



ZENITH
MINERALS

Consolidated Interim Financial Report

of

Zenith Minerals Limited

ABN 96 119 397 938

for the Half-Year Ended

31 December 2024

For personal use only

Contents

| | |
|---|----|
| Corporate Information..... | 1 |
| DIRECTORS' REPORT | 2 |
| AUDITOR'S INDEPENDENCE DECLARATION | 19 |
| Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income | 20 |
| Condensed Consolidated Statement of Financial Position | 21 |
| Condensed Consolidated Statement of Changes in Equity | 22 |
| Condensed Consolidated Statement of Cash Flows | 23 |
| For the Half-Year ended 31 December 2024..... | 23 |
| Notes to the Condensed Consolidated Financial Report..... | 24 |
| Directors' Declaration..... | 33 |
| INDEPENDENT AUDITOR'S REVIEW REPORT | 34 |

Corporate Information

Directors

Andrew R H Smith - Managing Director
Stanley A Macdonald - Non-Executive Director
Geoffrey J Rogers - Non-Executive Director
Andrew D Grove - Non-Executive Director
Euan Jenkins – Non-Executive Director

Company Secretary

Nicholas Ong

Chief Financial Officer

Nicholas Bishop

Registered Office and Principal Place of Business

Level 2, 33 Ord Street
WEST PERTH WA 6005
PO Box 1426
WEST PERTH WA 6872
Telephone: +61 8 9226 1110
Email: info@zenithminerals.com.au
Website: www.zenithminerals.com.au

Auditors

PKF Perth
Level 8, 905 Hay Street
PERTH WA 6000
Telephone: +61 8 9426 8999
Facsimile: +61 8 9426 8900

Share Registry

Automic Group
Level 5, 126 Phillip Street
SYDNEY NSW 2000
Level 5, 191 St Georges Terrace
PERTH WA 6000
GPO Box 5193
SYDNEY NSW 2001
Telephone: 1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)
Email: hello@automicgroup.com.au
Website: www.automicgroup.com.au/

Securities Exchange Listing

Australian Securities Exchange
Home Exchange: Perth, Western Australia

ASX Code: ZNC

DIRECTORS' REPORT

Zenith Minerals Limited has made substantial progress across its gold and battery metals portfolio, positioning itself for further growth in 2025. The Company's focus remains on advancing high-value assets through targeted exploration, resource expansion, and strategic corporate initiatives. Over the reporting period, Zenith strengthened its financial position and secured additional funding to accelerate its key projects.



Figure 1: Zenith's Australian Based Projects

Gold Portfolio

Zenith's gold assets remain a core focus, with key advancements at Dulcie Far North (DFN) and Red Mountain, reinforcing their potential as significant future gold operations.

At DFN, drilling completed in 2024 resulted in a 40% increase in the JORC Inferred Mineral Resource, now standing at 5.14 Mt @ 1.30 g/t Au for 210,000 ounces of gold. (See ASX Release 12/17th of December) The discovery of a new footwall lode, including an intersection of 10m @ 2.00 g/t Au from 75m (See ASX Release 28th November 2024) signals further upside potential. Following this success, Zenith commenced an aggressive 35-hole Reverse Circulation (RC) drill program in February 2025 (post-reporting period) to extend mineralisation along strike and at depth, test additional structural controls, and improve resource classification. The project continues to benefit from strong infrastructure access, providing optionality for toll treatment or future standalone development.

At Red Mountain in Queensland, drilling during the period confirmed the presence of a Mt Wright-style Intrusion-Related Gold System (IRGS), strengthening the potential for a large-scale gold system. Significant gold intercepts were returned in late 2024, including 23m @ 1.49 g/t Au from 48m and 4m @ 4.45 g/t Au from 122m, providing a strong basis for future exploration (See ASX Release 20th January 2025). Post the reporting period, an independent geological review by RSC Consulting reinforced the structural and geochemical similarities to known large-scale IRGS deposits, guiding the next phase of deep diamond drilling to target prospective mineralisation at depth.

For personal use only

Beyond its flagship projects, Zenith has also continued exploration at its broader Split Rocks tenure, where a review of historical data has generated multiple new gold targets. Surface sampling, drill testing, and geophysical analysis is proposed to refine these prospects and identify further growth opportunities.

Battery Metals Portfolio

Zenith has continued to advance its lithium assets, with Split Rocks and Waratah Well identified as key components of its strategy to align with the growing demand for battery minerals.

At Waratah Well, prior exploration has confirmed high-grade lithium mineralisation, with petalite-rich pegmatites intersected in the northern part of a 4km dyke swarm. In recognition of the project's importance, the Western Australian Government awarded Zenith an \$85,000 Exploration Incentive Scheme (EIS) grant to co-fund drilling activities, with the next phase focused on expanding the mineralised footprint.

Earaheedy Zinc Joint Venture

Zenith's 25% free-carried interest in the Earahedy Zinc Joint Venture with Rumble Resources continues to add value, with metallurgical test work confirming the feasibility of producing a high-grade bulk concentrate. A scoping study is proposed to assess the economic viability of this significant base metals asset.

Corporate Developments

Zenith remains financially robust, having completed a successful capital raise of \$2.48 million, which has strengthened its balance sheet and provided the flexibility to advance its exploration programs.

Outlook for 2025

The coming months will see ongoing drilling at DFN, with the first results expected by the end of March 2025. Deep diamond drilling at Red Mountain will then target the breccia pipe, refining the geological model and unlocking further upside potential. Regional gold exploration at Split Rocks is set to accelerate, while the lithium drilling programs at Split Rocks and Waratah Well is under consideration for middle of 2025.

With a strong cash position of \$2.39M as at 31/12/2024 and a clear strategy to unlock value across its portfolio, Zenith Minerals is well-positioned for an active and value-accretive year ahead.

Gold prices remain strong, consistently trading above **US\$2,000/oz**, creating a favourable environment for resource growth at **DFN** and regional expansion. In contrast, lithium prices have been volatile, but supply rationalisation and long-term EV demand are expected to drive recovery, reinforcing **Waratah Well's** and Split Rocks' Lithium strategic value in a shifting market.

Directors

The names of the Directors of the Company during the whole of the half-year and up to the date of this report, unless otherwise stated are:

| | | |
|---------------------|---|---|
| Michael J Clifford | - | Managing Director & CEO (resigned 31 July 2024) |
| Andrew R H Smith | - | Managing Director & CEO (appointed 31 July 2024) |
| Stanley A Macdonald | - | Non-Executive Director |
| Geoffrey J Rogers | - | Non-Executive Director |
| Andrew D Grove | - | Non-Executive Director |
| Euan Jenkins | - | Non-Executive Director (appointed 16 December 2024) |

Company Secretary

Nicholas Ong

-Gold Projects-

During the six-months period ending 31 December 2024, Zenith Minerals focused on advancing its two 100% owned gold projects, Dulcie Far North and Red Mountain. Field-based activities, including drilling, were conducted across both projects, aimed at expanding existing resources and unlocking additional value from these highly prospective gold zones.



Figure 2: Zenith's Australian Gold Projects

1. ASX Releases: 14-Jun-2022 & 25-Jan-2023
2. ASX Release: 3-Aug-2020 & 29-Aug-2023
3. ASX Release: 5-Oct-2022

DULCIE FAR NORTH (DFN) – WESTERN AUSTRALIA (ZENITH 100%)

The Dulcie Far North (DFN) Gold Project, 100% owned by Zenith Minerals, is situated within the Southern Cross-Forrestania Greenstone Belt, approximately 400 km east of Perth, Western Australia, see Figure 3. This region is known for its multi-million-ounce gold endowment, with sealed road access providing a direct link to infrastructure, including the Barto Gold Processing Plant at Marvel Loch, offering potential toll treatment opportunities. The recent sealing of the Forrestania Road by Covalent has further improved project logistics, enhancing future development options.

During the half year, Zenith completed a 17-hole Reverse Circulation (RC) drilling program totalling 2,268 metres. This campaign focused on unclassified mineralised zones and high-grade targets identified in prior exploration. Results released to the ASX on 12th December 2024 confirmed a 40% increase in the JORC 2012 Inferred Mineral Resource, now standing at **5.1Mt @ 1.3 g/t Au for 210,000** ounces of gold (See ASX Announcement 12th December 2024), and Table 1.

Table 1: Inferred Mineral Resource for Dulcie Far North as at 8 December (0.5 g/t Au cut-off by weathering zone)

| Weathering Zone | Tonnes Mt | Bulk Density t/m ³ | Gold Au g/t | Metal Au koz |
|-----------------|-------------|-------------------------------|-------------|--------------|
| Oxide | 0.30 | 1.70 | 1.14 | 11 |
| Saprolite | 0.64 | 1.70 | 1.18 | 24 |
| Fresh | 4.20 | 3.00 | 1.33 | 179 |
| Total | 5.14 | 2.63 | 1.30 | 214 |

For personal use only

The resource upgrade underscores the project's potential as a cornerstone of Zenith's gold portfolio. Efforts included heritage surveys and securing Program of Work (POW) approval to ensure the successful execution of the campaign. The new resource estimate reflects the Company's commitment to resource expansion and highlights the opportunity for further drilling to unlock additional value.

The DFN project is located on a granted mining lease (M77/1292) and benefits from excellent infrastructure, including proximity to underutilised gold processing facilities just 35 km to the north, offering strategic opportunities for toll treatment.

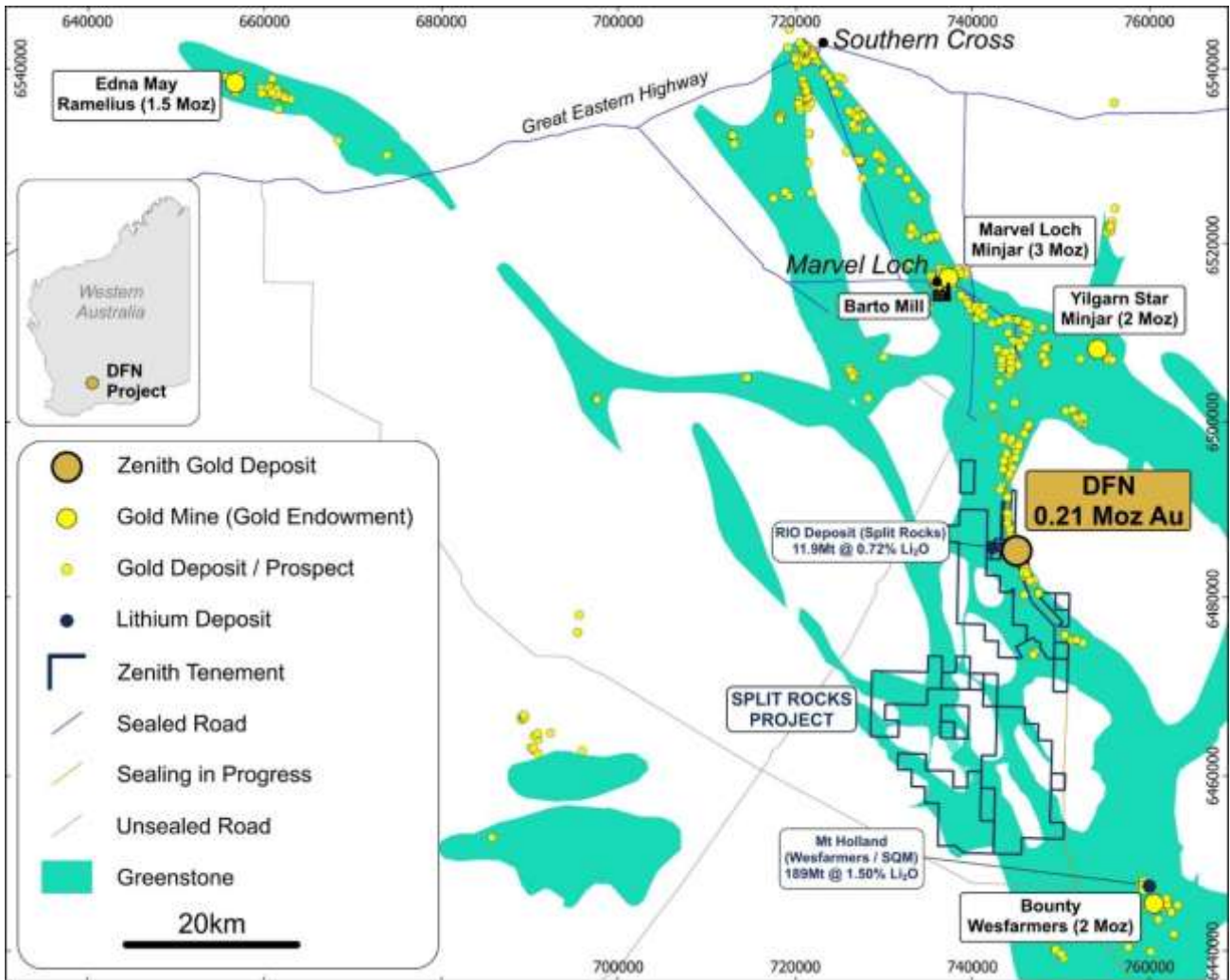


Figure 3: Location of Dulcie Far North Gold Project

Significant intercepts⁽³⁾ from the Q4 2024 Drilling include:

- **SRRC035: 10m @ 2.00 g/t Au from 75m, including 4m @ 4.58 g/t Au from 78m**
- **SRRC033: 3m @ 5.51 g/t Au from 104m, including 2m @ 8.07 g/t Au from 105m**
- **SRRC030: 11m @ 1.30 g/t Au from 77m**

⁽³⁾ ZNC ASX Release 28th November 2024

Previous significant intersections⁽²⁾ included:

- **19m @ 1.9 g/t Au from 102m in SRRC020, including 4m @ 6.4 g/t Au from 110m**
- **12m @ 6.1 g/t Au from 108m in SRRC018, including 5m @ 10.5 g/t Au from 113m**
- **7m @ 7.8 g/t Au from 90m in ZDRC090, including 5m @ 10.6 g/t Au from 91m**
- **8m @ 4.2 g/t Au from 99m in ZDRC098, including 3m @ 10.7 g/t Au from 103m**
- **5m @ 7.4 g/t Au from 47m in ZDRC095**
- **9m @ 2.0 g/t Au from 57m in ZDRC095**

Next Steps:

Zenith Minerals is advancing the DFN Gold Project with a 35-hole Reverse Circulation (RC) drill program, which began in February 2025. This campaign aims to expand known mineralisation, upgrade resource confidence, and test newly identified high-grade footwall lodes.

Beyond the current drill program, Zenith is actively advancing regional gold targets within its 100%-owned Split Rocks tenure. A comprehensive target ranking process is underway, integrating historical surface sampling, drill data, and geophysical surveys to identify high-priority areas for follow-up exploration. Many historical drill holes were shallow, primarily testing laterite gold, leaving deeper zones largely untested.

To maximise existing data, the Company is re-assaying for gold surface samples previously collected for lithium exploration, providing further insights into these under-explored areas. Field mapping and additional surface sampling programs are also being proposed to refine target areas.

The Company is in the early stage of assessing a standalone processing or toll treatment options with nearby gold plants. Additionally, Zenith is actively reviewing regional acquisition opportunities to consolidate and expand its gold portfolio, strengthening DFN's long-term development potential.

RED MOUNTAIN GOLD-SILVER PROJECT – QUEENSLAND (ZENITH 100%)

Unlocking a tier-1 gold discovery: Zenith Minerals continues to make exciting advancements at the Red Mountain Gold Project in Queensland, solidifying its position as a significant gold discovery. An Independent technical review performed by RCS has confirmed that Red Mountain exhibits the hallmarks of a Mt Wright-style Intrusion-Related Gold System (IRGS), positioning it as one of the most promising gold projects in the region.¹

Highlights:

- **IRGS Model Confirmed:** Red Mountain is shaping up as a potentially vertically extensive IRGS, comparable to Mt Wright and Cracow.
- **Expanding High-Grade Gold Zones:** Significant drill intercepts reinforce strong mineralisation continuity at depth and along strike.
- **Multi-Million Ounce Potential:** Red Mountain sits in a Tier-1 gold province, within the prolific Auburn Arch, home to multiple +1Moz deposits.
- **Government Grant Application:** Up to \$250,000 sought to support deep drilling, with further exploration targeting the deeper “gold window.”

Exceptional Drill Results: Recent drilling has continued to deliver high-grade gold and silver results, reinforcing Red Mountain's potential as a large-scale gold system:

Early Zenith shallow RC drilling produced the following high-grade **gold intercepts**, reported at a **0.3 g/t Au cut-off**²:

- 13m @ **8.0 g/t Au** from surface, incl 6m @ **16.7 g/t Au** from surface (ZMRM001)
- 15m @ **3.5 g/t Au** from 57m, incl 2m @ **22.4 g/t Au** from 70m (ZMRM019)

¹ See ASX Release 20 Feb 2025

² See ASX Releases 30 Nov 2020 & 14 Apr 2021

- 12m @ **4.9 g/t Au** from 102m, incl 6m @ **9.4 g/t Au** from 103m (ZRMRC021)
- 5m @ **10.4 g/t Au** from 67m, incl 1m @ **49.9 g/t Au** from 67m (ZRMRC023), and
- 7.7m @ **4.4 g/t Au** from 63m, incl 1m @ **19.3 g/t Au** from 63m (ZRMCD041)

Deeper drilling in 2023 confirmed the continuity (See cross section Figure 4)³:

- 129m @ **0.51 g/t Au + 11.9 g/t Ag** from 225m in (ZRMDD052; 0.1g/t Au cut-off), including:
 - 12m @ **1.36 g/t Au**, and
 - 9m @ **1.24 g/t Au**

New Key Gold Intercepts (2024 Drilling Campaign during the reporting period)⁴:

- 23m @ **1.49 g/t Au** from 48m, incl 2m @ **11.3 g/t Au** from 55m (ZRMRC055)
- 4m @ **4.45 g/t Au** from 122m incl 2m @ **8.11 g/t Au** from 122m (ZRMRC056)
- 3m @ **1.00 g/t Au** from 90m incl 1m @ **1.69 g/t Au** from 91m (ZRMRC053)

Next Steps – Targeting the Deeper Gold Window: Zenith Minerals is advancing a major exploration initiative at Red Mountain, with key priorities including:

- **Deep diamond drilling** to test for a Mt Wright-style magmatic cupola at depth.
- **Step-out RC drilling** to further define the mineralisation envelope.
- **Government co-funding application** to support expanded geophysical studies and deep drilling campaigns.

³ ASX: ZNC -29-August 2023; 11-Nov 2024

⁴ See ASX Release 20 Jan 2025. Note: Significant intervals reported as values greater than 0.3 g/t Au cutoff with no more than 2m internal dilution and rounded to 2 decimal places. True widths are estimated to be ~90% of reported downhole intersections.

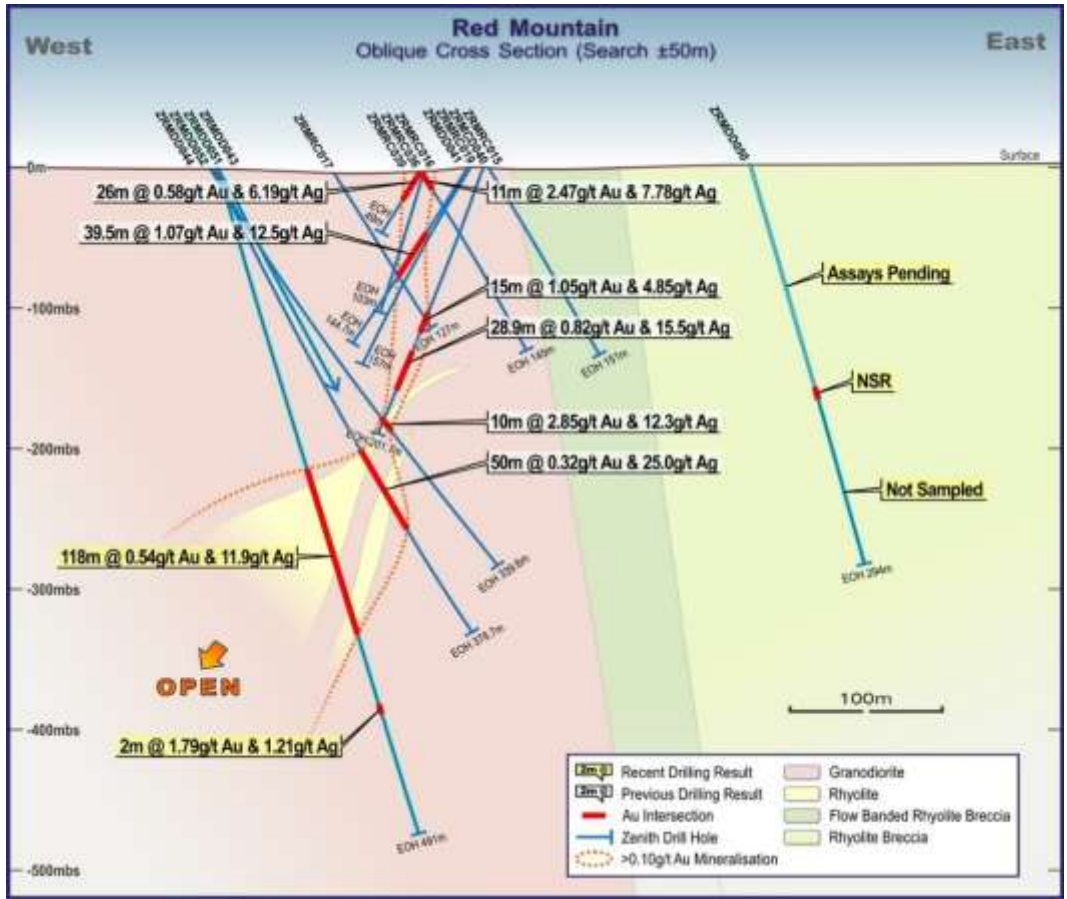


Figure 4: Cross Section through ZRMDD050 – ZRMDD052, using a 0.10 g/t Au lower cut-off

With all indicators pointing to a significant, large-scale gold system, Red Mountain is emerging as a cornerstone asset in Zenith’s growing portfolio. The Company is well-positioned to accelerate its exploration efforts and unlock the full value of this exciting discovery.

COWARRA GOLD PROJECT – NEW SOUTH WALES (OWNED BY OXLEY RESOURCES - ZENITH ~27%)

Zenith Minerals holds an **indirect interest** in the **Cowarra Gold Project** through our ~26% stake in **Oxley Resources**. The project is located within the highly prospective **Lachlan Orogen** in New South Wales, a region renowned for hosting significant gold deposits, (see Figure 5). Cowarra comprises multiple gold zones associated with extensive shear zones, providing excellent potential for both near-surface and deeper gold mineralisation.

Historical production from Cowarra includes approximately **14,000 oz of gold** mined by BHP in the 1930s and **19,300 oz** produced by Horizon Pacific in the 1980s, with average grades of **6-8 g/t Au**.

Recent exploration has focused on defining high-grade gold shoots within a mineralised corridor that has seen only limited drilling. Surface analyses and **Induced Polarisation (IP) surveys** (see Figure 6) have identified numerous drill targets that remain open at depth and along strike, offering significant resource expansion potential.



Figure 5: Map showing the location of the Cowarra Gold Project, where the host rocks and structural setting are similar to those of major Victorian gold deposits, highlighting its potential for significant gold mineralisation.

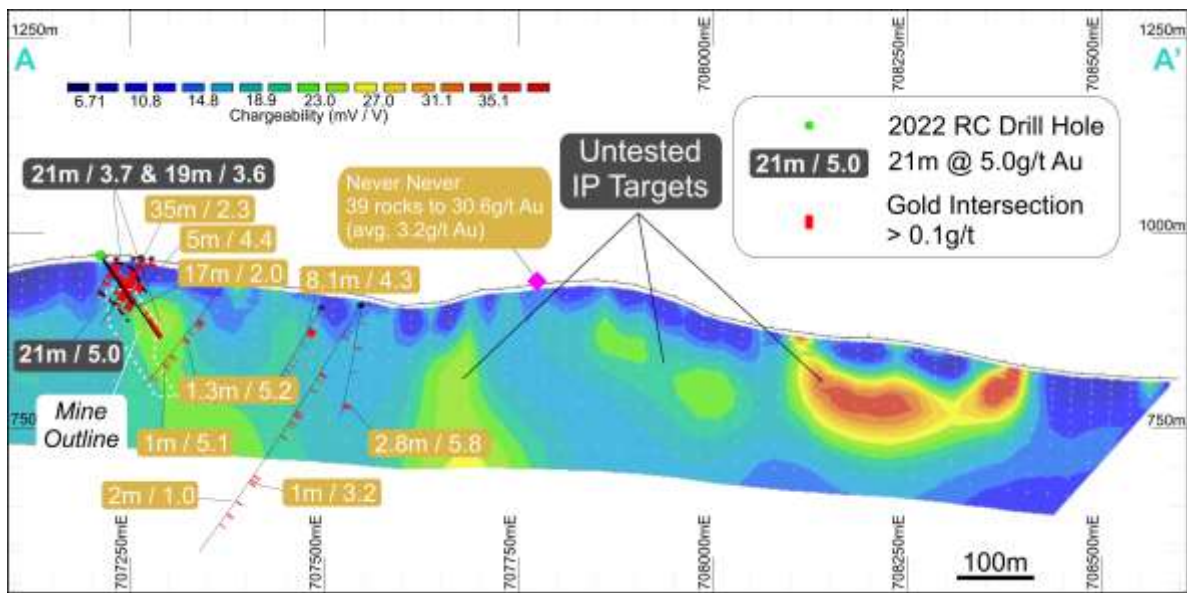


Figure 6: IP geophysics technique indicates multiple untested targets

Oxley is actively working with consultants to complete a JORC Resource Update for the Cowarra Project. Although no additional drilling is currently planned, the project remains highly prospective. At the same time, Oxley is exploring strategic opportunities to secure a potential buyer or joint venture partner, either for the company as a whole or specifically for the Cowarra Project. This approach is focused on unlocking the project's full value while leveraging external expertise and resources to advance its development.

KAVAKLITEPE GOLD PROJECT – TURKEY (ZENITH ~20%)

Zenith's joint venture partner for the Kavaklitepe Gold Project in Turkey, Gubretas Maden a Turkish mining company that owns the nearby Sogut gold mine (under development), is planning an infill diamond core program over the project to enable a JORC Compliant resource to be estimated. Zenith has elected not to contribute to the program and will dilute from its current 20% equity in the project. Should Zenith's equity fall below 10% it will revert to a share in a 5% Net Profit Royalty.

----- Battery Metals -----

SPLIT ROCKS LITHIUM-TANTALUM PROJECT – WA

The Split Rocks Project is located approximately 40km south of the regional town of Marvel Loch in the Goldfields Region of Western Australia. The project area lies immediately north of the Mt Holland Lithium Mine owned by Covalent Lithium (SQM and Wesfarmers).

Drilling at the Rio Prospect has returned significant lithium mineralisation (Figures 7-10) - refer to ASX Release 16-Nov-22, culminating in a maiden Inferred Mineral Resource (JORC 2012) - ASX Release 28-Sep-23. The mineral resource for the Split Rocks Rio lithium pegmatite deposit has been estimated, using all data available as at 3-Aug-23. Drilling is currently relatively wide spaced (generally 200m x 100m).

To test the reasonable prospects for eventual economic extraction, a preliminary open pit optimisation was conducted. The resultant pit captured the majority of the lithium mineralisation; the remaining mineralisation is in shallow dipping sheets that would alternatively be amenable to low-cost room and pillar underground mining.

The Mineral Resource estimate for the Split Rocks Rio project reported at a 0.5% Li₂O cutoff is shown below. The entire resource is classified Inferred and is open at depth and along strike.

Rio Lithium Deposit Inferred Mineral Resource Estimate

| Zone | Million Tonnes | Li ₂ O % | Cs ppm | Nb ppm | Sn ppm | Ta ppm | Domain |
|--------------|----------------|---------------------|------------|-----------|------------|-----------|----------|
| Upper | 8.45 | 0.76 | 426 | 77 | 157 | 62 | 31 |
| Middle | 3.48 | 0.62 | 387 | 71 | 364 | 49 | 32 |
| Total | 11.9 | 0.72 | 415 | 75 | 217 | 59 | - |

Notes to Resource Table:

1. The Mineral Resource is estimated with all drilling data available at 3-Aug-23, and reported at a 0.5% Li₂O cutoff.
2. The Mineral Resource is reported in accordance with the JORC Code 2012 Edition.
3. The Competent Person is Phil Jankowski FAusIMM of CSA Global
4. Rounding may lead to minor apparent discrepancies

Significant smoothing of lithium grades in the resource estimation process is due to the current wide drill spacing (generally 200m x 100m). Closer spaced drilling has the potential to define more discrete high-grade lithium zones that could enhance the overall lithium grade of the deposit.

Lithium mineralisation remains open to the northeast, south and at depth, with further drilling required to define the full limits.

Lithium pegmatite mineralisation identified to date is a mixture of eucryptite with lesser spodumene, petalite and lepidolite confirmed by multiple methods including optical microscopy, SEM, Raman spectroscopy and XRD analyses.

The amenability of eucryptite mineralisation to conventional treatment processes has been shown by positive sighter flotation testwork and bench scale calcination-leach tests, hence confirming the potential of eucryptite as a viable lithium target (ASX Release 26-Jul-22).

For personal use only

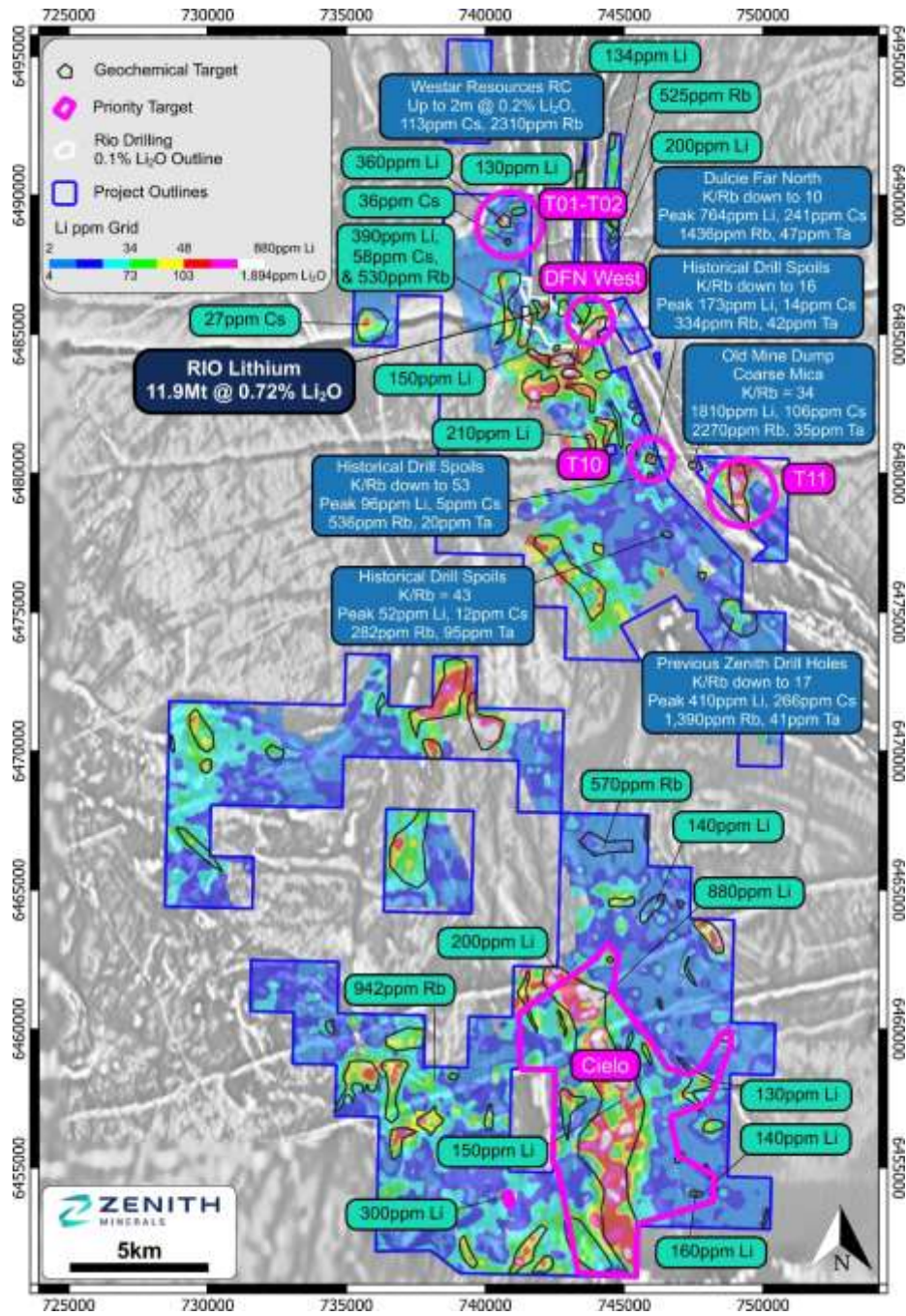


Figure 7: Split Rocks Rio Mineral Resource Location and Lithium Pegmatite Targets

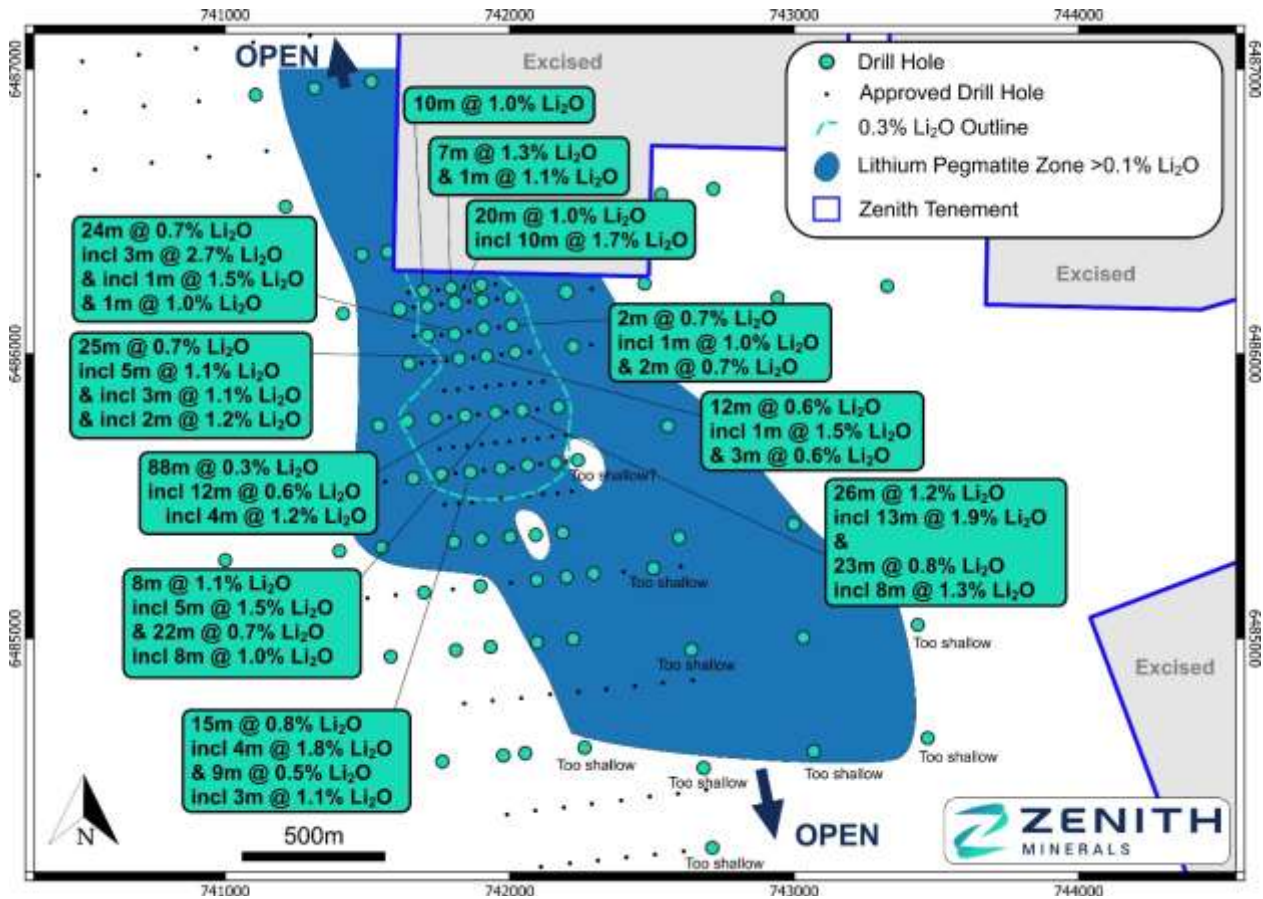


Figure 8: Rio Pegmatite – Map with Significant Lithium Drill Results

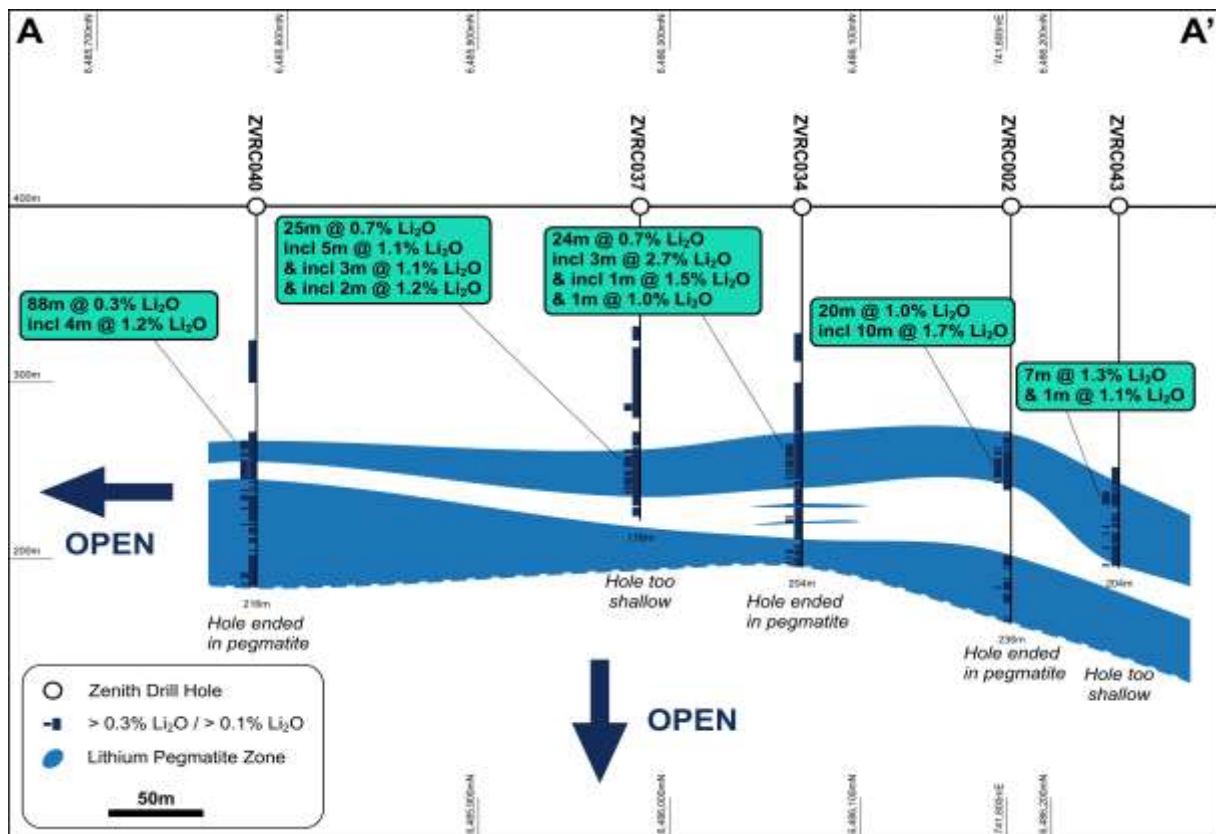


Figure 9: Rio Pegmatite – Long Section with Significant Lithium Drill Results

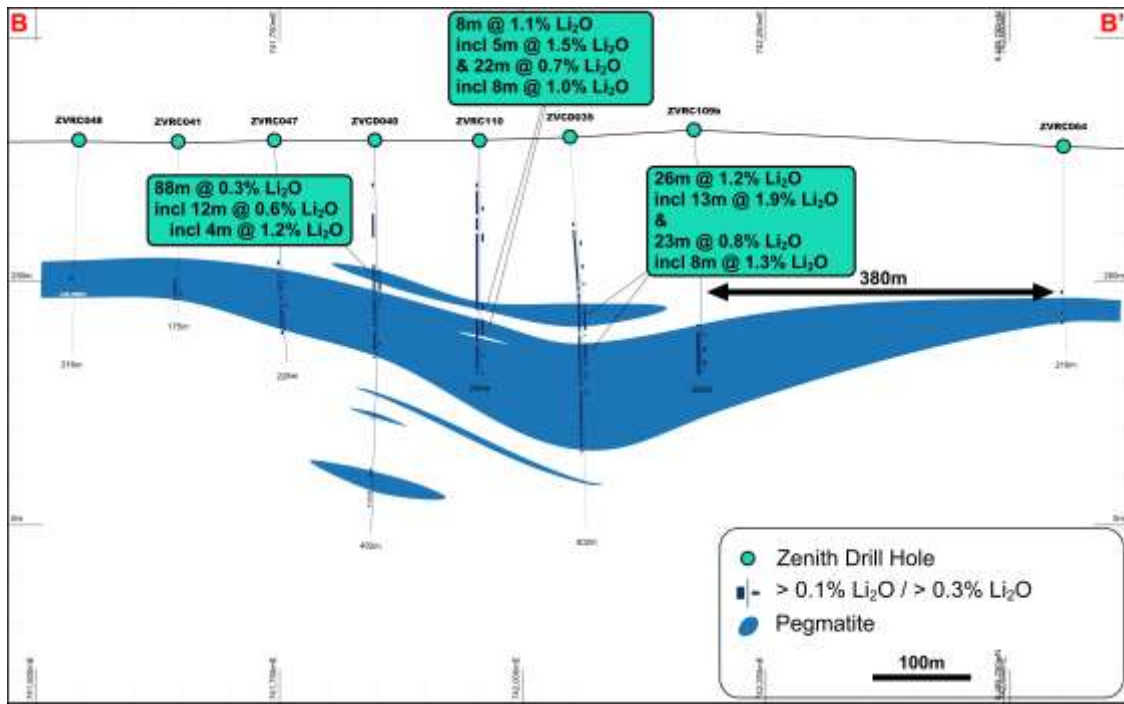


Figure 10: Rio Pegmatite – Cross Section with Significant Lithium Drill Results

WARATAH WELL LITHIUM-TANTALUM PROJECT – WA

The Waratah Well Lithium Project, located 20 km northwest of Yalgoo in Western Australia's Murchison Region (see Figure 11), is emerging as a promising lithium asset for Zenith Minerals. Positioned just 190 km from Geraldton Port, a major export hub, the project benefits from excellent infrastructure, supporting a potential fast-track development pathway.



Figure 11: Location of Waratah Well's Lithium Project

Zenith's 2022 drilling program confirmed shallow, petalite-rich lithium mineralisation, with follow-up drilling in 2025 set to further define the resource⁵. The lithium mineralisation is dominated by petalite, with laboratory XRD analysis showing petalite content as high as 83.5%, making Waratah Well a strong candidate for Direct Shipping Ore (DSO) lithium. This high-petalite content is a key advantage, as petalite is increasingly sought after for its suitability in battery-grade lithium processing. While uncommon in Western Australia, petalite has been a key economic driver in projects such as the Arcadia lithium deposit in Zimbabwe.

In October 2024 (See ASX Release 25 Oct 2024), Zenith Minerals was awarded an A\$85,000 Exploration Incentive Scheme (EIS) grant from the Western Australian Government to support drilling at the Waratah Well Lithium Project. A 10-hole Reverse Circulation (RC) drill program, co-funded by the EIS, is scheduled to happen in the first half of 2025 to further define mineralisation along strike a

nd at depth. This campaign aims to refine the geological model, validate surface mapping, and assess the project's scalability. With growing lithium demand and excellent access to infrastructure, Waratah Well remains a key growth asset in Zenith's lithium portfolio.

Drilling to date has confirmed the presence of high-grade lithium (see ASX Release 24 January 2023), including:

- 14m @ 1.0% Li₂O, incl 8m @ 1.5% Li₂O.
- 10m @ 1.4% Li₂O, incl 6m @ 2.0% Li₂O.
- 27m @ 0.8% Li₂O (true width 10m), incl 12m @ 1.2% Li₂O (true width 6m).

⁵ ASX:ZNC release dated 24 January 2023

For personal use only

----BASE METALS---

EARAHEEDY ZINC PROJECT – WA (ZENITH 25% free carry to end BFS, ASX: RTR 75%)

The Earacheedy Zinc Joint Venture project is located ~900km northeast of Perth and forms a key component of Zenith's gold and base metal portfolio within an emerging Tier-1 base metal province.

In April 2023 Rumble announced a maiden, open-pit constrained, Inferred Mineral Resource Estimate (MRE) for the Chinook, Tonka and Navajoh zinc deposits that make up the Earacheedy Joint Venture Project.

The MRE on a 100% basis stands at 94Mt @ 3.1% Zn+Pb and 4.1 g/t Ag (using a 2% Zn+Pb cutoff) and constrained within optimised pit shells. Refer to Rumble's ASX Release dated 19 April 2023, for full details.

Zenith, through its wholly owned subsidiary, Fossil Prospecting Pty Ltd, holds a 25% non-contributing share in the Earacheedy Joint Venture Project and is free carried by Rumble through to the completion of a Bankable Feasibility Study (BFS).

On 28 November 2024, Rumble Resources (ASX:RTR) announced the completion of an extensive metallurgical test work program at Chinook. The program utilised material derived from a 10-hole diamond drilling program which provided a 2,300 kg representative metallurgical core sample.

Key highlights included:

- Recovery Efficiency: Achieved 79% zinc recovery into a high-grade bulk concentrate grading 61% Zn+Pb, suitable for the Imperial Smelting Process (ISP).
- Energy Optimisation: The coarse primary grind (P80 > 200 µm) is expected to deliver significant energy savings.
- HydroFloat™ Technology: Innovative coarse gangue rejection tests demonstrated over 30% barren material could be removed early in processing, enhancing plant efficiency and reducing environmental impacts.
- Simplified & Cost-Efficient Flowsheet: The test work confirmed that Chinook ore is amenable to semi-autogenous milling (SAG) with a coarse grind, supporting a low-capex, low-opex processing strategy adaptable to varying feed grades.

With strong metallurgical performance, an expanding resource base, and a clear development roadmap, the Earacheedy Project is positioned to deliver significant value growth, with Zenith Minerals continuing to support Rumble Resources in advancing this emerging base metal camp toward feasibility.

EARAHEEDY ZINC PROJECT – WA (Zenith 100%)

The Earacheedy Zinc Project (EZP) covers an area to the northeast and west of the Earacheedy Joint Venture project and comprises four granted exploration licences and one granted retention licence. No exploration was completed during the period. This ground comprises of E69/3414, E69/2733, E69/3869, E69/3995, and R69/2.

Competent Persons Statement

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Michael Clifford, who is a Member of the Australian Institute of Geoscientists and an employee of Zenith Minerals Limited. Mr Clifford has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Clifford consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to the Dulcie Far North Gold Mineral Resource is based on information compiled by Mr John Horton, who is a Fellow and Chartered Professional of the Australasian Institute of Mining and Metallurgy and a full time employee of ResEval Pty Ltd. Mr Horton has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Horton consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Exploration Results for the 2024 Red Mountain drilling campaign is based on information compiled by Mr. Christopher Shanley, who is a Member of the Australian Institute of Geoscientists and an employee of Zenith Minerals Limited. Mr. Shanley has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Shanley consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to the Split Rocks - Rio Lithium Mineral Resource is based on information compiled by Mr Phil Jankowski, who is a Fellow of the Australasian Institute of Mining and Metallurgy and a full-time employee of CSA Global. Mr Jankowski has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Jankowski consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Material ASX Releases Previously Released

The Company has released all material information that relates to Exploration Results, Mineral Resources and Reserves, Economic Studies and Production for the Company's Projects on a continuous basis to the ASX and in compliance with JORC 2012.

- **DFN Resource Upgrade** – ASX Release **12th & 17th December 2024**
- **Red Mountain Drilling Results** – ASX Release **20 January 2025**
- **Significant Intercepts at DFN** – ASX Release **28 November 2024**
- **Waratah Well Exploration Update** – ASX Release **25 October 2024**

For personal use only

The Company confirms that it is not aware of any new information that materially affects the information included in the original market announcements referenced herein. 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.

CORPORATE

Capital

Cash balance at the end of the period of A\$2.39 million. Equity investments held by Zenith were valued at approximately A\$1.7 million as at 31 December 2024. These holdings include 43.9 million AIM:BHL shares and 10.2 million ASX:QML shares.

On 9 October 2024, Zenith Minerals announced a capital raising at an issue price of A\$0.045 per share, secured through a combination of sophisticated investors and director participation. Directors committed A\$125,000, subject to shareholder approval at the Annual General Meeting held on 29th November 2024, where the resolutions were passed.

The Company also completed an oversubscribed Share Purchase Plan (SPP), raising an additional A\$919,224. In total, Zenith raised A\$2.48 million, significantly bolstering its balance sheet and enabling the acceleration of high-impact exploration activities at its flagship projects.

New Opportunities and Divestments

The Company advises that it is currently in ongoing and incomplete negotiations in connection with potential project acquisitions and disposals. The Company will provide appropriate disclosure should negotiations and agreements be completed.

Significant Changes in the State of Affairs

There were no significant changes in the state of affairs of the consolidated entity during the financial half-year.

Events after the reporting period

7,000,000 unlisted options exercisable at \$0.39 expired unexercised on 7 February 2025.

There are no other matters or circumstance that have arisen since 31 December 2024 that has significantly affected, or may significantly affect, the consolidated entity's operations, the results of operations, or the consolidated entity's state of affairs in future financial years.

The Condensed Consolidated Financial Report of Zenith Minerals Limited and controlled entities ("Consolidated Entity") for the half-year ended 31 December 2024 was authorised for issue in accordance with a Resolution of the Directors on 13 March 2025.

For personal use only

Auditor's Independence Declaration

The Auditor's Independence Declaration, as required under Section 307C of the Corporations Act 2001, for the half-year ended 31 December 2024 has been received and included on page 19 of the Interim Financial Report.

Signed in accordance with a Resolution of Directors.

On behalf of the Directors



Andrew R H Smith
Director & CEO

Perth

Dated: 13 March 2025

For personal use only



PKF Perth
ABN 64 591 268 274
Dynons Plaza,
Level 8, 905 Hay Street,
Perth WA 6000
PO Box 7206,
Cloisters Square WA 6850
Australia

+61 8 9426 8999
perth@pkfperth.com.au
pkf.com.au

AUDITOR'S INDEPENDENCE DECLARATION

TO THE DIRECTORS OF ZENITH MINERALS LIMITED

In relation to our review of the financial report of Zenith Minerals Limited for the half year ended 31 December 2024, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

A handwritten signature in black ink that reads 'PKF Perth'.

PKF PERTH

A handwritten signature in black ink that reads 'Alexandra Sofia Baldeira Pereira Carvalho'.

ALEXANDRA SOFIA BALDEIRA PEREIRA CARVALHO
PARTNER

13 March 2025
PERTH,
WESTERN AUSTRALIA

For personal use only

**Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the Half-Year ended 31 December 2024**

| | Note | Consolidated 31 December 2024 \$ | 31 December 2023 \$ |
|---|------|---|---------------------------|
| Revenue | 3 | 8,628 | 137,689 |
| Gain on sale of exploration assets | | 287,313 | 333,946 |
| Share of profit of Associate accounted for using equity method | | - | 1,492 |
| Reversal of impairment | | - | 484,427 |
| Interest revenue | | 25,228 | 151,754 |
| Expenses | | | |
| Employee benefits expenses | | (248,231) | (468,397) |
| Share based payment expenses | | (2,624) | (94,397) |
| Depreciation and amortisation expense | | (4,870) | (16,500) |
| Premises expenses | | (44,514) | (45,189) |
| Exploration expenditure written off | 8 | (176,756) | (1,472,385) |
| Professional fees | | - | (17,037) |
| Share of losses of Associate accounted for using equity method | 5 | (9,628) | - |
| Net fair value loss on other financial assets | 7 | (932,575) | (2,274,748) |
| Other operating expenses | | (414,485) | (307,874) |
| Profit/(loss) before income tax | | (1,512,514) | (3,587,219) |
| Income tax benefit | | - | - |
| Profit/(loss) after income tax benefit for the period | | (1,512,514) | (3,587,219) |
| Other comprehensive income | | | |
| <i>Items that might be reclassified subsequently to profit or loss:</i> | | | |
| Foreign currency translation | | - | - |
| Other comprehensive income for the period (net of tax) | | - | - |
| Total comprehensive profit/(loss) for the period | | (1,512,514) | (3,587,219) |
| Profit/(loss) per share | | Cents | Cents |
| Basic profit/(loss) per share | | (0.41) | (1.01) |
| Diluted profit/(loss) per share | | (0.41) | (1.01) |

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

**Condensed Consolidated Statement of Financial Position
as at 31 December 2024**

| | Note | Consolidated 31 December 2024 \$ | 30 June 2024 \$ |
|---|------|---|-----------------------|
| Current assets | | | |
| Cash and cash equivalents | | 2,395,261 | 1,138,489 |
| Trade and other receivables | 6 | 123,385 | 1,784,301 |
| Financial assets at fair value through profit or loss | 7 | 1,706,739 | 1,684,774 |
| Other current assets | | 48,785 | 32,726 |
| Total current assets | | <u>4,274,170</u> | <u>4,640,290</u> |
| Non-current assets | | | |
| Interest in associate | 5 | 196,119 | 205,747 |
| Plant and equipment | | 33,022 | 34,399 |
| Exploration and evaluation expenditure | 8 | 11,103,499 | 9,591,968 |
| Total non-current assets | | <u>11,332,640</u> | <u>9,832,114</u> |
| TOTAL ASSETS | | <u>15,606,810</u> | <u>14,472,404</u> |
| Current liabilities | | | |
| Trade and other payables | | 547,115 | 303,556 |
| Employee benefits | | 25,124 | 101,874 |
| Other provisions | 9 | 75,000 | 30,000 |
| Total current liabilities | | <u>647,239</u> | <u>435,430</u> |
| TOTAL LIABILITIES | | <u>647,239</u> | <u>435,430</u> |
| NET ASSETS | | <u>14,959,571</u> | <u>14,036,974</u> |
| Equity | | | |
| Issued capital | 10 | 42,460,830 | 40,028,343 |
| Reserves | 11 | 830,628 | 946,772 |
| Accumulated losses | 11 | (28,331,887) | (26,938,141) |
| TOTAL EQUITY | | <u>14,959,571</u> | <u>14,036,974</u> |

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

For personal use only

Condensed Consolidated Statement of Changes in Equity
For the Half-Year ended 31 December 2024

| | Issued Capital | Reserves | Accumulated Losses | Total |
|--|---------------------------|-----------------|-------------------------------|--------------|
| | \$ | \$ | \$ | \$ |
| Consolidated | | | | |
| Balance at 1 July 2023 | 40,028,343 | 666,892 | (22,279,136) | 18,416,099 |
| Loss for the period | - | - | (3,587,219) | (3,587,219) |
| Other comprehensive income | - | - | - | - |
| Total comprehensive loss | - | - | (3,587,219) | (3,587,219) |
| <i>Transactions with owners, recorded directly in equity</i> | | | | |
| Issue of shares, net of transaction costs | - | - | - | - |
| Exercise of options | - | - | - | - |
| Issue of staff options | - | 94,397 | - | 94,397 |
| Balance at 31 December 2023 | 40,028,343 | 761,289 | (25,866,355) | 14,923,279 |

| | Issued Capital | Reserves | Accumulated Losses | Total |
|--|---------------------------|-----------------|-------------------------------|--------------|
| | \$ | \$ | \$ | \$ |
| Consolidated | | | | |
| Balance at 1 July 2024 | 40,028,343 | 946,772 | (26,938,141) | 14,036,974 |
| Loss for the period | - | - | (1,512,514) | (1,512,514) |
| Other comprehensive income | - | - | - | - |
| Total comprehensive loss | - | - | - | - |
| <i>Transactions with owners, recorded directly in equity</i> | | | | |
| Issue of shares, net of transaction costs | 2,432,487 | - | - | 2,432,487 |
| Exercise of options | - | - | - | - |
| Issue of staff options | - | 2,624 | - | 2,624 |
| Expiry of options | - | (118,768) | 118,768 | - |
| Balance at 31 December 2024 | 42,460,830 | 830,628 | (28,331,887) | 14,959,571 |

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

Condensed Consolidated Statement of Cash Flows
For the Half-Year ended 31 December 2024

| | 31 December 2024 \$ | Consolidated 31 December 2023 \$ |
|--|-----------------------------|---|
| Cash flow from operating activities | | |
| Receipts from customers | 8,628 | 230,175 |
| Payments paid to suppliers and employees | (291,392) | (858,102) |
| Interest received | 25,228 | 151,691 |
| | <u> </u> | <u> </u> |
| Net cash used in operating activities | <u>(257,536)</u> | <u>(476,236)</u> |
| Cash flow from investing activities | | |
| Payments for exploration and evaluation expenditure | (1,910,801) | (1,976,691) |
| Payments for property, plant and equipment | (3,493) | (1,656) |
| Proceeds for disposal of exploration assets (Note 6) | 975,000 | 1,200,000 |
| Proceeds for disposal of financial assets at fair value | 21,114 | 332,446 |
| | <u> </u> | <u> </u> |
| Net cash from / (used) in investing activities | <u>(918,180)</u> | <u>(445,901)</u> |
| Cash flow from financing activities | | |
| Proceeds from issue of shares and options | 2,477,725 | - |
| Transaction costs related to issue of shares | (45,237) | - |
| | <u> </u> | <u> </u> |
| Net cash provided by financing activities | <u>2,432,488</u> | <u>-</u> |
| Net (decrease) in cash and cash equivalents held | 1,256,772 | (922,137) |
| Cash and cash equivalents at the beginning of the period | 1,138,489 | 2,257,094 |
| | <u> </u> | <u> </u> |
| Cash and cash equivalents at the end of the period | <u>2,395,261</u> | <u>1,334,957</u> |

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

For personal use only

Notes to the Condensed Consolidated Financial Report For the Half-Year ended 31 December 2024

1. Significant Accounting Policies

STATEMENT OF COMPLIANCE

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and Australian Accounting Standard AASB 134 'Interim Financial Reporting' as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

The half-year financial report does not include all the notes of the type normally included in an annual financial report. 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 in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Consolidated Entity's annual financial report for the financial year ended 30 June 2024, except for the impact of the Standards and Interpretations described below.

ADOPTION OF NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

The Consolidated Entity has adopted all of the new or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going Concern Basis

The financial report has been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the normal course of business. The consolidated entity incurred a loss of \$1,512,514 (2023: loss of \$3,587,219) and operating cash outflows of \$257,536 (2023: \$476,236) during the half-year ended 31 December 2024, and continues to incur expenditure on its exploration tenements drawing on its cash balances.

The ability of the Company and the Group to continue to pay its debts as and when they fall due is dependent upon the Company successfully raising additional share capital and ultimately developing its mineral properties. The Directors believe that they will continue to be successful in securing additional funds through equity issues as and when the need to raise working capital arises. However, there is the existence of a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

The financial report has been prepared on the basis that the Group can meet its commitments as and when they fall due and can therefore continue normal business activities, and the realisation of assets and liabilities in the ordinary course of business. The financial report does not include any adjustments in relation to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Group not continue as going concern.

2. Operating Segments

The Consolidated Entity operates in geographical locations, Australia, and in Turkey-Europe (as acquired in the 2014 acquisition), and is organised into one operating segment being mineral, mining and exploration and all of the Consolidated Entity's resources and are employed for this purpose. This operating segment is based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

The CODM review expenditure in exploration. The accounting policies adopted for Internal reporting to the CODM are consistent with those adopted in the financial statements as described in the 30 June 2024 Annual Report.

Geographical Information

| | Revenue | | Geographical non-current assets | |
|-----------|------------------|------------------|---------------------------------|--------------|
| | 31 December 2024 | 31 December 2023 | 31 December 2024 | 30 June 2024 |
| | \$ | \$ | \$ | \$ |
| Australia | 8,628 | 137,689 | 11,332,640 | 9,832,113 |
| | 8,628 | 137,689 | 11,332,640 | 9,832,113 |

3. Revenue

| | Consolidated | |
|---------------------------------------|------------------|------------------|
| | 31 December 2024 | 31 December 2023 |
| | \$ | \$ |
| <i>Other Revenue</i> | | |
| Exploration income – JV Contributions | - | 133,908 |
| Other income | 8,628 | 3,781 |
| Revenue | 8,628 | 137,689 |

4. Dividends

During the half-year ended 31 December 2024, no dividends were paid, recommended or declared.

5. Investment in Associate

The consolidated entity has a 26.65% (30 June 2024: 26.65%) interest in Oxley Resources Pty Ltd. The consolidated entity's investment in Oxley Resources Pty Ltd is accounted for using the equity method in the consolidated financial statements.

Summarised statement of financial position of Oxley Resources Pty Ltd

| | Consolidated | |
|--|------------------|--------------|
| | 31 December 2024 | 30 June 2024 |
| | \$ | \$ |
| Cash and cash equivalents | 406 | 7,859 |
| Trade and other receivables | 58,564 | 109,759 |
| Exploration and evaluation expenditure | 698,699 | 684,632 |
| Trade and other payables | (21,744) | (30,198) |
| | 735,925 | 772,052 |

5. Investment in Associate (continued)

| | Consolidated | |
|--|---------------------|-----------------|
| | 31 December 2024 | 30 June 2024 |
| Zenith's 26.65% share (30 June 2024: 26.65%) | 196,119 | 205,747 |
| Impairment recognised | - | - |
| Zenith's carrying account of investment in Oxley Resources Pty Ltd | 196,119 | 205,747 |
| Summarised statement of profit or loss of Oxley Resources Pty Ltd | | |
| Other Income | - | 100,000 |
| Administration Costs | (8,698) | (11,888) |
| Profit /(loss) for the period | (8,698) | 88,112 |
| Zenith's 26.65% share | (2,318) | 23,482 |
| Movement Reconciliation | | |
| | \$ | \$ |
| Balance at beginning of financial period/year | 205,747 | 182,265 |
| Share of (loss)/profit recognised | (9,628) | 23,482 |
| Balance at end of financial period/year | 196,119 | 205,747 |

6. Trade and Other Receivables

| | Consolidated | |
|-----------------------|---------------------|------------------|
| | 31 December 2024 | 30 June 2024 |
| | \$ | \$ |
| <i>Current</i> | | |
| GST receivable | 120,323 | 121,801 |
| Other receivables (i) | 3,062 | 1,662,500 |
| | 123,385 | 1,784,301 |

(i) Divestment of Develin Creek Copper-Zinc Project. The prior year consideration was made up of the second tranche payment as outlined below:

An up-front payment to Zenith of \$1.2M cash and \$1M worth of QML shares (based on the 15-day volume weighted average price of QML shares) for a 51% interest (received).

Within 12 months QML must complete 500m of diamond drilling and a detailed metallurgical study on the existing Develin Creek Inferred Mineral Resource.

At 12 months QML must pay a second tranche of \$1.3M cash and issue another \$1M worth of QML shares (based on the 15-day volume weighted average price of QML shares) to Zenith for an additional 49% interest.

The second tranche payment by QML was adjusted down to \$0.975M cash and \$0.6875M worth of QML shares, because the detailed metallurgical study showed zinc concentrate grades below 50% or that a 50% zinc concentrate grade is not commercially achievable.

7. Financial Assets at Fair Value through Profit and Loss

| | Consolidated | |
|--|-----------------------------|-------------------------|
| | 31 December 2024 | 30 June 2024 |
| | \$ | \$ |
| <i>Current</i> | | |
| Listed ordinary shares – at fair value through profit and loss | <u>1,706,739</u> | <u>1,684,774</u> |

Reconciliation

Reconciliation of the fair values at the beginning and end of the current and previous financial years.

| | Consolidated | |
|---|-----------------------------|-------------------------|
| | 31 December 2024 | 30 June 2024 |
| | \$ | \$ |
| Opening fair value | 1,684,774 | 4,318,584 |
| Additions | 974,813 | 840,336 |
| Disposals | (20,274) | (1,036,620) |
| Realised gain/(loss)loss on financial assets sold | 2,023 | (714,062) |
| Unrealised change in fair value | <u>(934,597)</u> | <u>(1,723,464)</u> |
| Closing fair value | <u>1,706,739</u> | <u>1,684,774</u> |

8. Exploration and Evaluation Expenditure

| | Consolidated | |
|--|-----------------------------|-------------------------|
| | 31 December 2024 | 30 June 2024 |
| | \$ | \$ |
| Balance at beginning of financial period | 9,591,968 | 12,334,857 |
| Capitalised expenditure | 1,688,287 | 2,618,514 |
| Less: capitalised expenditure written against proceeds on sale of interest in tenement | - | (3,368,890) |
| Less: exploration costs written off | <u>(176,756)</u> | <u>(1,992,513)</u> |
| Balance at end of financial period | <u>11,103,499</u> | <u>9,591,968</u> |

The recoverability of the carrying amounts of exploration and evaluation assets is dependent on the successful development and commercial exploitation or sale of the respective area of interest as well as maintaining rights of tenure.

During the half-year ended 31 December 2024, the consolidated entity wrote off capitalised exploration and evaluation expenditure of \$176,756 (31 December 2023: \$1,472,385) following its review of its portfolio of mineral tenements, whereby decisions have been made for certain areas of interest, not to incur substantial expenditure on further exploration for and evaluation of mineral resources.

9. Other Provisions

| | Consolidated | |
|--|-----------------------------|-------------------------|
| | 31 December 2024 | 30 June 2024 |
| | \$ | \$ |
| Provision for restoration and rehabilitation | <u>30,000</u> | <u>30,000</u> |
| Reconciliation of movement for the period/year | | |
| Opening balance | 30,000 | - |
| Increase in rehabilitation provision | <u>45,000</u> | <u>30,000</u> |

| | | |
|--|--------|--------|
| Provision for restoration and rehabilitation | 75,000 | 30,000 |
|--|--------|--------|

During the half-year ended 31 December 2024, the consolidated entity recognised a provision for the restoration and rehabilitation work at its Split Rocks, Red Mountain and Dulcie Far North Projects.

10. Issued Capital

| | 31 December 2024 | | 30 June 2024 | |
|---|---------------------|-------------------|--------------------|-------------------|
| | Shares No. | \$ | Shares No. | \$ |
| Fully paid ordinary shares balance at beginning of period | 352,380,883 | 40,028,342 | 352,380,883 | 40,028,343 |
| Issue of ordinary shares | 55,060,539 | 2,477,724 | - | - |
| Exercise of options | - | - | - | - |
| Transfer from reserves on exercise of options | - | - | - | - |
| Cost of issue | - | (45,236) | - | - |
| Total | 407,441,422 | 42,460,830 | 352,380,883 | 40,028,343 |

11. Reserves and Accumulated Losses

| | Consolidated | |
|--|---------------------|---------------------|
| | 31 December 2024 | 30 June 2024 |
| | \$ | \$ |
| (a) Reserves | | |
| <i>Option Reserve</i> | | |
| Balance at beginning of financial period | 946,772 | 852,375 |
| Issue of staff options (Note 12) | 2,624 | - |
| Vesting of options issued in prior period | - | 94,397 |
| Expiry of options | (118,768) | - |
| Balance at end of financial period | <u>830,628</u> | <u>946,772</u> |
| <i>Foreign currency Translation Reserve</i> | | |
| Balance at beginning of financial period | - | (185,483) |
| Foreign currency translation | - | - |
| Balance at end of financial period | <u>-</u> | <u>185,483</u> |
| Total Reserves | <u>-</u> | <u>-</u> |
| (b) Accumulated Losses | | |
| Movements in accumulated losses were as follows: | | |
| Balance at beginning of financial period | (26,938,141) | (22,279,136) |
| (Loss)/Profit for the period | (1,512,514) | (4,473,552) |
| Foreign currency translation reserve | - | (185,483) |
| Expiry of options | 118,768 | - |
| Balance at end of financial period | <u>(28,331,887)</u> | <u>(26,938,141)</u> |

12. Share Based Payments

Set out below is the movement of options granted:

Half-year to 31 December 2024:

| Grant Date | Expiry Date | Exercise Price | Balance at start of the year | Granted during the year | Exercised during the year | Expired or Forfeited during the year | Balance at end of the year | Exercisable at end of the year |
|-------------|-------------|----------------|------------------------------|-------------------------|---------------------------|--------------------------------------|----------------------------|--------------------------------|
| | | | Number | Number | Number | Number | Number | Number |
| 16 Jul 2021 | 14 Jul 2024 | \$0.3790 | 750,000 | - | - | (750,000) | - | - |
| 6 Dec 2022 | 7 Feb 2025 | \$0.390 | 7,000,000 | - | - | - | 7,000,000 | 7,000,000 |
| 26 May 2023 | 26 May 2026 | \$0.211 | 1,000,000 | - | - | - | 1,000,000 | 1,000,000 |
| 26 May 2023 | 26 May 2027 | \$0.248 | 1,000,000 | - | - | - | 1,000,000 | 1,000,000 |
| 16 Oct 2023 | 13 Oct 2026 | \$0.153 | 970,000 | - | - | - | 970,000 | 970,000 |
| 29 Nov 2024 | 31 Jul 2027 | \$0.077 | - | 5,000,000 | - | - | 5,000,000 | - |
| 29 Nov 2024 | 15 Dec 2026 | \$0.210 | - | 500,000 | - | - | 500,000 | - |
| 29 Nov 2024 | 15 Dec 2027 | \$0.250 | - | 500,000 | - | - | 500,000 | - |
| | | | 10,720,000 | 6,000,000 | - | (750,000) | 15,970,000 | 9,970,000 |

* On 29 November 2024, 6,000,000 options were issued to Directors subject to the following terms:

| Director | Number of Performance Options | Expiry Date | Exercise Price | Vesting Milestone |
|--------------|-------------------------------|-------------|---|--|
| | 1,250,000 | 31 Jul 2027 | \$0.077 (being the price that is 50% above the 5-day VWAP preceding 31 July 2024. | Vesting upon the Company's share price achieving a 20-day VWAP equal to or above \$0.15. |
| | 1,250,000 | 31 Jul 2027 | \$0.077 (being the price that is 50% above the 5-day VWAP preceding 31 July 2024. | Vesting upon the Company's share price achieving a 20-day VWAP equal to or above \$0.25. |
| Andrew Smith | 1,250,000 | 31 Jul 2027 | \$0.077 (being the price that is 50% above the 5-day VWAP preceding 31 July 2024. | Vest upon announcement to ASX of a new JORC 2012 Mineral Resource being discovered or acquired by the company equalling or exceeding 20Mt @ >1% Li2O |
| | 1,250,000 | 31 Jul 2027 | \$0.077 (being the price that is 50% above the 5-day VWAP preceding 31 July 2024. | Vest upon announcement to ASX of the completion of a pre-feasibility study or any study of a higher degree of certainty, on any of the Company's projects. |

12. Share Based Payments (continued)

| Director | Number of Performance Options | Expiry Date | Exercise Price | Vesting Milestone |
|--------------|-------------------------------|-------------|---|---|
| Andrew Grove | 500,000 | 15 Dec 2026 | \$0.21 (being the price that is 45% above the 5-day VWAP preceding 14 December 2023.. | Vest upon: (i) the Company's share price achieving a 20-day VWAP equal to or greater than \$0.30; and (ii) there being sufficient ongoing funding to ensure the Company is a going concern whilst also maintaining statutory compliance |
| | 500,000 | 15 Dec 2027 | \$0.25 (being the price that is 75% above the 5-day VWAP preceding 14 December 2024. | Vest upon: (i) the Company's share price achieving a 20-day VWAP equal to or greater than \$0.30; and (ii) there being sufficient ongoing funding to ensure the Company is a going concern whilst also maintaining statutory compliance |

The options were valued using a Black Scholes pricing model and Monte Carlo simulation under the following assumptions:

| Grant date | Expiry date | Share price at grant date | Exercise price | Expected volatility | Dividend yield | Risk-free interest rate | Fair value at grant date |
|-------------|-------------|---------------------------|----------------|---------------------|----------------|-------------------------|--------------------------|
| 29 Nov 2024 | 31 Jul 2027 | \$0.043 | \$0.077 | 85.9% | - | 3.91% | \$17,098 ¹ |
| 29 Nov 2024 | 31 Jul 2027 | \$0.043 | \$0.077 | 85.9% | - | 3.91% | \$13,224 ² |
| 29 Nov 2024 | 31 Jul 2027 | \$0.043 | \$0.077 | 85.9% | - | 3.91% | \$20,170 ³ |
| 29 Nov 2024 | 31 Jul 2027 | \$0.043 | \$0.077 | 85.9% | - | 3.91% | \$20,170 ⁴ |
| 29 Nov 2024 | 15 Dec 2026 | \$0.043 | \$0.21 | 89.8% | - | 3.94% | \$2,409 ⁵ |
| 29 Nov 2024 | 15 Dec 2027 | \$0.043 | \$0.25 | 85.4% | - | 3.91% | \$3,756 ⁶ |

¹ The methodology used to determine the value per right is a Monte Carlo simulation using the Hoadley's Single Share Price Target consec days model and expensed over the life of the right. \$562 was expensed during the period.

² The methodology used to determine the value per right is a Monte Carlo simulation using the Hoadley's Single Share Price Target consec days model and expensed over the life of the right. \$434 was expensed during the period.

³ The methodology used to determine the value per right is a Black and Scholes model and expensed over the life of the right. \$663 was expensed during the period.

⁴ The methodology used to determine the value per right is a Black and Scholes model and expensed over the life of the right. \$663 was expensed during the period.

⁵ The methodology used to determine the value per right is a Monte Carlo simulation using the Hoadley's Single Share Price Target consec days model and expensed over the life of the right. \$103 was expensed during the period.

⁶ The methodology used to determine the value per right is a Monte Carlo simulation using the Hoadley's Single Share Price Target consec days model and expensed over the life of the right. \$108 was expensed during the period.

12. Share Based Payments (continued)

Year to 30 June 2024:

| Grant Date | Expiry Date | Exercise Price | Balance at start of the year | Granted during the year | Exercised during the year | Expired or Forfeited during the year | Balance at end of the year | Exercisable at end of the year |
|-------------|-------------|----------------|------------------------------|-------------------------|---------------------------|--------------------------------------|----------------------------|--------------------------------|
| | | | Number | Number | Number | Number | Number | Number |
| 16 Jul 2021 | 14 Jul 2024 | \$0.3790 | 750,000 | - | - | - | 750,000 | 750,000 |
| 6 Dec 2022 | 7 Feb 2025 | \$0.390 | 7,000,000 | - | - | - | 7,000,000 | 7,000,000 |
| 26 May 2023 | 26 May 2026 | \$0.211 | 1,000,000 | - | - | - | 1,000,000 | 1,000,000 |
| 26 May 2023 | 26 May 2027 | \$0.248 | 1,000,000 | - | - | - | 1,000,000 | 1,000,000 |
| 16 Oct 2023 | 13 Oct 2026 | \$0.153 | - | 970,000 | - | - | 970,000 | 970,000 |
| | | | 9,750,000 | 970,000 | - | - | 10,720,000 | 10,720,000 |

13. Fair Value Measurement

Fair Value Hierarchy

The table below details the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability.

Consolidated – 31 December 2024

| | Level 1 \$ | Level 2 \$ | Level 3 \$ | Total \$ |
|---|---------------|---------------|---------------|-------------|
| Assets | | | | |
| Financial assets at fair value through profit or loss | 1,706,739 | - | - | 1,706,739 |
| Total Assets | 1,706,739 | - | - | 1,706,739 |

Consolidated – 30 June 2024

| | Level 1 \$ | Level 2 \$ | Level 3 \$ | Total \$ |
|---|---------------|---------------|---------------|-------------|
| Assets | | | | |
| Financial assets at fair value through profit or loss | 1,684,774 | | | 1,684,774 |
| Total Assets | 1,684,774 | | | 1,684,774 |

There were no transfers between levels during the financial year.

The carrying amounts of other receivables, trade and other payables are assumed to approximate their fair values due to their short-term nature.

14. Commitments

The Consolidated Entity has certain obligations to perform minimum exploration work and expend minimum amounts on works on mining tenements in order to retain its interests in these tenements, which would be approximately \$841,660 during the next 12 months (30 June 2024: \$681,628). There are no commitments beyond 12 months in relation to tenements. These obligations may be varied from time to time, subject to approval and are expected to be fulfilled in the normal course of operations of the entity.

15. Contingent assets and liabilities

There have been no other changes to contingent assets and liabilities since 30 June 2024.

16. Events after the reporting period

7,000,000 unlisted options exercisable at \$0.39 expired unexercised on 7 February 2025.

There are no other matters or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of operations, or the consolidated entity's state of affairs in future financial years.

Directors' Declaration

In the Directors' opinion:

1. The Financial Statements and notes thereto, comply with the *Corporations Act 2001* including:
 - (a) complying with Australian Accounting Standard AASB 134: Interim Financial Reporting, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
 - (b) giving a true and fair view of the financial position of the Consolidated Entity as at 31 December 2024 and of its performance for the financial half year ended on that date.
2. There are reasonable grounds to believe that the Consolidated Entity 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 made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the Directors



Andrew R H Smith
Managing Director

Perth

Dated: 13 March 2025

For personal use only

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF ZENITH MINERALS LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Zenith Minerals Limited (the company) and controlled entities (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, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, and notes to the financial statements, including material policy information and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at 31 December 2024, or 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 accompanying half-year financial report of Zenith Minerals Limited is not in accordance with the Corporations Act 2001 including:

- (a) 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; 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.

Material Uncertainty Related to Going Concern

Without qualifying our conclusion, we draw attention to Note 1 in the financial report in which indicates that the consolidated entity incurred a net loss of \$(1,512,514) during the half year ended 31 December 2024 and had negative operating cashflow of \$(257,536). These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty which may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the financial report.

Independence

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.

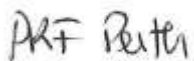
Directors' Responsibility for the Interim Financial Report

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 the Australian Accounting Standards and the Corporations Act 2001 and for such internal controls 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.

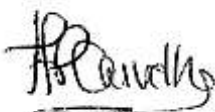
Auditor's Responsibilities for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the consolidated entity's financial position as at 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 Corporation 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.



PKF PERTH



ALEXANDRA SOFIA BALDEIRA PEREIRA CARVALHO
PARTNER

13 March 2025
PERTH,
WESTERN AUSTRALIA

For personal use only