation or ASX release, except as may be required under applicable laws. Recipients should make their own enquiries in relation to any investment decisions from a licensed investment advisor.

Auditors Independence Declaration

The auditor's independence declaration under section 307C of the Corporations Act 2001 is attached.

Dated at Adelaide this 24th day of February 2025 and signed in accordance with a resolution of the Directors.



M McNeilly
Non-Executive Chairman

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Auditor's Independence Declaration

To the Directors of Iondrive Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of Iondrive Limited for the half-year ended 31 December 2024. I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b no contraventions of any applicable code of professional conduct in relation to the review.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



I S Kemp
Partner – Audit & Assurance

Adelaide, 24 February 2025

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Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Half Year ended 31 December 2024

	Note	Half Year Ended 31 Dec 2024 \$	Half Year Ended 31 Dec 2023 \$
Interest received		13,798	14,364
R&D Tax offset		482,125	190,309
Other Income	2	335,865	68,497
Realised foreign exchange (loss)/gain		(766)	1,916
Exploration expenses		(252,041)	(589,034)
R&D expenditure		(1,018,155)	(1,019,364)
Salaries and wages		(176,994)	(429,825)
Directors fees		(154,333)	(122,675)
Interest expense		(438)	(850)
Shareholder relations		(96,147)	(114,386)
Other administrative expenses		(398,802)	(418,507)
Depreciation		(31,743)	(32,487)
Share based payments - options	8	(381,278)	(53,327)
Share based payment – performance rights	8	(58,554)	(2,452)
Gain on sale of plant and equipment		7,909	314
Foreign exchange loss on BMV shares		-	(1,289)
Loss on sale of BMV shares		-	(83,238)
Fair value adjustment on financial assets FVTPL		-	(182,360)
Exploration expenditure written off	3	-	(1,797,339)
Loss before income tax		(1,729,554)	(4,571,733)
Income tax benefit/(expense)		-	-
Net loss for the half year		(1,729,554)	(4,571,733)
<u>Other Comprehensive Income</u>			
<i>Items that may be reclassified to profit or loss:</i>			
Exchange differences on translation		79	25,066
Total comprehensive income for the period		(1,729,475)	(4,546,667)
<u>Earnings Per Share</u>			
Basic (cents per share)		(0.24)	(0.94)
Diluted (cents per share)		(0.24)	(0.94)

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

Consolidated Statement of Financial Position as at 31 December 2024

	Note	As at 31 Dec 2024 \$	As at 30 June 2024 \$
CURRENT ASSETS			
Cash and cash equivalent		4,070,697	2,759,282
Receivables	4	644,823	639,535
Other assets	5	422,964	71,648
TOTAL CURRENT ASSETS		5,138,484	3,470,465
NON-CURRENT ASSETS			
Right of use asset		4,983	19,311
Plant and equipment		75,037	54,677
Intangible assets	6	1,449,856	1,449,856
Other assets	5	177,419	-
TOTAL NON-CURRENT ASSETS		1,707,295	1,523,844
TOTAL ASSETS		6,845,779	4,994,309
CURRENT LIABILITIES			
Trade and other payables		354,908	722,915
Provisions		285,479	215,086
Lease liability		5,135	19,816
TOTAL CURRENT LIABILITIES		645,522	957,817
NON-CURRENT LIABILITIES			
Provisions		998	412
TOTAL NON-CURRENT LIABILITIES		998	412
TOTAL LIABILITIES		646,520	958,229
NET ASSETS		6,199,259	4,036,080
EQUITY			
Issued capital	7	68,035,540	64,582,718
Reserves		514,932	75,021
Accumulated losses		(62,351,213)	(60,621,659)
TOTAL EQUITY		6,199,259	4,036,080

The above Statement of Financial Position should be read in conjunction with the accompanying condensed notes.

Consolidated Statement of Changes in Equity for the Half Year ended 31 December 2024

	Issued Capital \$	Accumulated losses \$	Share-based payment reserve \$	Foreign currency translation reserve	Total \$
Balance at 1 July 2023	62,211,401	(54,542,909)	186,201	(193,751)	7,660,942
Total comprehensive income in the period	-	(4,571,733)	-	25,066	(4,546,667)
Transactions with owners:					
Issue of share capital	1,380,000	-	-	-	1,380,000
Options lapsed	-	19,042	(19,042)	-	-
Fair value of options issued	-	-	53,327	-	53,327
Fair value of performance rights issued	-	-	2,452	-	2,452
Costs associated with the issue of shares	-	-	-	-	-
Balance at 31 December 2023	63,591,401	(59,095,600)	222,938	(168,685)	4,550,054
Balance at 1 July 2024	64,582,718	(60,621,659)	269,251	(194,230)	4,036,080
Total comprehensive income in the period	-	(1,729,554)	-	79	(1,729,475)
Transactions with owners:					
Issue of share capital	3,328,624	-	-	-	3,328,624
Options exercised	319,398	-	-	-	319,398
Fair value of options issued	-	-	381,278	-	381,278
Fair value of performance rights issued	-	-	58,554	-	58,554
Costs associated with the issue of shares	(195,200)	-	-	-	(195,200)
Balance at 31 December 2024	68,035,540	(62,351,213)	709,083	(194,151)	6,199,259

The above Statement of Changes in Equity should be read in conjunction with the accompanying condensed notes.

Consolidated Statement of Cash Flows for the Half Year ended 31 December 2024

Note	Half Year Ended 31 Dec 2024 Inflows (Outflows) \$	Half Year Ended 31 Dec 2023 Inflows (Outflows) \$
Cash flows related to operating activities		
Interest received	13,798	14,364
R&D Tax offset received	406,364	584,419
Other income	402,952	-
Payments to suppliers and employees	(977,421)	(1,116,022)
Exploration and evaluation	(278,416)	(650,242)
R&D expenditure	(1,376,454)	(1,049,831)
Interest expense	(438)	(850)
Short term lease payments	(15,158)	(12,571)
Net operating cash (outflows)	(1,824,773)	(2,230,733)
Cash flows related to investing activities		
Payments for mining tenements, exploration and evaluation expenditure	-	(181,150)
Proceeds from sale of investments	-	1,081,228
Payments for plant and equipment	(39,878)	(6,978)
Proceeds from the sale of plant and equipment	7,921	314
Cash held by acquired entity	-	16,799
Exploration tenement exclusivity fee	76,877	-
Net investing cash inflows	44,920	910,213
Cash flows related to financing activities		
Proceeds from share issues	2,977,655	-
Proceeds from exercise of options	319,398	-
Payment for share issue costs	(190,792)	(177,207)
Repayment of lease liability	(14,645)	(11,508)
Repayment of loan acquired in acquisition	-	(171,362)
Net financing cash (outflows)/inflows	3,091,616	(360,077)
Net increase/(decrease) in cash	1,311,763	(1,680,597)
Cash at beginning of financial period	2,759,282	4,212,502
Exchange rate adjustments on opening cash	(348)	(2,437)
Cash at end of financial period	4,070,697	2,529,468

The above Statement of Cash Flows should be read in conjunction with the accompanying condensed notes.

Condensed Notes to the financial statements for the Half Year ended 31 December 2024

1. BASIS OF PREPARATION OF ACCOUNTS

This half year financial report is a general-purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 “Interim Financial Reporting”, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2024 and any public announcements made by Iondrive Limited and its controlled entities during the half year in accordance with continuous disclosure requirements arising under the ASX Listing Rules.

The half year financial report does not include full disclosures of the type normally included in an annual financial report.

Iondrive Limited is a company domiciled in Australia (the Company or Iondrive). The Consolidated half year financial report for the six months ended 31 December 2024 comprises the Company and its subsidiaries (together referred to as the Consolidated Entity or the Group).

Changes in accounting policies and accounting policies applied for the first time

The accounting policies adopted by the Group are consistent with those of the previous financial year and corresponding period end.

New standards adopted as at 1 July 2024

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

2. OTHER INCOME

	31 December 2024 \$	31 December 2023 \$
KoBold JV reimbursement	258,840	68,497
Exploration tenement exclusivity fee	76,890	-
Other income	135	-
	<u>335,865</u>	<u>68,497</u>

In November 2023, the Group entered into an Earn-In and Joint Venture Agreement with a subsidiary of KoBold Metals Company for lithium projects in South Korea. During the earn-in period, KoBold reimburses Korea Metals Resources (KMR), a wholly owned subsidiary, monthly for field operator costs. In the half-year ended 31 December 2024, Iondrive received a total of \$258,840 from KoBold under this arrangement.

3. EXPLORATION EXPENDITURE WRITTEN OFF

	31 December 2024 \$	30 June 2024 \$
A reconciliation of the carrying amount of exploration and evaluation phase expenditure is set out below:		
Costs brought forward	-	1,694,804
Net foreign exchange differences	-	31,557
Expenditure incurred during the year	-	70,978
Exploration expenditure written off	-	(1,797,339)
	<u>-</u>	<u>-</u>

In the year ended 30 June 2024, the Group wrote off the \$1,797,339 balance of the exploration assets related to its precious metals tenements, as part of its strategic shift to focus exploration on minerals critical to the growing renewable energy sector. While the Group explores the divestment opportunities, no reasonable estimate of recoverable value can currently be made due to the early-stage nature of exploration and South Korea's underdeveloped exploration industry. As at 31 December 2024, the Group has no exploration and evaluation assets recognised in the Statement of Financial Position.

4. RECEIVABLES

	31 December 2024 \$	30 June 2024 \$
Trade and other receivables	49,515	193,274
R&D Tax Incentive	418,294	342,534
GST receivable	93,489	20,058
Lease and credit card bonds	83,525	83,669
	<u>644,823</u>	<u>639,535</u>

5. OTHER ASSETS

	31 December 2024	30 June 2024
	\$	\$
Current		
Prepayments	422,964	71,648
Non-Current		
Prepayments	177,419	-
	<u>600,383</u>	<u>71,648</u>

As at 31 December 2024, prepayments comprise amounts paid in advance for insurance, the University of Adelaide research agreements, and investor relations services. Insurance and University of Adelaide prepayments are expected to be expensed within 12 months and are classified as current assets. Investor relations prepayments are allocated between current and non-current assets, with the services to be provided over 24 months.

6. INTANGIBLE ASSETS

	31 December 2024	30 June 2024
	\$	\$
Intangible asset	1,449,856	1,449,856
	<u>1,449,856</u>	<u>1,449,856</u>

On 4 July 2023, Iondrive Limited acquired 100% of the issued capital of Iondrive Technologies Pty Ltd (IDT) for total consideration of \$1,380,000, settled through the issue of 60 million fully paid ordinary shares valued at \$0.023 per share.

The acquisition was determined to be an asset acquisition rather than a business combination under AASB 3, with the primary objective being the procurement of intellectual property rights related to exclusive battery technology licenses. At acquisition, IDT's tangible assets and liabilities were valued at (\$69,856), with the remainder of the total \$1,380,000 consideration, being \$1,449,856, attributed to the fair value of the intangible asset.

During the half year period, the Group has meaningfully progressed its commercialisation of battery recycling technology, further supporting the \$1,449,856 carrying value of the acquired intangible asset as at 31 December 2024.

7. ISSUED CAPITAL

Fully paid ordinary shares issued

	Number	\$
<i>Ordinary shares on issue</i>		
At 30 June 2024	604,856,599	64,582,718
Placement shares (29 July 2024)	103,650,902	932,858
Placement shares (10 December 2024)	144,341,161	2,020,776
Shares issued to service providers (10 December 2024)	26,785,000	374,990
Options exercised (31 December 2024)	11,829,545	319,398
Net costs associated with the issue of shares	-	(195,200)
At 31 December 2024	<u>891,463,207</u>	<u>68,035,540</u>

On 29 July 2024, following shareholder approval, the Company completed tranche 2 of a share placement announced on 3 June 2024, issuing 103,650,902 shares at \$0.009 per share, raising \$932,858.

On 3 December 2024, the Company announced that it had received firm commitments from sophisticated and professional investors for a placement of 435,714,286 fully paid ordinary shares at \$0.014 each to raise up to \$6,100,000. The first tranche was completed during the half year period, utilising available placement capacity, raising \$2,020,776 in cash through the issue of 144,341,161 shares on 10 December 2024. The second tranche is to be completed subsequent to the half year period, raising \$4,079,224 in cash through the issue of 291,373,125 shares, following shareholder approval at a General Meeting held 20 February 2025.

On 10 December 2024, the Group issued 26,785,000 shares to S3 Consortium Pty Ltd (trading as StocksDigital) in consideration for investor relations services to be rendered over a 24-month period. The shares were issued at a price of \$0.014 each, with the total value of the transaction amounting to \$374,990 which is being expensed evenly over the 24-month period.

On 31 December 2024, the Group issued shares resulting from the exercise of 11,829,545 options, totalling \$319,398. The options with an expiry date of 30 December 2024 were exercised at a price of \$0.027.

The net costs associated with the issue of shares in the half year ended 31 December 2024 was \$195,200.

8. SHARE-BASED PAYMENTS RESERVE

During the half year ended 31 December 2024, the Share based payments reserve increased by \$439,832 to \$709,083. This change comprised:

Options – Series	No.	Grant Date	Expiry Date	Exercise Price	Fair value at grant date	Expensed during the period
Employee & Consultants						
Nov-2023 ¹	10,000,000	09/11/2023	09/11/2026	\$0.040	\$0.00181	3,044
Dec-2024 ²	10,000,000	03/12/2024	03/12/2028	\$0.025	\$0.00440	44,000
Broker1-2024 ³	10,000,000	to be issued	30/06/2026	\$0.028	\$0.00776	77,600
Broker2-2024 ⁴	10,000,000	to be issued	31/12/2026	\$0.042	\$0.00654	65,400
Broker3-2024 ⁵	10,000,000	to be issued	31/12/2027	\$0.056	\$0.00603	60,300
LTI-2024 ¹⁰	30,625,000	06/08/2024	06/08/2029	\$0.012	\$0.00424	48,611
Director Held						
Jul-2023 ⁶	3,000,000	24/07/2023	23/07/2026	\$0.040	\$0.00402	791
Nov-2023 ⁷	6,000,000	09/11/2023	09/11/2027	\$0.025	\$0.00181	11,512
Dec-2024 ⁸	9,000,000	09/12/2024	09/12/2028	\$0.025	\$0.00442	39,780
Dec-2024 ⁹	6,000,000	02/12/2024	03/12/2028	\$0.025	\$0.00504	30,240
Share based payments - options						381,278
LTI performance rights granted ¹⁰						58,554
Total share based payments						439,832

- 10,000,000 unlisted options were granted to a consultant on 9 November 2023, following shareholder approval. A total of 5,000,000 options vest monthly over an 18-month period to 24 January 2025 (approximately 277,777 per month) and 5,000,000 options vest on the basis of agreements executed with industry or collaboration partners. All options are exercisable at \$0.04 at any time after vesting through to the expiry date of 9 November 2026. The \$18,100 fair value of the options was calculated using the Black Scholes valuation method, using a volatility of 64%, an interest rate of 4.156% (the three-year Australian Government bond rate) and an underlying share price the day prior to shareholder approval of \$0.012. The fair value is being expensed over the vesting period to 24 January 2025.
- 10,000,000 unlisted options were granted to a consultant on 3 December 2024 under a remuneration agreement. The options vested immediately and are exercisable at \$0.025 at any time through to the expiry date of 3 December 2028. The \$44,000 fair value of the options was calculated, using the Black Scholes

valuation method, using a volatility of 75%, an interest rate of 4.128% (the four-year Australian Government bond rate) and an underlying share price the day prior to the agreement date of \$0.011.

3. 10,000,000 unlisted options to be issued to Brokers as approved by shareholders on 20 February 2025. The options vest upfront and are exercisable at \$0.028 at any time through to the expiry date of 30 June 2026. The \$77,600 fair value of the options was calculated as at 10 December 2024, being the date the Brokers completed minimum capital raise hurdle (subject to shareholder approval). The calculation used the Black Scholes valuation method, with a volatility of 108%, an interest rate of 3.837% (the two-year Australian Government bond rate) and an underlying market price of the shares of \$0.019, being the issue price of ION's shares on 10 December 2024.
4. 10,000,000 unlisted options to be issued to Brokers as approved by shareholders on 20 February 2025. The options vest upfront and are exercisable at \$0.042 at any time through to the expiry date of 31 December 2026. The \$65,400 fair value of the options was calculated as at 10 December 2024, being the date the Brokers completed minimum capital raise hurdle (subject to shareholder approval). The calculation used the Black Scholes valuation method, with a volatility of 99%, an interest rate of 3.837% (the two-year Australian Government bond rate) and an underlying market price of the shares of \$0.019, being the issue price of ION's shares on 10 December 2024.
5. 10,000,000 unlisted options to be issued to Brokers as approved by shareholders on 20 February 2025. The options vest upfront and are exercisable at \$0.056 at any time through to the expiry date of 31 December 2027. The \$60,300 fair value of the options was calculated as at 10 December 2024, being the date the Brokers completed minimum capital raise hurdle (subject to shareholder approval). The calculation used Black Scholes valuation method, with a volatility of 85%, an interest rate of 3.824% (the three-year Australian Government bond rate) and an underlying market price of the shares of \$0.019, being the issue price of ION's shares on 10 December 2024.
6. 3,000,000 unlisted options were granted to a Director on 24 July 2023, following shareholder approval. The options vest after 12 months service and are exercisable at \$0.04 at any time through to the expiry date of 23 July 2026. The \$12,060 fair value of the options was calculated, using the Black Scholes valuation method, using a volatility of 62%, an interest rate of 3.912% (the three-year Australian Government bond rate) and an underlying share price the day prior to shareholder approval of \$0.018. The fair value of the options is being expensed over the 12-month vesting period.
7. 6,000,000 unlisted options were granted to Directors on 9 November 2023, being 3,000,000 options to Dr Hamilton and 3,000,000 to Mr Slater. The options vested upon their re-election at the Company's 2024 AGM. The options are exercisable at \$0.025 at any time after vesting through to the expiry date of 9 November 2027. The \$31,920 fair value of the options was calculated using the Black Scholes valuation method, using a volatility of 71%, an interest rate of 4.316% (the three-year Australian Government bond rate) and an underlying share price the day prior to execution of their director services contracts of \$0.013. The fair value is being expensed over the estimated vesting period of 12 months.
8. Total of 9,000,000 unlisted options were granted to two Directors on 9 December 2024, following shareholder approval. 6,000,000 options were issued to the Company's Chair Mr McNeilly and 3,000,000 were issued to Mr Sissian. The options vest immediately and are exercisable at \$0.025 at any time through to the expiry date of 9 December 2028. The \$39,780 fair value of the options was calculated, using the Black Scholes valuation method, using a volatility of 75%, an interest rate of 4.152% (the four-year Australian Government bond rate) and an underlying share price the day prior to shareholder approval of \$0.011, being the ASX closing price of ION's shares prior to AGM approval on 21 November 2024.
9. 6,000,000 unlisted options were granted a Director, Mr Schumann, on 3 December 2024. The options vest immediately and are exercisable at \$0.025 at any time through to the expiry date of 3 December 2028. The \$30,240 fair value of the options was calculated, using the Black Scholes valuation method, using a volatility of 75%, an interest rate of 4.128% (the four-year Australian Government bond rate) and an underlying share price the day prior to shareholder approval of \$0.011, being the ASX closing price of ION's shares on 2 December 2024.
10. Following shareholder approval, a long-term incentive plan was agreed with the Company's Chief Executive Officer (CEO) and Chief Financial Officer (CFO) on 12 April 2024, comprising a total of 30,625,000 performance rights and 30,625,000 unlisted options. The issued securities vest in four tranches, after a minimum service period to 12 August 2025, when the 30-day volume-weighted average price of the Company's shares exceeds set price hurdles at any time before 12 February 2027.

The options and performance rights were granted on 6 August 2024, following shareholder approval on 18 July 2024.

- the unlisted options are exercisable at \$0.012 at any time through to the expiry date of 6 August 2029 and were valued at \$129,719 or \$0.00424 per option using the Monte Carlo method. The option value is being expensed over the vesting period from 12 April 2024 to 12 August 2025 with \$48,611 expensed in the current period.
- each performance right is convertible into one fully paid ordinary share upon vesting. The performance rights were valued at \$156,250 or \$0.00510 per right using the Monte Carlo method. The performance rights are expensed over the vesting period from 12 April 2024 to 12 August 2025, with \$58,554 recognised at 31 December 2024.

9. COMMITMENTS FOR EXPENDITURE AND CONTINGENT LIABILITIES

Through the acquisition of IDT, the Group has commitments to provide research funding of \$2,500,000 to the University of Adelaide over a two-and-a-half-year period. To date the Group has provided funding of \$1,683,627, leaving the remaining commitments as at 31 December 2024:

	\$
Not later than one year:	816,373
Later than one year but not later than two years:	-
Later than two years but not later than five years:	-
Greater than five years	-
	<u>816,373</u>

Other than the above, there were no other material changes in contingent liabilities or contingent assets from those disclosed in the annual report for the year ended 30 June 2024.

10. GOING CONCERN BASIS OF ACCOUNTING

The financial report has been prepared on the basis of a going concern.

The consolidated Group incurred a net loss after tax from continuing operations of \$1,729,554 for the six months ended 31 December 2024, and a net cash outflow of \$1,779,853 from operating and investing activities. As at 31 December 2024, the Group had a cash position of \$4,070,697, receivables of \$226,529 and an accrued Research and Development Tax Incentive claim of \$418,294. Additionally, the Company is in the process of completing the second tranche placement of \$4,079,224, following shareholder approval on 20 February 2025.

Accordingly, the Directors believe that it is appropriate to prepare the financial statements on a going concern basis. Therefore, no adjustments have been made to the financial report, as the Group expects to continue its operations as planned.

11. SUBSEQUENT EVENTS

In January 2025, KoBold Metals advised the Company of its withdrawal from the Earn-In and Joint Venture Agreement effective 8 February 2025. As a result, exploration activities in South Korea have now been significantly scaled back. The Company is expediting negotiations for the potential sale of the exploration business, with an update expected in the March quarter.

On 20 February 2025, the Company's shareholders approved the second tranche placement of 291,373,125 shares at \$0.014 per share, to raise approximately \$4 million.

Directors' Declaration

Directors' Declaration for the six months ended 31 December 2024

The Directors of the Company declare that:

- 1) The financial statements and notes, as set out on pages 9 to 18 are in accordance with the Corporations Act 2001, including:
 - a) complying with Accounting Standards AASB 134 Interim Financial Reporting; and
 - b) giving a true and fair view of the consolidated entity's financial position as at 31 December 2024, and of its performance for the half-year ended on that date.
- 2) In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



M McNeilly
Non-Executive Chairman

Adelaide, South Australia
24th day of February 2025

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Independent Auditor's Review Report

To the Members of Iondrive Limited

Report on the half-year financial report

Conclusion

We have reviewed the accompanying half-year financial report of Iondrive Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half year ended on that date, including material accounting policy information, other selected explanatory notes, and the directors' declaration.

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

- a giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- b complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

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

Directors' responsibility for the half-year financial report

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

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



I S Kemp
Partner – Audit & Assurance

Adelaide, 24 February 2025