



Nelson Resources Limited

And Controlled Entities

ABN 83 127 620 482

Half Year Report - For the Period Ended 31 December 2024

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DIRECTORS	Gernot Abl, Non-Executive Chairman Louis Bucci, Executive Director Daniel Smith, Non-Executive Director
COMPANY SECRETARY	Nicholas Ong
REGISTERED OFFICE	Level 1, 33 Ord Street West Perth WA6005
PRINCIPAL PLACE OF BUSINESS ADDRESS	Level 1, 33 Ord Street West Perth WA6005
SHARE REGISTRY	Automic Pty Ltd Level 5, 191 St Georges Terrace Perth WA6000
AUDITORS	Criterion Audit Pty Ltd Suite 2, 642 Newcastle Street Leederville WA6902
BANKER	National Australia Bank 100 St Georges Terrace Perth WA6000
WEBSITE & EMAIL	www.nelsonresources.com.au info@nelsonresources.com.au

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The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Nelson Resources Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2024.

Directors

The following persons were directors of Nelson Resources Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Directors

Gernot Abl
Louis Bucci
Daniel Smith
Peter Bird
Nicholas Ong

Details

Non-Executive Chairman (appointed 3 October 2024)
Executive Director (appointed 5 December 2024)
Non-Executive Director
Non-Executive Chairman (resigned 3 October 2024)
Non-Executive Director (resigned 5 December 2024)

Company Secretary

Nicholas Ong

Principal activities

The principal activities of the Group during the period were the exploration and development of natural resources. There have been no other significant changes in the activities of the Group during the period other than matters noted in this report.

Review of operations

The loss for the Group after providing for income tax amounted to \$301,718 (31 December 2023: \$1,693,391).

OPERATIONS

Fortnum Project

Historic and the more recent drilling by Nelson (September 2023) has defined a broad mineralised structure / corridor along the contact between country rock sedimentary units (Labourchere Formation) & granite (the Despair Granite). Although tested in the northern part of the tenement and predominantly within the Labourchere Formation, there is a paucity of drilling along and across the contact. This is particularly the case toward the southern end of the tenement.

With mineralisation distributed throughout both metasedimentary and granitic host rocks, including regolith, further testing across the contact zone is planned within the southern part of the tenement. This area also incorporates the interpreted extent of mineralisation as defined by historic drilling with the Despair Granite. Further work is planned to better-define the scale and distribution of mineralisation in the broader Fortnum Project area.

Woodline Project

No field work was undertaken at Woodline during the period.

Tempest Project

No field work was undertaken at Tempest during the period.

Yarri Project

Numerous significant results from historic drilling campaigns within the Wallaby to Britisher areas at Yarri are being compiled and indicate that the Yarri tenements host a semi-continuous gold mineralised system positioned along the margin of the Yarri Monzogranite. An array of gold prospects with historic workings along the trend are yet to be tested, and the Company is currently finalising a field program of mapping and sampling around accessible workings. Collectively, the historic drilling and up and coming mapping and sampling campaign will form the basis of targeting favourable structural positions for future drilling programs in untested areas between the Great Banjo and Gibberts, and Star of Yarri and Beatrice / Yarri South, prospects.



Happy Jack

The Company has a retained 1% NSR on any future gold production on this tenement.

New Project Opportunities

The Company has allocated part of its working capital budget to the identification and evaluation of new mineral resource opportunities in Australia and overseas, undertaking a review of a range of opportunities during the June quarter. Discussions and due diligence are on-going with several opportunities but no decisions have been made at this stage.

Competent Person Statement

The information in this report that relates to Exploration Results is based on information compiled by Dr Louis Bucci, a consulting geologist employed by Nelson Resources Limited. Dr Bucci is a Member Australian Institute of Geoscientists and has sufficient experience that is relevant to this style of mineralisation and type of deposit under consideration and to the activity that is being reported on 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". Dr Bucci consents to the inclusion in the report of the matters in the form and context in which it appears.

Significant changes in the state of affairs

The Company issued 25,000,000 ordinary shares to Rock Mining Australia Pty Ltd as remaining consideration to acquire 100% interest of six granted prospecting licenses and two mining license applications, surrounding the Company's Yarri gold project.

The Company completed a placement of \$2,300,000 (before costs) through the issue of 1.53 billion new ordinary shares at \$0.0015 each, with a free attaching option for every share subscribed for under the placement.

2,152,539 quoted options exercisable at \$0.1125 have expired unexercised on 18 November 2024.

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

Matters subsequent to the end of the financial half-year

No matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

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

On behalf of the directors

Gernot Abl
Chairman

13 March 2025

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Criterion Audit Pty Ltd

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LEEDERVILLE WA 6007

Phone: 9466 9009

To The Board of Directors

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

As lead audit director for the review of the financial statements of Nelson Resources Limited and its controlled entities 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:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- any applicable code of professional conduct in relation to the review.

Yours faithfully



CHRIS WATTS CA
Director

CRITERION AUDIT PTY LTD

DATED at PERTH this 13th day of March 2025



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General information

The financial statements cover Nelson Resources Limited as a Group consisting of Nelson Resources Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Nelson Resources Limited's functional and presentation currency.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 13 March 2025.

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Nelson Resources Limited And Controlled Entities
Consolidated statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2024



		Consolidated	
	Note	2024	2023
		\$	\$
Other income	4	6,498	12,057
Expenses			
Administration		(56,484)	(52,090)
Accounting and audit fees		(18,180)	(22,448)
Consultancy fees		(56,097)	(58,955)
Depreciation expense		(6,450)	(14,049)
Directors' fees		(67,873)	(52,216)
Employee benefits expense		(1,863)	(11,388)
Exploration expenses		(101,269)	(1,494,302)
Loss before income tax expense		(301,718)	(1,693,391)
Income tax expense		-	-
Loss after income tax expense for the half-year attributable to the owners of Nelson Resources Limited		(301,718)	(1,693,391)
Other comprehensive income for the half-year, net of tax		-	-
Total comprehensive income for the half-year attributable to the owners of Nelson Resources Limited		(301,718)	(1,693,391)
		Cents	Cents
Basic loss per share		(0.03)	(0.28)
Diluted loss per share		(0.03)	(0.28)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Nelson Resources Limited And Controlled Entities
Consolidated consolidated statement of financial position
As at 31 December 2024



		Consolidated	
	Note	31 December 2024	30 June 2024
		\$	\$
Assets			
Current assets			
Cash and cash equivalents	5	2,035,063	100,967
Trade and other receivables		-	2,717
Prepaid expenses		17,808	28,466
Total current assets		<u>2,052,871</u>	<u>132,150</u>
Non-current assets			
Plant and equipment	6	37,585	54,487
Exploration and evaluation assets	7	1,086,691	1,057,721
Total non-current assets		<u>1,124,276</u>	<u>1,112,208</u>
Total assets		<u>3,177,147</u>	<u>1,244,358</u>
Liabilities			
Current liabilities			
Trade and other payables	8	195,309	208,487
Total current liabilities		<u>195,309</u>	<u>208,487</u>
Total liabilities		<u>195,309</u>	<u>208,487</u>
Net assets		<u>2,981,838</u>	<u>1,035,871</u>
Equity			
Issued capital	9	48,700,744	46,578,784
Reserves	10	125,725	49,704
Accumulated losses		<u>(45,844,631)</u>	<u>(45,592,617)</u>
Total equity		<u>2,981,838</u>	<u>1,035,871</u>

The above consolidated consolidated statement of financial position should be read in conjunction with the accompanying notes

Nelson Resources Limited And Controlled Entities
Consolidated statement of changes in equity
For the half-year ended 31 December 2024



Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2023	46,428,784	500,121	(39,642,959)	7,285,946
Loss after income tax expense for the half-year	-	-	(1,693,391)	(1,693,391)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	(1,693,391)	(1,693,391)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs	150,000	-	-	150,000
Share-based payments - expired options	-	(450,417)	450,417	-
Balance at 31 December 2023	<u>46,578,784</u>	<u>49,704</u>	<u>(40,885,933)</u>	<u>5,742,555</u>
Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2024	46,578,784	49,704	(45,592,617)	1,035,871
Loss after income tax expense for the half-year	-	-	(301,718)	(301,718)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	(301,718)	(301,718)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs	2,247,685	-	-	2,247,685
Share-based payments (expired options)	-	(49,704)	49,704	-
Share-based payments (issued options)	(125,725)	125,725	-	-
Balance at 31 December 2024	<u>48,700,744</u>	<u>125,725</u>	<u>(45,844,631)</u>	<u>2,981,838</u>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

Nelson Resources Limited And Controlled Entities
Consolidated statement of cash flows
For the half-year ended 31 December 2024



		Consolidated	
	Note	2024	2023
		\$	\$
Cash flows from operating activities			
Payments to suppliers and employees		(319,395)	(117,513)
Other income received		-	25,218
Interest received		2,404	4,481
		<u>(316,991)</u>	<u>(87,814)</u>
Net cash used in operating activities			
Cash flows from investing activities			
Payments for exploration and evaluation	7	(123,344)	(536,487)
Proceeds from disposal of plant and equipment		14,546	6,000
		<u>(108,798)</u>	<u>(530,487)</u>
Net cash used in investing activities			
Cash flows from financing activities			
Proceeds from issue of shares	9	2,375,000	-
Share issue transaction costs		(15,115)	-
		<u>2,359,885</u>	<u>-</u>
Net cash from financing activities			
Net increase/(decrease) in cash and cash equivalents		1,934,096	(618,301)
Cash and cash equivalents at the beginning of the financial half-year		100,967	896,796
Cash and cash equivalents at the end of the financial half-year		<u>2,035,063</u>	<u>278,495</u>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes



Note 1. Corporate information

This half year report covers Nelson Resources Limited (the "Consolidated Entity"), a company incorporated in Australia for the 6-month period ended 31 December 2024. The presentation currency of the Consolidated Entity is Australian Dollars ("A\$"). A description of the Consolidated Entity's operations is included in the review and results of operations in the Directors' Report. The Directors' Report is not part of the financial statements. The Consolidated Entity is a for-profit entity and limited by shares incorporated in Australia whose shares are traded under the ASX code "NES". The financial statements were authorised for issue on 13 March 2025 by the Directors of the Group. The Directors have the power to amend and reissue the financial statements. The material accounting policies adopted in the preparation of the financial statements are set out below.

Note 2. 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 accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

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

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

Note 3. Operating segments

Operating segment are determined based on the reports reviewed by the Board of Directors, which are used to make strategic decisions. The Company does not have any operating segments with discrete financial information. All of the Company's assets and liabilities are located within Australia. The Company does not have any customers at this stage. Internal management reports for the Board of Directors' review are consistent with the information provided in the statement of profit or loss and other comprehensive income, statement of financial position and statement of cash flows. As a result, no reconciliation is required because the information as presented is what is used by the Board to make strategic decisions.

Intersegment loans are initially recognised at the consideration received. Intersegment loans receivable and loans payable that earn or incur non-market interest are not adjusted to fair value based on market interest rates. Intersegment loans are eliminated on consolidation.

Note 4. Other income

	Consolidated	
	2024	2023
	\$	\$
Rent	-	7,575
Gain/(loss) on disposal of asset	4,094	(5,916)
Interest income	2,404	10,398
Other income	6,498	12,057



Note 5. Cash and cash equivalents

	Consolidated	
	2024	2024
	\$	\$
Cash at bank	2,035,063	100,967

Note 6. Plant and equipment

Reconciliations

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

Consolidated	Motor Vehicles \$	Exploration Equipment \$	Computer Equipment \$	Office Equipment \$	Total \$
Balance at 1 July 2023	31,070	60,461	754	5,246	97,531
Disposals	(12,787)	-	(754)	(5,246)	(18,787)
Depreciation expense	(7,368)	(16,889)	-	-	(24,257)
Balance at 1 July 2024	10,915	43,572	-	-	54,487
Disposals	(10,451)	-	-	-	(10,451)
Depreciation expense	(464)	(5,987)	-	-	(6,451)
Balance at 31 December 2024	-	37,585	-	-	37,585

Note 7. Exploration and evaluation assets

	Consolidated	
	31 December 2024	30 June 2024
	\$	\$
Exploration and evaluation at cost	5,341,009	5,558,469
Less: Impairment	(4,254,318)	(4,500,748)
	1,086,691	1,057,721

Reconciliations

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

Consolidated	\$
Balance at 1 July 2024	1,057,721
Capitalised expenditure during the half-year	28,970
Disposals	(246,430)
Impairment of assets	246,430
Balance at 31 December 2024	1,086,691

The company surrendered an unprospective tenement and wrote off its balance during the period. A full impairment provision for the area of interest had been previously recognised, and the write-off had no impact on the company's profit or loss accounts.



Note 8. Trade and other payables

	Consolidated	
	2024	2024
	\$	\$
Trade payables	152,048	114,572
Other payables	43,261	93,915
	<u>195,309</u>	<u>208,487</u>

Note 9. Issued capital

	Consolidated			
	31 December	30 June 2024	31 December	30 June
	2024	2024	2024	2024
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>2,171,927,661</u>	<u>613,594,328</u>	<u>48,700,744</u>	<u>46,578,784</u>

Movements in ordinary share capital

Details	Date	Shares	\$
Balance at beginning of year	1 July 2024	613,594,328	46,578,784
25,000,000 shares issued to Rock Mining Australia Pty Ltd	27 September 2024	25,000,000	75,000
Placement Tranche 1	11 October 2024	66,666,666	100,000
Placement Tranche 2	5 December 2024	1,466,666,667	2,200,000
Share issued costs		-	(253,040)
Balance	31 December 2024	<u>2,171,927,661</u>	<u>48,700,744</u>

Ordinary shares

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 shares 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.

Share buy-back

There is no current on-market share buy-back.

Note 10. Reserves

	Consolidated	
	2024	2024
	\$	\$
Share-based payments reserve	<u>125,725</u>	<u>49,704</u>



Note 10. Reserves (continued)

Movements in reserves

Movements in each class of reserve during the current financial half-year are set out below:

Consolidated	\$
Balance at 1 July 2024	49,704
Expired	(49,704)
Share-based payment	125,725
Balance at 31 December 2024	125,725

During the period, the Company issued options to an external service provider as consideration for placement lead management services. As the options were issued in connection with capital raising activities, the fair value of the options has been recognised as a transaction cost directly in equity, reducing the proceeds from the capital raised.

The fair value of the options was determined using the Black-Scholes valuation model, with 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
4 December 2024	4 December 2029	\$0.003	\$0.0015	100%	-	3.9%	\$125,725

Note 11. Dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Note 12. Commitments

The Company has certain statutory requirements to undertake a minimum level of exploration activity in order to maintain rights of tenure to its various exploration tenements. These requirements may vary from time to time, subject to approval of the relevant government departments and are expected to be fulfilled in the normal course of operations of the Company to avoid forfeiture of any tenement. The Company has a 100% share of tenements rental and expenditure commitments. These exploration commitments are not provided for in the financial statements and are payable:

	Consolidated	
	31 December 2024	30 June 2024
	\$	\$
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	462,000	493,220
One to five years	540,000	380,000
	1,002,000	873,220

Note 13. Related party transactions

Parent entity

Nelson Resources Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 14.



Note 13. Related party transactions (continued)

Transactions with related parties

During the period the Company incurred and paid totalling \$30,000 for company secretarial and accounting services received from Minerva Corporate Pty Ltd ("Minerva"), a company of which Dan Smith and Nicholas Ong are directors. The Company also settled the unpaid balance of \$98,000 it owed to Minerva as at 30 June 2024.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Note 14. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Ownership interest	
		31 December 2024	30 June 2024
		%	%
79 Exploration Pty Ltd	Australia	100.00%	100.00%
Nelson Exploration Services Pty Ltd	Australia	100.00%	100.00%

Note 15. Events after the reporting period

No matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.



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 Group'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

A handwritten signature in blue ink, appearing to be 'Gernot Abl', written over a horizontal line.

Gernot Abl
Chairman

13 March 2025

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Independent Auditor's Review Report

To the Members of Nelson Resources Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Nelson Resources Limited ("the Company") and Controlled Entities ("the Group"), 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, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

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

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Group in accordance with the ethical 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 the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the Directors for the Half-Year Financial Report

The Directors are responsible for the preparation of the half-year financial report that gives us a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view 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. 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 Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a 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.

Criterion Audit

CRITERION AUDIT PTY LTD

Chris Watts

CHRIS WATTS CA
Director

DATED at PERTH this 13th day of March 2025