

Far Northern Resources Limited

ABN 89 621 685 701

Consolidated Interim Financial Report

For the Half-Year Ended 31 December 2024

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CORPORATE DIRECTORY

Directors

Roderick Paul Corps - Chairman Independent
Cameron Woodrow - Managing Director / CEO
Matthew Bashford - Executive Director / CFO

Company Secretary

Catriona Glover

Registered Office and Principal Place of Business

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Website: farnorthernresources.com

Auditors

Alex Koutzoumis
Holden & Bolster Avenir Pty Ltd
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Sydney NSW 2000

Share Register

Automic Pty Ltd
Level 5, 126 Phillip Street
Sydney NSW 2000
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Securities Exchange Listing

Far Northern Resources Limited is an Australian Company limited by shares and listed on the Australian Securities Exchange (ASX: FNR).

DIRECTORS' REPORT

Your Directors submit the consolidated interim financial report of Far Northern Resources Limited, for the half-year ended 31 December 2024.

Directors

The names of the Directors who held office during the whole of the half-year and until the date of this report are as follows.

Roderick Corps - Chairman
Cameron Woodrow – Managing Director
Matthew Bashford – CFO

Result of Operations

The loss for the half-year after providing for income tax was \$363,012 compared to (Loss of \$277,552 for 31 December 2023).

Review of Operations

Far Northern Resources Limited is pleased to provide an update on the exploration and work activities completed across the half- year ending 31 December 2024.

Rocks Reef Project - Chillagoe, North Queensland

The Company undertook a targeted rock chip program at the Rocks Reef exploration area, incorporating three previously under-explored zones (due to their inaccessibility) of broad epithermal mineral enrichment, which has successfully returned sufficiently encouraging economically viable results to pursue further investigation. Rock chip and soil sample testing provided encouraging results at Savannah Way, Single Peak, China Wall South and Roadside Copper Gold prospects.



Figure 1: China Wall at Rocks Reef

The Empire Projects /Chillagoe North Queensland

During the period, FNR undertook a targeted RC drilling program at the Empire Mining Lease which confirmed the presence of a zone in the primary vein at the northern end of the Empire Stockworks consisting of a high-grade gold zone >3 g/t Au. The zone is within the greater Empire Stockworks gold system, with mineralisation open at depth and along strike.

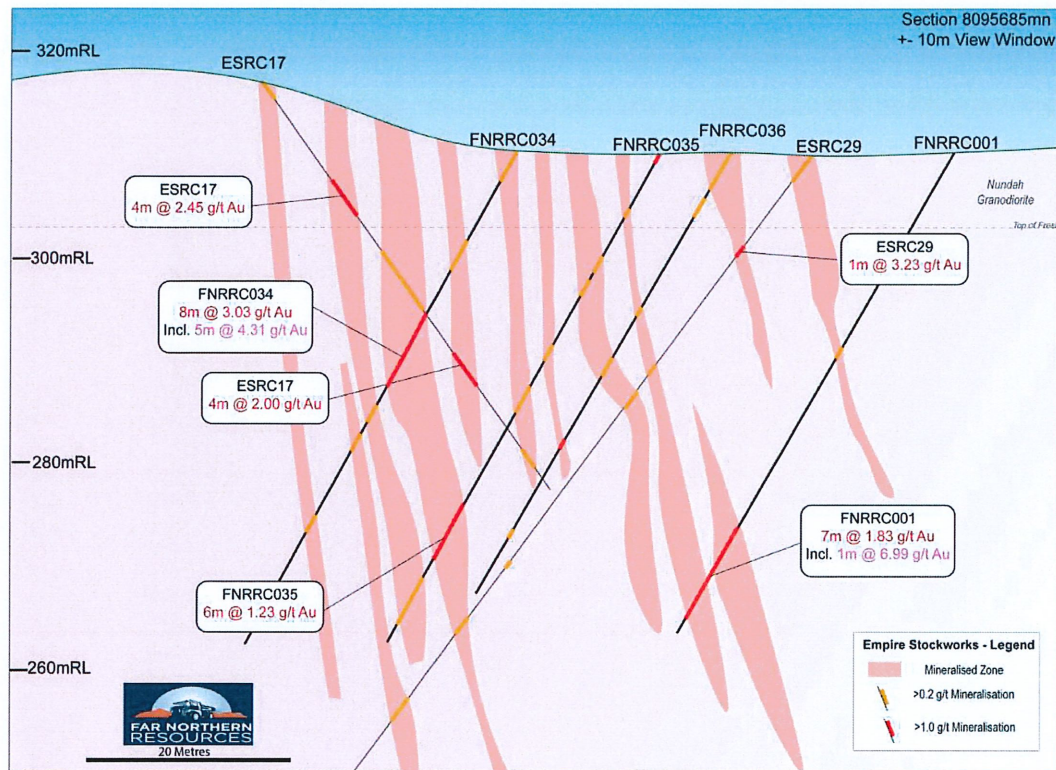


Figure 2: Cross Section through recent drilling Section 8095685mN (Intersections >2m)

Bridge Creek Project, Northern Territory

FNR expects to commence drilling in the 2nd quarter of 2025 following the submission of a new mine management plan to the Northern Territory Mines department. No substantial exploration field activities or mine development activities were carried out by the Company on the Bridge Creek project during the half ending 31 December 2024.

Significant events after the reporting date

There has not been any matter or circumstance that has arisen after the reporting date that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial periods.

Auditor Independence and Non-Audit Services

Section 307C of the Corporations Act 2001 requires our auditors to provide the Directors of the Company with an Independence Declaration in relation to the audit of the financial report.

This Independence Declaration follows this report and forms part of this directors' report for the half-year ended 31 December 2024.

No amounts were paid or payable to the auditor for non-audit services provided during the half-year.

Signed in accordance with a resolution of the Directors.



Cameron Woodrow
Managing Director
Brisbane QLD

13 March 2025



Matthew Bashford
Director
Brisbane QLD

13 March 2025

.....END OF DIRECTORS REPORT.....

**AUDITORS INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001**

To the Directors of Far Northern Resources Limited

As auditor for the review of Far Northern Resources Limited and the entities it controlled for the half-year ended 31 December 2024, I declare that to the best of my knowledge and belief, there have been:

1. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review, and
2. no contraventions of any applicable code of professional conduct in relation to the review.



Alex Koutzoumis
Registered Company Auditor
Sydney, NSW
13 March 2025

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

	Note	Half-Year Ended 31 December 2024 \$	Half-Year Ended 31 December 2023 \$
INTEREST INCOME		17,371	-
EXPENSES			
Administration Expenses		(82,011)	-
Employee Benefits Expense		(138,427)	(83,250)
Exploration Expenses		(48,976)	(5,581)
Depreciation Expense		(35,116)	(32,505)
Interest Expense		(1,887)	-
Other Expenses		(73,966)	(164,660)
		(380,383)	(295,996)
NET LOSS BEFORE INCOME TAX EXPENSE		(363,012)	(285,996)
Income tax expense		-	-
Minority Interest		-	8,444
NET LOSS FOR THE YEAR		(363,012)	(277,552)
OTHER COMPREHENSIVE INCOME, NET OF INCOME TAX		-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(363,012)	(277,552)
BASIC AND DILUTED LOSS PER SHARE (CENTS PER SHARE)		(0.03)	(0.10)

The accompanying notes form part of these financial statements.

CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Note	31 December 2024 \$	30 June 2024 \$
CURRENT ASSETS			
Cash and Cash equivalents		3,020,361	3,564,201
Other Assets		-	49,890
Total Current Assets		3,020,361	3,614,091
NON-CURRENT ASSETS			
Property, Plant and equipment		942,074	977,190
Goodwill on Consolidation		2,755,418	2,755,371
Exploration and Evaluation expenditure		2,314,367	2,077,033
Total Non-Current Assets		6,011,859	5,809,594
TOTAL ASSETS		9,032,220	9,423,685
CURRENT LIABILITIES			
Trade and Other Payables		78,975	111,470
Total Current Liabilities		78,975	111,470
NON-CURRENT LIABILITIES			
Related Party Loan		90,038	90,038
Total Non-Current Liabilities		90,038	90,038
TOTAL LIABILITIES		169,013	201,508
		8,863,207	9,222,177
EQUITY			
Issued capital	2	11,361,435	11,361,435
Accumulated losses		(2,498,228)	(2,139,348)
TOTAL EQUITY		8,863,207	9,222,177

The accompanying notes form part of these financial statements.

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

	31 December 2024 \$	31 December 2023 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest received	17,371	-
Payments to suppliers and employees	(303,596)	(289,464)
Net cash (used in) operating activities	(286,225)	(289,464)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for exploration and evaluation	(257,615)	-
Loan to/(from) related parties	-	(104)
Net cash (used in) investing activities	(257,615)	(104)
Net increase/(decrease) in cash and cash equivalents	(543,840)	(289,568)
Cash and cash equivalents at beginning of period	3,564,201	425,891
Cash at end of period	3,020,361	136,323

The accompanying notes form part of these financial statements.

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

	Notes	Issued Capital \$	Accumulated Losses \$	Total Equity \$
Balance at 1 July 2023		2,678,592	(1,140,365)	1,761,330
Loss for the year		-	(1,077,488)	(1,077,488)
Total Comprehensive Loss		-	(1,077,488)	(1,077,488)
Transaction recorded directly in equity				
Capital raising – IPO Placement		4,165,000	-	4,165,000
Bridge Creek Pty Ltd – Vendor acquisition		3,717,933	-	3,717,933
Premier Mining Pty Ltd – Vendor acquisition		800,000	-	800,000
		8,682,933	(1,077,488)	7,461,847
Balance at 30 June 2024		11,361,525	(2,139,348)	9,222,177
Balance at 1 July 2024		11,361,525	(2,139,348)	9,222,177
Loss for the half year		-	(363,012)	(363,012)
Total Comprehensive Loss		-	(363,012)	(363,012)
		11,361,525	(363,012)	(363,012)
Balance at 31 December 2024		11,361,525	(2,498,228)	8,863,207

The accompanying notes form part of these financial statements.

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

These consolidated financial statements consist of Far Northern Resources Limited and the entities it controlled for the half-year ended 31 December 2024.

These interim financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

The interim financial statements do not include all of the information required in annual financial statements in accordance with Australian Accounting Standards and should be read in conjunction with the financial statements of the Company for the year ended 30 June 2024 and any public announcements made by the Company during the half-year in accordance with continuous disclosure requirements arising under the Australian Securities Exchange Listing Rules and Corporations Act 2001.

The accounting policies and methods of computations adopted are consistent with those of the previous financial year and corresponding interim reporting period. The accounting policies are also consistent with Australian Accounting Standards and with International Financial Reporting Standards.

The interim financial statements have been prepared on a historical cost basis, unless otherwise noted. The company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

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

(b) Significant accounting judgements and key estimates

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

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C) Going Concern

During the half-year the group incurred a net loss of \$363,012 (31 December 2023: loss of \$277,552).

Given the potential funding options and cash management initiatives noted below, the Directors believe the going concern basis is appropriate:

- The Company will continue to exercise appropriate cash management and monitoring of operating cashflows according to exploration success. Future exploration expenditure is generally discretionary in nature and exploration activities may be slowed or suspended as part of the Company's cash management strategy.
- The Company has demonstrated its ability to raise capital via equity placements to shareholders during the period. Given the strong support of substantial shareholders and the prospectivity of the Company's current projects the Directors are confident that any future capital raisings will be successful.

Should the Company be unable to obtain sufficient future funding, there is a material uncertainty which may cast significant doubt as to whether the Company will be able to continue as a going concern and whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

NOTE 2: ISSUED CAPITAL					
	Note	31 December 2024		30 June 2024	
		No.	\$	No.	\$
Issued capital comprises Fully Paid Ordinary Shares		70,961,135	11,361,435	70,961,135	11,361,435
<i>Movement in issued shares for the year</i>					
Balance at beginning of the financial year		70,961,135	11,361,435	27,545,471	2,678,592
<u>Issued for cash</u>	<u>Date</u>				
IPO Placement of shares	9-04-24			20,825,000	4,165,000
<u>Shares Issued – non cash</u>					
Bridge Creek Pty Ltd – Vendor acquisition	12-04-24			18,589,664	3,717,933
Premier Mining Pty Ltd - Vendor acquisition	12-04-24			4,000,000	800,000
Balance at the end of the year		70,961,135	11,361,435	70,961,135	11,361,435

NOTE 3: EVENTS AFTER REPORTING DATE

There has not been any other matter or circumstance that has arisen after the reporting date that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial periods.

NOTE 4: NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

The Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company's operations and effective for reporting periods beginning on or after 1 July 2024. The Company has determined that there are no material impacts of the new and revised Standards and Interpretations on the Company and therefore, no material change is necessary to Company's accounting policies. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

DIRECTORS' DECLARATION

In the opinion of the Directors of Far Northern Resources Limited (the "Company"):

- (a) the accompanying financial statements and notes comply with the Corporations Act 2001 including:
 - (i) giving a true and fair view of the Company's financial position at 31 December 2024 and of its performance for the half-year then ended; and
 - (ii) complying with Australian Accounting Standards, the Corporations Regulations 2001, professional reporting requirements and other mandatory requirements.
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



Cameron Woodrow
Managing Director
Brisbane QLD

13 March 2025



Matthew Bashford
Director
Brisbane QLD

13 March 2025

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
FAR NORTHERN RESOURCES LIMITED AND CONTROLLED ENTITIES

Report on the Half-Year Financial Report as at 31 December 2024

Conclusion

We have reviewed the half-year financial report of Far Northern Resources Limited ("the Company"), and its 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, the consolidated statement of changes in equity and the 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 Far Northern Resources Limited does not comply 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 Corporation Regulations 2001.

Basis for Conclusion

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

Material Uncertainty Regarding Continuation as a Going Concern

Without modifying our opinion, we draw attention to Note 1 (c): Going Concern in the financial report, which states that, during the half-year to 31 December 2024, the consolidated entity incurred a loss of \$363,012 had net cash outflows from operating activities of \$363,012. As at the balance date the consolidated statement of financial position indicates the Group held cash of \$3,020,361 and had net liabilities of \$169,013.

The above conditions indicate the existence of a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern.

Our review conclusion is not modified in respect of this matter.

Responsibility of the Directors for the Financial Report

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

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE2410 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 Corporations Regulations 2001.

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



Alex Koutzoumis
Registered Company Auditor
Sydney, NSW
13 March 2025