



VANADIUM RESOURCES LIMITED

ABN 47 618 307 887

FINANCIAL REPORT

FOR THE HALF-YEAR ENDED

31 DECEMBER 2024

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VANADIUM RESOURCES LIMITED

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VANADIUM RESOURCES LIMITED

CORPORATE DIRECTORY

Board of Directors

Mr John Ciganek	Chief Executive Officer and Managing Director
Mr Jurie Wessels	Executive Chairman
Mr Michael Davy	Non-Executive Director

Company Secretary

Ms Kyla Garic

Registered Office and Principal Place of Business

Suite 7, 63 Shepperton Road
Victoria Park WA 6100

Telephone: 08 6158 9990
Website: www.vr8.global

Stock Exchange Listing
Listed on the Australian Securities Exchange (ASX Code: VR8)
Listed on the Frankfurt Stock Exchange (FRA Code: TR3)

Auditors

RSM Australia Partners
Level 32, 2 The Esplanade
Perth WA 6000

Solicitors

Herbert Smith Freehills
ANZ Tower
161 Castlereagh Street
Sydney
NSW 2000

Bankers

National Australia Bank Limited
197 St Georges Terrace
Perth WA 6000

Share Registry

Automic Share Registry
Level 5/191 St Georges Terrace
Perth WA 6000
Telephone: 08 9698 5414

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VANADIUM RESOURCES LIMITED

DIRECTORS' REPORT

The Directors of Vanadium Resources Limited ("**the Company**") present their report, together with the financial statements on the consolidated entity consisting of Vanadium Resources Limited and its controlled entities for the half-year ended 31 December 2024 ("**the Period**").

It is recommended that the Directors' Report be read in conjunction with the annual financial statements for the period ended 30 June 2024 and considered together with any public announcements made by the Company during the Period and up to the date of this report.

DIRECTORS

The names of the Company's Directors who held office from 1 July 2024 until the date of this report are set out below. The Directors were in office for this entire period unless otherwise stated.

Name	Status	Appointment/ Resignation
Mr John Ciganek	Managing Director and Chief Executive Officer	Appointed 18 December 2020
Mr Jurie Hendrik Wessels	Executive Chairman	Appointed on 26 July 2019
Mr Michael Davy	Non-Executive Director	Appointed 1 December 2019

REVIEW OF OPERATIONS AND ACTIVITIES

Steelpoortdrift Vanadium Project

Overview

During the Period, the Company continued to advance its world-class Steelpoortdrift Vanadium Project (the "**Project**") in South Africa.

The Company progressed its pipeline of potential strategic equity investors and offtake partners, with multiple parties expressing interest in the Project's development. VR8 considers several of these parties to be tier-1 organisations¹, and a range of potential development scenarios for the Project has been discussed with these interested parties. The diversity of potential development options for Steelpoortdrift is reflective of the Project's advantages, including the expected versatility of its vanadium ore, its potential to target several value-add downstream markets, its 180-year mine life², lowest quartile operating cost and its strategic location within South Africa's Bushveld complex. While discussions remain ongoing, the level of engagement is encouraging and highlights strong interest in the Project.

The results of a comprehensive internal review of the Steelpoortdrift Definitive Feasibility Study ("**DFS**") were announced during the Period. The review leveraged in-house technical expertise to streamline operations and optimise long-term project performance. The review led to a strategic decision to relocate the Salt Roast Leach ("**SRL**") plant to the Mine and Concentrator site, thereby consolidating operations, eliminating duplicate capital costs and reducing transport requirements. In addition, the construction of the Concentrator and SRL plant was decoupled, which has provided for the potential for early concentrate sales and cash flow generation.

The opportunity to produce up to a 99.5% vanadium pentoxide powder product, suitable for the high-growth Vanadium Flow Battery ("**VFB**") market, was also identified as part of the strategic review, and has become a formal part of the Company's development plans.

¹ VR8 defines a "tier-1 organisation" as one that has significant technical, financial and operational capabilities and a proven track record of successfully delivering large-scale development projects.

² At the proposed mining rates of the Definitive Feasibility Study. Refer to ASX Announcement, 4 October 2022, "DFS delivers A\$1.9Bn NPV confirming World Class Project".

VANADIUM RESOURCES LIMITED

DIRECTORS' REPORT

REVIEW OF OPERATIONS AND ACTIVITIES (continued)

Operationally, activity at Steelpoortdrift slowed as VR8 focused on reducing its expenditure to align with its available cash reserves. Cash reduction measures implemented during the Quarter included pausing certain site expenditures (while retaining key staff), delaying the costs associated with technical due diligence by independent consultants for the debt financing process, and temporarily transitioning VR8 employees and contractors to half-rates of pay until a strategic equity investor is secured for the Project's development.

The decision to slow operational progress and minimise short-term funding requirements was deemed to be appropriate by the Board, given the interest from potential strategic equity investors in the Company's pipeline. The Board believes that one or more of these investors could provide full funding to reach FID and/or contribute construction equity on favourable terms, reducing the dilutionary impact of equity financing and ultimately maximising long-term shareholder value.

While the Board believes its strategy is justified based on current circumstances and the opportunities within its strategic equity pipeline, it cannot provide any assurance regarding the success of its strategy, or the timing associated with securing a strategic equity investor to advance the Project's development. The Board may revise its current strategy if it is deemed appropriate to do so.

EPC-F and Financing Developments

The Company executed a partly binding Memorandum of Understanding ("**MOU**") with China Energy International Group ("**CEIG**"), a subsidiary of China Energy Engineering Corporation ("**CEEC**"), to negotiate Engineering, Procurement, Construction, and Financing ("**EPC-F**") services for the Project. This partnership has the potential to accelerate VR8's ambitions in downstream vanadium alloy markets and renewable energy storage applications. Consequently, VR8 opted to terminate the previously implemented competitive EPC tender process to focus on successfully concluding negotiations with CEIG. Following the end of the Period, the MOU with CEIG was extended to 30 June 2025 to allow for greater time to reach an outcome.

As previously announced³, CEIG is considered an advantageous development partner due to several factors, including its strong in-country presence in South Africa, its expertise in infrastructure and renewable energy project development, and its alignment with the Company's strategic focus on high-growth, high-margin markets such as Vanadium Flow Batteries ("**VFBS**"). The Company continues to believe that fostering a relationship with CEIG and CEEC could accelerate its downstream ambitions, such as the potential to manufacture Ammonium Metavanadate, Vanadium Electrolyte, Vanadium Nitride, Ferrovandium and/or Ilmenite.

VR8 has temporarily paused the work of Valleyspring, the Company's project manager, due to funding constraints, but Valleyspring remains on standby to resume activities once funding allows. Valleyspring is anticipated to collaborate with CEIG and provide support in the overall execution of the Project.

VR8 has continued to engage with a leading European bank regarding potential debt financing. Technical due diligence, including site visits, was postponed due to short-term funding constraints, with plans to resume once strategic equity funding has been secured.

Environmental Authorisation and Water Use Licence Applications

- **Mine and Concentrator**

The Company progressed key approvals during the Period, including the grant of the Water Use Licence ("**WUL**") from the Department of Water and Sanitation ("**DWS**"), a critical milestone for Project development.

Further, the Department of Mineral Resources and Energy ("**DMRE**") granted the Integrated Environmental Authorisation ("**IEA**") for the Mine and Concentrator.

As a result of the relocation of the Concentrator, the Company will be required to file an amendment to the IEA, which will require a Basic Assessment process, expected to take approximately 7 months from inception to the issuance of the IEA. The relocation of the Concentrator will not affect the validity of the WUL.

³ Refer to ASX announcement, 31 October 2024, "Quarterly Activities Report – September 2024"

VANADIUM RESOURCES LIMITED

DIRECTORS' REPORT

REVIEW OF OPERATIONS AND ACTIVITIES (continued)

- **SRL**

The SRL plant and its related activities, now to be at Steelpoortdrift, will need an IEA and WULA. A scoping process and EIA process will be required for the application and the timing for this process is estimated to be between 10 to 12 months. The majority of the engineering work has already been undertaken for the SRL plant and is expected to be readily incorporated on to the Steelpoortdrift site. As a result of all of the above changes, the SRL site will be able to start construction as soon as the IEA and WUL have been granted.

Social Labour Plan and Rezoning Applications

During the Period, the Company received a further directive from the DMRE in relation to the previously submitted Social and Labour Plan ("SLP"). The Company has been working with its consultants and having discussions with the DMRE to address the issues raised and the SLP is now ready for resubmission. This will occur once the local municipality has consented to the Company's proposed schedule of community projects included in the SLP. The DMRE has already approved the schedule of projects.

The application for the rezoning from "Agriculture" to "Special" of a 605-hectare area at Steelpoortdrift is in process. The application was heard at the Sekhukhune District Tribunal in December 2024. Following the Period end, the Company has been informed that the tribunal has approved the application, subject to certain conditions. The area under consideration incorporates the proposed sites of the Mine, Concentrator and SRL. Additional rezoning applications for land outside that area to be used for the tailings plant, as well as office, a medical clinic, change houses and parking will be made in due course.

Corporate and Financial Position

On 25 September 2024, the Company lodged its Corporate Governance Statement and Appendix 4G for the financial year ended 30 June 2024, in compliance with ASX Listing Rules and corporate governance principles.

On 28 November 2024, the Company held its Annual General Meeting ("AGM"), with all resolutions successfully passing.

As of 31 December 2024, VR8 and its subsidiaries held total cash and cash equivalents of \$146,799. A total of \$1.26 million was spent on exploration and development activities during the half-year period. The Company did not incur expenditure for mining production activities.

Following the end of the Period, the Company announced an issue of convertible loan notes to raise a total of A\$783,000 in both cash (\$645,000) and through the conversion of outstanding advisory fees (\$138,000). Receipt of \$150,000 of the cash proceeds, to be subscribed by two of the Directors, is conditional on the approval of shareholders at a general meeting expected to be held in April 2024. The funding will provide working capital for the Company as it continues to advance discussions for strategic equity and offtake.

MINERAL RESOURCE AND ORE RESERVES

Mineral Resource

The Mineral Resource has been classified in the Measured, Indicated and Inferred categories, in accordance with 2012 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("JORC Code, 2012"). The Mineral Resources amount to 680Mt, averaging 0.70% V₂O₅ at a cut-off grade of 0.45% V₂O₅.

Table 1: Mineral Resource Estimate (as at 30 April 2022)

CLASSIFICATION	VOLUME (M m ³)	QUANTITY (Mt)	QUALITY (% V ₂ O ₅ In-situ)	CONTAINED V ₂ O ₅ (Mt)	QUALITY (% Fe ₂ O In-Situ)	CONTAINED Fe ₂ O (Mt)
Measured	43.77	145.46	0.72	1.05	22.47	32.68
Indicated	98.75	327.29	0.70	2.29	22.80	74.62
Inferred	63.41	207.38	0.68	1.40	22.90	47.49
Total Mineral Resource	205.93	680.13	0.70	4.74	22.76	154.80

Source: Sound Mining International SA (Pty) Limited, Steelpoortdrift Vanadium Project Mineral Resource Estimate Report, 30 April 2022

Notes:

VANADIUM RESOURCES LIMITED

DIRECTORS' REPORT

MINERAL RESOURCE AND ORE RESERVES (continued)

- Stated at a cut-off grade of 0.45% V₂O₅;
- The Mineral Resources are stated on a 100% attributable basis for Vanadium Resources (Pty) Limited ("VanRes"), of which VR8 owns 86.49%;
- The Mineral Resources are inclusive of Ore Reserves; and
- Reported in-situ with any apparent computational errors due to rounding not considered significant.

Ore Reserves

The Ore Reserves for the Steelpoortdrift Project amounts to 77Mt at an average grade of 0.72% V₂O₅ with 30Mt of Proved Ore Reserves at an average grade of 0.70% V₂O₅ and 47Mt of Probable Ore Reserves at an average grade of 0.72% V₂O₅. Table 2 below show the Ore Reserves statement as at 30 September 2022.

Table 2: SPD Project Ore Reserve (as at 30 September 2022)

CLASSIFICATION	QUANTITY (Mt)	QUALITY (% V ₂ O ₅ RoM)	CONTAINED V ₂ O ₅ (Mt)
Proved Ore Reserves	30.23	0.70%	0.21
Probable Ore Reserves	46.62	0.72%	0.34
Total Ore Reserves	76.86	0.72%	0.55

Source: Sound Mining, 2022

Notes:

- The Ore Reserves are stated at a price of USD9.50/lb;
- The Ore Reserves are stated on a 100% attributable basis for VanRes, of which VR8 is owns 86.49%;
- The LoM was restricted to a production forecast of 25 years whereafter the mining licence will need to be renewed;
- The Ore Reserves are reported at the point of delivery for processing;
- The Quantity is reported in metric tonnes and the grade reported as a percentage of contained V₂O₅;
- Any apparent computational errors due to rounding are not considered significant;
- The Ore Reserves may be subject to legal, political, environmental or other risks;
- Losses that could occur as a result of transportation of content or Flake are considered to be negligible; and
- 39% of the Ore Reserves are in the Proved category and no Inferred Mineral Resources included in the Ore Reserve estimate.

Competent Person's Statement and Compliance Statements

The information in the announcements referenced below that relates to Exploration Results, including the Mineral Resources contained within the Production Target (and forecast financial information derived from the production targets) at the Steelpoortdrift project has previously been released to the ASX. The Company confirms that it is not aware of any information or data that materially affects the information included in the market announcement, and that all material assumptions and technical parameters underpinning the announcement continue to apply. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Mineral Resources

The Company confirms it is not aware of any new information or data that materially affects the information included in the 4 October 2022 (VR8 updated mineral resource and ore reserve for the Steelpoortdrift Vanadium Project) vanadium resource estimate and all material assumptions and technical parameters underpinning the estimate continue to apply and have not materially changed when referring to its resource announcement made on 4 October 2022. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Ore Reserves

The Company confirms that it is not aware of any new information or data that materially affects the information included in the Ore Reserves Statement and that all material assumptions and technical parameters underpinning the estimates in the Ore Reserves Statement continue to apply and have not materially changed. The Information that has been presented in this report has been extracted from the announcement dated 4 October 2022 (VR8 updated mineral resource and ore reserve for the

VANADIUM RESOURCES LIMITED

DIRECTORS' REPORT

MINERAL RESOURCE AND ORE RESERVES (continued)

Steelpoortdrift Vanadium Project). The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

SIGNIFICANT CHANGES TO THE STATE OF AFFAIRS

Refer to the Review of Operations and Activities above for the significant changes in the state of affairs of the consolidated entity during the half year.

FINANCIAL RESULTS

The financial results of the consolidated entity for the half-year ended 31 December 2024 are:

	31 December 2024	30 June 2024
Cash and cash equivalents (\$)	146,894	1,915,118
Net assets (\$)	28,956,498	29,527,369

	31 December 2024	31 December 2023
Net loss after tax and non-controlling interest (\$)	(1,143,292)	(1,601,105)
Loss per share (cents)	(0.20)	(0.30)

EVENTS OCCURRING AFTER REPORTING DATE

Following the end of the Interim Period, the Company announced an issue of convertible loan notes to raise a total of A\$783,000 in both cash \$645,000 and through the conversion of outstanding advisory fees \$138,000. Receipt of \$150,000 of the cash proceeds, to be subscribed by two of the Directors, is conditional on the approval of shareholders at a general meeting expected to be held in April 2025. The funding will provide working capital for the Company as it continues to advance discussions for strategic equity and offtake.

Following the end of the Interim Period, on 24 February 2025, the Company announced an extension of the partly-binding Memorandum of Understanding with China Energy International Group Co. Limited until 30 June 2025.

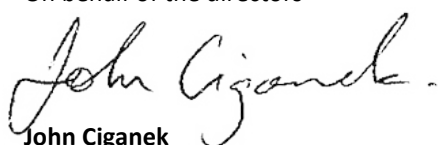
There are no other matters or circumstances which have arisen since the end of the half-year which significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in subsequent financial periods.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration under s 307C of the Corporations Act 2001 is set out on page 9 for the half-year ended 31 December 2024.

This report is signed in accordance with a resolution of the Board of Directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



John Ciganek
Managing Director

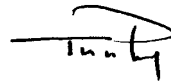
6 March 2025

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Vanadium Resources Limited for the half-year ended 31 December 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 review; and
- (ii) any applicable code of professional conduct in relation to the review.

RSM
RSM AUSTRALIA



TUTU PHONG
Partner

Perth, WA
Dated: 6 March 2025

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VANADIUM RESOURCES LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Note	31 December 2024 \$	31 December 2023 \$
Revenue from continuing operations			
Other income		18,363	77,894
Expenses			
Company secretary and financial management		(30,591)	(24,000)
Consulting and legal fees		(39,700)	(171,310)
Depreciation expenses		(5,635)	(5,781)
Directors' fees		(112,112)	(18,000)
Other expenses		(321,858)	(374,736)
Professional fees		(78,747)	(164,546)
Salaries and wages		(210,505)	(345,665)
Share and company registry fees		(46,067)	(60,498)
Share based payments		(330,502)	(544,922)
Loss from continuing operations before income tax		(1,157,354)	(1,631,564)
Income tax expense		-	-
Loss from continuing operations after income tax		(1,157,354)	(1,631,564)
Other comprehensive loss			
<i>Items that may be reclassified subsequently to profit and loss</i>			
Foreign currency transactions		255,981	(94,683)
Other comprehensive income for the half-year, net of tax		255,981	(94,683)
Total comprehensive loss for the year		(901,373)	(1,726,247)
Loss for the year attributable to:			
Owners of Vanadium Resources Limited		(1,143,292)	(1,601,105)
Non-controlling interest		(14,062)	(30,459)
		(1,157,354)	(1,631,564)
Total comprehensive loss attributable to:			
Owners of Vanadium Resources Limited		(921,894)	(1,671,123)
Non-controlling interest		20,521	(55,124)
		(901,373)	(1,726,247)
Loss per share for the half-year attributable to the members of Vanadium Resources Limited:			
Basic and diluted loss per share	6	(0.20)	(0.30)

The Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the notes to the financial statements.

VANADIUM RESOURCES LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

	Note	31 December 2024 \$	30 June 2024 \$
ASSETS			
Current Assets			
Cash and cash equivalents		146,894	1,915,118
Trade and other receivables		67,661	95,562
Total Current Assets		214,555	2,010,680
Non-Current Assets			
Exploration and evaluation assets	5	29,266,146	28,125,194
Rehabilitation bond		130,837	66,257
Plant and equipment		19,527	25,163
Other financial assets		4,282	4,124
Total Non-Current Assets		29,420,792	28,220,738
TOTAL ASSETS		29,635,347	30,231,418
LIABILITIES			
Current Liabilities			
Trade and other payables		413,883	448,819
Borrowings		171,880	165,564
Total Current Liabilities		585,763	614,383
Non-Current Liabilities			
Environmental rehabilitation liabilities		93,086	89,666
Total Non-Current Liabilities		93,086	89,666
TOTAL LIABILITIES		678,849	704,049
NET ASSETS		28,956,498	29,527,369
EQUITY			
Issued capital	7	38,076,126	38,076,126
Reserves		753,950	202,050
Accumulated losses		(9,596,229)	(8,452,937)
Equity attributable to the owners of Vanadium Resources Limited		29,233,847	29,825,239
Non-controlling interest		(277,349)	(297,870)
TOTAL EQUITY		28,956,498	29,527,369

The Consolidated Statement of Financial Position should be read in conjunction with the notes to the financial statements.

VANADIUM RESOURCES LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	Issued Capital	Reserves	Accumulated Losses	Non-controlling Interest	Total Equity
	\$	\$		\$	\$
At 1 July 2024	38,076,126	202,050	(8,452,937)	(297,870)	29,527,369
Loss for the period		-	(1,143,292)	(14,062)	(1,157,354)
Other comprehensive loss		221,398	-	34,583	255,981
Total comprehensive loss for the half-year after tax		221,398	(1,143,292)	20,521	(901,373)
Transactions with owners in their capacity as owners:					
Amortisation of performance rights and options		330,502	-	-	330,502
Balance at 31 December 2024	38,076,126	753,950	(9,596,229)	(277,349)	29,956,498
At 1 July 2023	37,055,457	450,514	(6,493,958)	(515,650)	30,496,363
Loss for the period	-	-	(1,601,105)	(30,459)	(1,631,564)
Other comprehensive loss	-	(70,018)	-	(24,665)	(94,683)
Total comprehensive loss for the half-year after tax	-	(70,018)	(1,601,105)	(55,124)	(1,726,247)
Transactions with owners in their capacity as owners:					
Change in ownership interest	-	(271,455)	-	271,455	-
Shares issued	1,018,344	-	-	-	1,018,344
Amortisation of performance rights and options	-	544,952	-	-	544,952
Balance at 31 December 2023	38,073,801	653,993	(8,095,063)	(299,319)	30,333,412

The Consolidated Statement of Changes in Equity should be read in conjunction with the notes to the financial statements.

VANADIUM RESOURCES LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	31 December 2024 \$	31 December 2023 \$
Cash flows from operating activities		
Payments to suppliers and employees	(518,323)	(929,467)
Interest received	15,921	77,894
GST refund	72,217	100,594
Net cash flows used in operating activities	(430,185)	(750,979)
Cash flows from investing activities		
Payments for capitalised exploration and evaluation	(1,338,039)	(1,272,722)
Purchase of plant and equipment	-	(1,973)
Movement in term deposits	-	398,475
Net cash flows used in investing activities	(1,338,039)	(876,220)
Cash flows from financing activities		
Proceeds from the issue of options	-	673
Repayment of borrowings	-	(398,475)
Net cash flows provided by financing activities	-	(397,802)
Net decrease in cash and cash equivalents	(1,768,224)	(2,025,001)
Cash and cash equivalents at the beginning of the period	1,915,118	6,097,033
Cash and cash equivalents at the end of the period	146,894	4,072,032

The Consolidated Statement of Cash Flows should be read in conjunction with the notes to the financial statements.

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NOTE 1: MATERIAL ACCOUNTING POLICY INFORMATION

These general purpose financial statements for the interim half-year reporting period ended 31 December 2024 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the policies stated below.

Significant accounting judgements and key estimates

The preparation of the interim financial report requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expense. Actual results may differ from these estimates.

In preparing this interim financial report, the significant judgments made by management in applying the consolidated entity's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 30 June 2024.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going Concern

These financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the consolidated entity incurred a loss of \$1,157,354 and had net cash outflows from operating and investing activities of \$430,185 and \$1,338,039 respectively for the half-year ended 31 December 2024. As at that date, the consolidated entity had net current liabilities of \$371,208 and net assets of \$28,956,498.

The Directors believe that there are reasonable grounds to believe that the consolidated entity will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following factors:

- The Company's ability to issue additional shares under the *Corporations Act 2001* to raise further working capital; and
- The consolidated entity has the ability to scale down its operations in order to curtail expenditure, so as to ensure that the cash available is sufficient to meet projected expenditure.

Accordingly, the Directors believe that the consolidated entity will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

Should the consolidated entity not achieve the matters set out above there exists a material uncertainty that may cast significant doubt on the consolidated entity's ability to continue as a going concern and therefore they may be unable to realise their assets and extinguish their liabilities in the normal course of business and at the amounts stated in the financial report. The financial report does not include any adjustment relating to the recoverability or classification of recorded asset amounts or to the amounts or classification of liabilities that might be necessary should the consolidated entity not able to continue as a going concern.

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VANADIUM RESOURCES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

NOTE 2: DIVIDENDS

No dividends were paid or proposed to be paid to members during the half-year ended 31 December 2024 (31 December 2023: nil).

NOTE 3: OPERATING SEGMENTS

The consolidated entity operates as one segment, which is the mineral exploration in South Africa.

NOTE 4: CONTINGENCIES AND COMMITMENTS

There are no material changes in the consolidated entity's contingencies and commitments from 30 June 2024.

NOTE 5: EXPLORATION AND EVALUATION ASSETS

	31 December 2024	30 June 2024
Balance at beginning of the year	28,125,194	24,823,345
Exploration and expenditure assets acquired	-	1,018,351
Exploration and expenditure assets incurred	1,138,155	2,210,189
Rehabilitation asset recognised	-	73,309
Foreign exchange	2,797	-
Balance at end of the year	29,266,146	28,125,194

NOTE 6: LOSS PER SHARE

Basic loss per share is calculated by dividing net loss for the 6-months attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the half-year.

Diluted loss per share is calculated by dividing the net loss attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the 6 months plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

	31 December 2024	31 December 2023
Net loss for the period attributable to owners	\$ (1,143,292)	\$ (1,601,105)
Weighted average number of ordinary shares for basic and diluted loss per share	562,625,204	540,460,721

Options on issue are considered anti-dilutive to the earnings per share as the Company is in a loss-making position.

Continuing operations		
• Basic and diluted loss per share (cents)	(0.20)	(0.30)

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VANADIUM RESOURCES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

NOTE 7: ISSUED CAPITAL

	31 December 2024		30 June 2024	
	No. of Shares	\$	No. of Shares	\$
Ordinary shares – fully paid	562,625,204	38,076,126	562,625,204	38,076,126

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the share held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital. On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Movement reconciliation	Number	\$
Balance at 1 July 2024	560,300,204	38,076,126
Balance at 31 December 2024	560,300,204	38,076,126

NOTE 8: EVENTS AFTER THE END OF THE INTERIM PERIOD

Following the end of the Interim Period, the Company announced an issue of convertible loan notes to raise a total of A\$783,000 in both cash \$645,000 and through the conversion of outstanding advisory fees \$138,000. Receipt of \$150,000 of the cash proceeds, to be subscribed by two of the Directors, is conditional on the approval of shareholders at a general meeting expected to be held in April 2025. The funding will provide working capital for the Company as it continues to advance discussions for strategic equity and offtake.

Following the end of the Interim Period, on 24 February 2025, the Company announced an extension of the partly-binding Memorandum of Understanding with China Energy International Group Co. Limited until 30 June 2025.

There are no other matters or circumstances which have arisen since the end of the half-year which significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in subsequent financial periods.

VANADIUM RESOURCES LIMITED

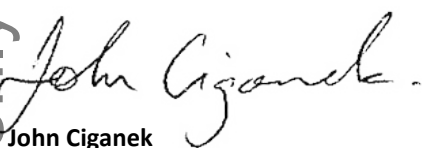
DIRECTORS' DECLARATION FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

On behalf of the directors



John Ciganek
Managing Director

6 March 2025

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

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Vanadium Resources Limited (the Company) and its controlled entities (the Consolidated Entity), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising material accounting policy information and other explanatory information, and the directors' declaration of the Consolidated Entity comprising the Company and the entities it controlled at the half-year end or from time to time during the half-year.

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

- (a) giving a true and fair view of the Consolidated Entity's 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 *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 Consolidated Entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (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.

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

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Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the half-year financial report, which indicates that the Consolidated Entity incurred a net loss of \$1,157,354 and had net cash outflows from operating and investing activities of \$430,185 and \$1,338,039, respectively, for the half-year ended 31 December 2024. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Directors' Responsibility for the Half-Year Financial Report

The directors of Vanadium Resources Limited 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 is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Half-Year 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 Consolidated Entity'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*.

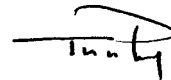
A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards 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.

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Perth, WA
Dated: 6 March 2025

A stylized, handwritten signature of "RSM" in blue ink.

RSM AUSTRALIA

A handwritten signature in blue ink, appearing to read "Tutu Phong".

TUTU PHONG
Partner

