



## Interim Financial Report

For the half-year ended 31 December 2024

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These interim financial statements do not include all the notes of the type normally included in the 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*.

## DIRECTORS' REPORT

Your Directors are pleased to present their report on the consolidated entity consisting of Scorpion Minerals Limited ("Scorpion" or "Company") and the entities it controlled at the end of, or during, the half-year ended 31 December 2024.

### DIRECTORS

The names of the Directors who held office during or since the end of the half-year, to the date of this report, are:

Mike Kitney	Non-Executive Chairman (from 20 February 2025) Non-Executive Director (to 20 February 2025)
Kate Stoney	Executive Director – Finance
Peter Koller	Non-Executive Director (appointed 20 February 2025)
Bronwyn Barnes	Non-Executive Chairman (resigned 20 February 2025)

### COMPANY SECRETARIES

Kate Stoney  
Josh Merriman

## REVIEW OF OPERATIONS

During the half-year the Company's exploration activities focused on its Pharos Project in the Murchison region of Western Australia (Figure 1).

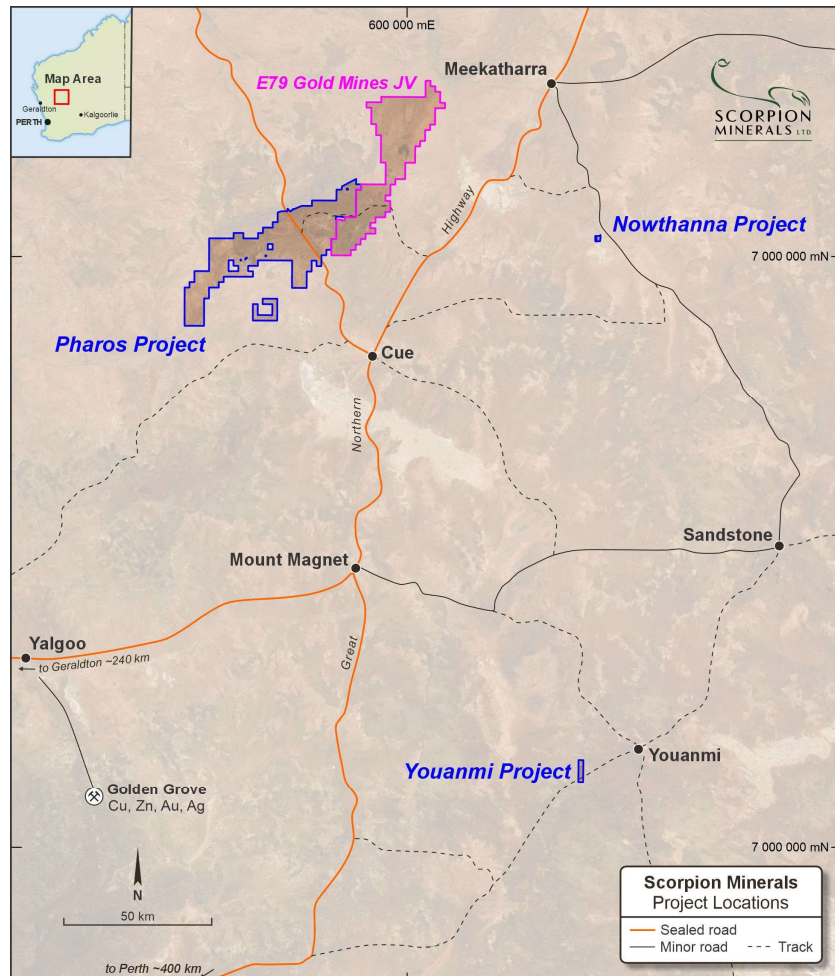


Figure 1: SCN tenure in the Murchison at date of report

### **Pharos Project, WA (SCN: 100%)**

The Pharos Project is 100% owned by Scorpion and covers an area of 924km<sup>2</sup> located approximately 60km northwest of Cue in the Murchison Mineral Field of Western Australia. The project is prospective for gold, lithium, PGE-Ni-Cu, tungsten, iron ore and VMS-hosted Cu-Zn-Ag Au mineralisation (refer Figure 2).

### **Gold targets**

During the half-year, the Company initiated a systematic review of high-grade gold targets at Pharos (refer ASX release 29 August 2024). The Pharos tenements cover the stratigraphic sequence to the west of and adjacent to the Dalgaranga–Big Bell shear corridor, host to the Big Bell deposit and adjacent to the Never Never discovery at Dalgaranga.

The Pharos Project is considered prospective for several gold mineralisation types, including:

- Shear zone hosted lode-style mineralisation hosted in mafic, ultramafic and felsic volcanics;
- Banded iron hosted Hill 50-style replacement deposits;
- High-grade quartz vein Day Dawn-style mineralisation hosted within dolerite and basalt; and
- Felsic porphyry hosted quartz stockwork and ladder vein mineralisation

Gold exploration by prior tenement holders at Pharos has been unsystematic, with multiple soil anomalies and rock chip targets requiring follow-up sampling and RC drill testing. Systematic exploration has not been undertaken historically where the north-northwest trending splays off the Big Bell shear intersect prospective lithologies. Previous explorers have noted repeated observation of sericite-chlorite-carbonate alteration and pyrite-arsenopyrite mineralisation associated with gold mineralisation, which may be indicative of large Archaean gold hydrothermal systems. Follow-up drilling will test existing targets where access has been simplified by completed heritage surveys covering a large continuous area.

Specimen gold has been discovered over a large area at the Olivers Patch prospect within the Pharos Project (refer ASX releases 25 July 2024 and 11 September 2024). The discovery of gold nuggets at this location is significant as historic surface soil and lag sampling surveys did not identify gold anomalism in the area, highlighting potential for future discovery of gold mineralisation under shallow cover. The specimens uncovered on recent prospecting expeditions are likely remobilised gold precipitated in surface laterite, during weathering, overlying a bedrock source and then subsequently liberated by later erosion of the laterite. A detailed auger-assisted soil sampling and geological mapping program is planned for the area with the aim of identifying potential drill targets.

Following the end of the reporting period, Scorpion entered into a joint venture/farm-in agreement with a subsidiary of E79 Gold Mines Ltd in relation to the Jungar Flats Gold Project, lying adjacent to Scorpion's existing Pharos tenements (refer ASX release 14 February 2025). The JV agreement creates a cohesive project that is the largest holding in the region, straddling a strike of about 60km along the shear corridor and related NW splays.

*The technical information relating to the Pharos Project contained in this report is derived from the below ASX releases:*

25/06/2020 "Pharos Project Exploration Update"  
09/07/2020 "High Grade Gold Rock Chips – Pharos Project"  
13/08/2020 "Drilling to Commence – Pharos Project"  
31/08/2020 "Commencement of Drilling – Pharos Project"  
28/09/2020 "High Grade Gold Confirmed at Lantern - Pharos Project"  
08/10/2020 "Phase 2 RC Drilling Commenced- Pharos Project"  
02/11/2020 "Priority PGE Ni-Cu Targets – Pharos Tenement"  
24/11/2020 "Further High-Grade Gold Results – Pharos Project"  
08/02/2021 "Term Sheet – Iron Ore Rights at Pharos"  
08/04/2021 "PGE-Ni-Cu Targets Identified at Pharos Project"  
28/04/2021 "Fenix Iron Ore JV Update – Pharos"  
16/06/2021 "Pallas PGE-Ni-Cu Target – Pharos"  
23/06/2021 "Multiple Commodity Targets Identified at Pharos"  
21/07/2021 "Iron Ore Targets Advanced and Drilling Expedited – Fenix JV"  
12/08/2021 "RC Drilling Commences at Pharos Gold Targets"

23/08/2021 "Completion of Drilling at Pharos Gold Targets"  
20/10/2021 "New Shallow High-Grade Gold Zone Confirmed at Cap Lamp"  
06/12/2021 "Scorpion increase Murchison Footprint"  
07/02/2022 "Scorpion Acquires Poona Project"  
11/02/2022 "Poona Tech Review Highlights Multiple PGE-Targets"  
14/02/2022 "Multiple Lithium Targets Identified at Pharos Project"  
02/03/2022 "Pharos Lithium Corridor Extended to 50km"  
20/10/2022 "Multiple Lithium Pegmatite Dykes at Poona"  
12/12/2023 "RC Drilling Commences at Poona Lithium Targets"  
22/12/2023 "RC Drilling Completed at Poona Lithium Targets"  
22/04/2024 "New Lithium Targets Confirmed at Poona"  
14/05/2024 "Scorpion to Pursue High-Grade Copper Targets at Mt Mulcahy"  
25/07/2024 "Specimen Gold Discovered at Olivers Patch"  
30/08/2024 "Pharos High-Grade Gold Target Review Underway"  
11/09/2024 "Specimen Gold Distribution Confirmed at Olivers Patch"

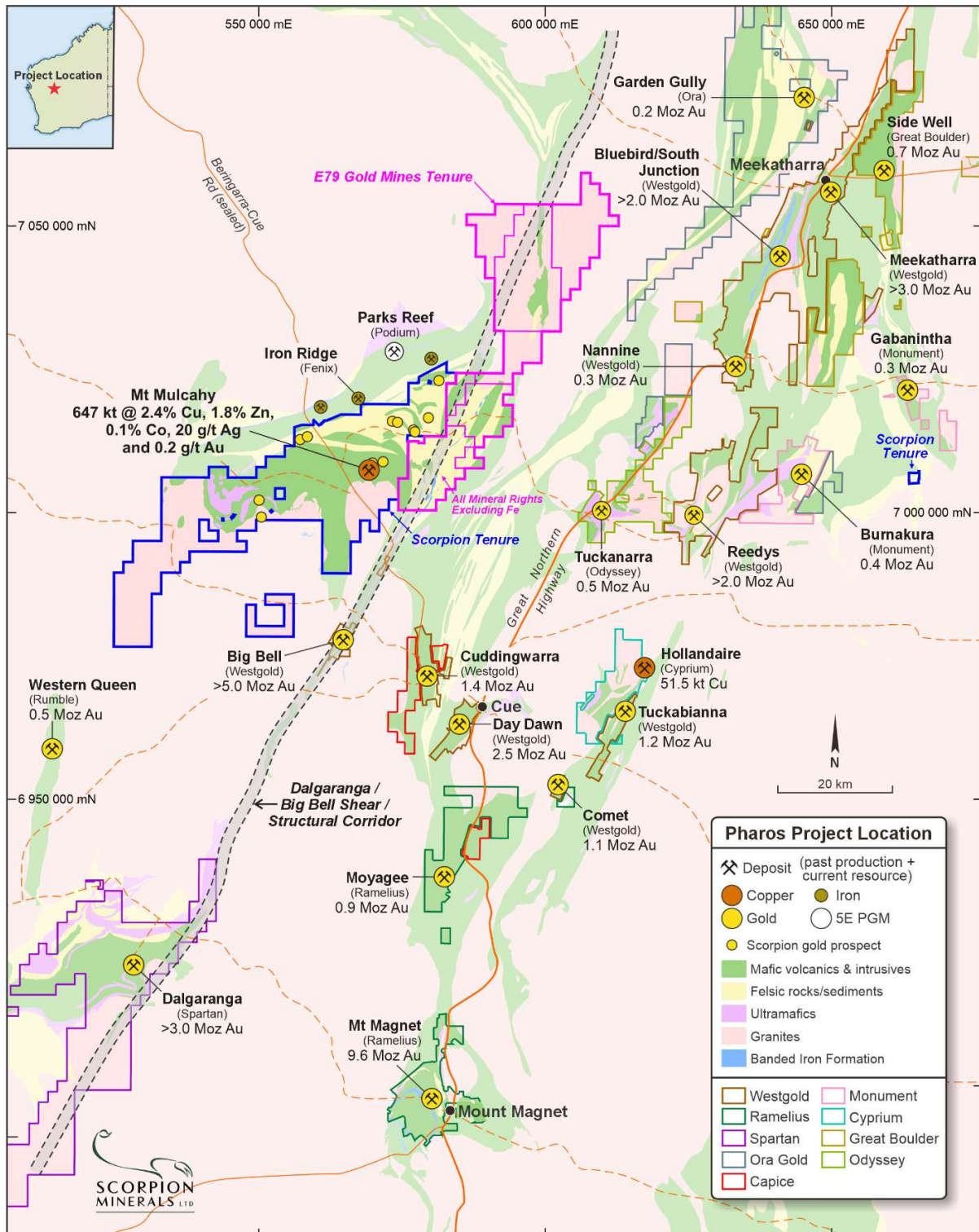


Figure 2: SCN's Pharos Project and Jungar Flats JV with existing major deposits and neighbouring tenures



### Other Projects

The Company's option to acquire a 100% interest in tenements E57/978, E57/1049 and E57/1056 at Youanmi lapsed in December 2024 without exercise. The Company was required to pay cash consideration of \$3.5 million to Diversity Resources Pty Ltd in order to exercise the option. The Company retains a 100% interest in E57/1422 at Youanmi, which was granted during the half-year.

## RESULTS OF OPERATIONS

The Group incurred an after-tax operating loss for the half-year ended 31 December 2024 of \$2,939,411 (31 December 2023: \$1,539,400).

## CORPORATE

The Company held its Annual General Meeting on 29 November 2024 with all resolutions put to shareholders being passed.

## SUBSEQUENT EVENTS

On 14 February 2025, the Company announced that it had entered into a farm-in and joint venture agreement with a wholly owned subsidiary of E79 Gold Mines Ltd (ASX:E79) ("E79") in respect of E79's Jungar Flats Gold Project. The binding heads of agreement provides for Scorpion to earn up to a 70% interest in the Jungar Flats Gold Project by expenditure of \$3 million over a five-year period, including cash consideration of \$100,000 and expenditure milestones. The Jungar Flats Gold Project comprises eight exploration licences and abuts Scorpion's existing Pharos Project, taking in the northern extent of the highly prospective Big Bell–Dalgara shear corridor in the Murchison region of Western Australia.

On the same date, the Company announced a placement of 75,000,000 fully paid ordinary shares to new and existing sophisticated and professional investors at an issue price of \$0.02 per share to raise \$1.5 million (before costs) ("Placement"). Key contractors and Directors of the Company also agreed to convert \$332,000 of debt to equity via the issue of 16,600,000 shares at the same issue price as the Placement ("Debt-to-Equity Conversion"), while the Company's primary drilling contractor was also issued 10,000,000 shares in consideration for future drilling services to be rendered to the value of \$200,000 ("Drill-to-Equity Conversion"). Participants in the Placement, Debt-to-Equity Conversion and Drill-to-Equity Conversion are entitled to receive one free attaching option for every two shares issued, expiring one year from the date of issue and exercisable at \$0.04 per option ("Free Attaching Options"). The allotment of the Free Attaching Options and participation of related parties in the Placement and Debt-to-Equity Conversion is subject to shareholder approval.

On 20 February 2025, the Company announced the appointment of Mr Peter Koller as Non-Executive Director of the Company and the resignation of Ms Bronwyn Barnes as Non-Executive Chairman, with Non-Executive Director Mr Mike Kitney succeeding Ms Barnes as Non-Executive Chairman.

There are no other matters or circumstances that have arisen since 31 December 2024 that have significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company.

## 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 on page 5.

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the *Corporations Act 2001*, and signed for and on behalf of the Board by:



**Mike Kitney**  
Non-Executive Chairman  
14 March 2025

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION  
307C OF THE CORPORATIONS ACT 2001**

To the Directors of Scorpion Minerals Limited,

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2024 there have been:

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

This declaration is in relation to Scorpion Minerals Ltd and the entities it controlled during the half-year.

**In.Corp Audit & Assurance Pty Ltd**



**Volha Romanchik**  
Director

14 March 2025

**In.Corp Audit & Assurance Pty Ltd**  
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**CONSOLIDATED STATEMENT OF PROFIT OR  
LOSS AND OTHER COMPREHENSIVE  
INCOME FOR THE HALF-YEAR ENDED  
31 DECEMBER 2024**

		<b>Half-Year</b>	
	<b>Note</b>	<b>31 December 2024</b>	<b>31 December 2023</b>
		<b>\$</b>	<b>\$</b>
<b>CONTINUING OPERATIONS</b>			
Interest income		930	968
Directors' fees		(75,600)	(95,995)
Exploration expenses		(467,297)	(221,979)
Exploration written off		(1,803,057)	-
Interest expense		(281)	(25,566)
Reversal of accrued interest	7	130,505	-
Staff costs		-	(66,863)
Other expenses	3	(182,412)	(388,749)
Share-based payments – current period	4	(653,539)	(741,216)
Share-based payments – forfeited	4	111,340	-
<b>LOSS BEFORE INCOME TAX</b>		<b>(2,939,411)</b>	<b>(1,539,400)</b>
Income tax		-	-
<b>LOSS AFTER INCOME TAX FOR THE HALF-YEAR</b>		<b>(2,939,411)</b>	<b>(1,539,400)</b>
Other comprehensive income for the half-year, net of tax		-	-
<b>TOTAL COMPREHENSIVE LOSS FOR THE HALF-YEAR ATTRIBUTABLE TO THE OWNERS OF SCORPION MINERALS LIMITED</b>		<b>(2,939,411)</b>	<b>(1,539,400)</b>
Loss per share attributable to the ordinary equity holders of the Parent			
Basic and diluted (cents per share)		(0.70)	(0.42)

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



## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

	Note	31 December 2024	30 June 2024
<b>CURRENT ASSETS</b>		<b>\$</b>	<b>\$</b>
Cash and cash equivalents		669	367,767
Trade and other receivables		65,563	184,276
<b>TOTAL CURRENT ASSETS</b>		<b>66,232</b>	<b>552,043</b>
<b>NON-CURRENT ASSETS</b>			
Capitalised exploration expenditure	5	3,562,285	5,365,342
<b>TOTAL NON-CURRENT ASSETS</b>		<b>3,562,285</b>	<b>5,365,342</b>
<b>TOTAL ASSETS</b>		<b>3,628,517</b>	<b>5,917,385</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	6	1,185,660	953,070
Borrowings	7	594,891	719,137
<b>TOTAL LIABILITIES</b>		<b>1,780,551</b>	<b>1,672,207</b>
<b>NET ASSETS</b>		<b>1,847,966</b>	<b>4,245,178</b>
<b>EQUITY</b>			
Contributed equity	8	31,313,001	31,313,001
Accumulated losses		(32,920,970)	(30,595,894)
Option Reserve	9	3,455,935	3,528,071
<b>TOTAL EQUITY</b>		<b>1,847,966</b>	<b>4,245,178</b>

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

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

	Note	Contributed Equity \$	Accumulated Losses \$	Option Reserve \$	Total Equity \$
<b>CONSOLIDATED</b>					
<b>Balance 1 July 2024</b>		31,313,001	(30,595,894)	3,528,071	4,245,178
Loss for the half-year		-	(2,939,411)	-	(2,939,411)
Total comprehensive loss for the half-year		31,313,001	(33,535,005)	3,528,071	1,305,767
Options issued or vested during the period	9	-	-	653,539	653,539
Forfeited options credited against profit and loss	4	-	-	(111,340)	(111,340)
Transfer on lapse of options	9	-	614,335	(614,335)	-
<b>Balance 31 December 2024</b>		<b>31,313,001</b>	<b>(32,920,970)</b>	<b>3,455,935</b>	<b>1,847,966</b>

	Contributed Equity \$	Accumulated Losses \$	Option Reserve \$	Total Equity \$
<b>CONSOLIDATED</b>				
<b>Balance 1 July 2023</b>	28,400,089	(27,825,936)	2,412,960	2,987,113
Loss for the half-year	-	(1,539,400)	-	(1,539,400)
Total comprehensive loss for the half-year	28,400,089	(29,365,336)	2,412,960	1,447,713
Shares issued during the period	3,000,000	-	-	3,000,000
Capital raising costs	(204,342)	-	-	(204,342)
Options issued during the period	-	-	741,216	741,216
Transfer on lapse of options	-	112,051	(112,051)	-
Transfer on exercise of options	236,250	-	(236,250)	-
<b>Balance 31 December 2023</b>	<b>31,431,997</b>	<b>(29,253,285)</b>	<b>2,805,875</b>	<b>4,984,587</b>

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

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

	Note	Half-year 2024 \$	2023 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Other income		930	968
Payments to suppliers and employees		(105,728)	(480,681)
Payments for exploration		(232,300)	(1,065,857)
Interest paid		-	(1,978)
<b>Net cash outflow from operating activities</b>		<b>(337,098)</b>	<b>(1,547,548)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Net cash inflow/(outflow) from investing activities</b>		<b>-</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of shares		-	3,000,000
Payments for capital raisings		-	(204,342)
Repayment of borrowings	7	(30,000)	-
<b>Net cash (outflow)/inflow from financing activities</b>		<b>(30,000)</b>	<b>2,795,658</b>
Net (decrease)/increase in cash and cash equivalents		(367,098)	1,248,110
Cash and cash equivalents at the beginning of the half-year		367,767	389,093
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE HALF-YEAR</b>		<b>669</b>	<b>1,637,203</b>

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

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 1: BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT

#### Statement of compliance

The half-year financial report is a general-purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

The half-year report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the annual financial statements for the year ended 30 June 2024 and any public announcements made by Scorpion Minerals Ltd during the interim period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

#### Basis of preparation

The consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Group's 2024 annual financial report for the financial year ended 30 June 2024. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

#### Going concern

The Group incurred a net loss of \$2,939,411 (31 December 2023: \$1,539,400) and incurred net cash outflows from operating activities of \$337,098 (31 December 2023: \$1,547,548 outflow). As at 31 December 2024, the Group had a working capital deficit of \$1,714,319 (30 June 2024: \$1,120,164) and net assets of \$1,847,966 (30 June 2024: \$4,245,178), trade and other payables of \$1,185,660 (30 June 2024: \$953,070) and borrowings of \$594,891 (30 June 2024: \$719,137). As at reporting date the Group had a cash balance of \$669.

The ability of the Group to pay its debts as and when they become due is dependent upon:

- the Group's continued ability to call upon the undrawn portion of the loan facility entered into with former director of the Company Mr Michael Fotios and his associated entities; and
- in addition to any financing provided under the terms of the loan agreement referred to above, further capital raisings being undertaken;
- negotiating continued deferred terms of repayment with overdue third-party creditors.

These conditions indicate a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and therefore whether it will be able to pay its debts as and when they fall due and realise its assets and extinguish its liabilities in the normal course of business at the amounts stated in the financial report.

The Directors believe that there are sufficient funds available to continue to meet the Group's working capital requirements as at the date of this report. The financial statements have been prepared on the basis that the Group is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business for the following reasons:

- the Company raised \$1.5 million (before costs) in its placement announced in February 2025, with creditors of the Company simultaneously agreeing to convert \$532,000 to equity;
- as at 31 December 2024 the undrawn loan balance available to the Company with Mr. Fotios and his associated entities was \$1,324,663; and
- the Board has executed deeds of settlement with major overdue creditors, is confident that the liabilities of the Company can continue to be settled in an orderly fashion, and at the date of this financial report, there are no statutory demands against the Company in respect of any outstanding liabilities.

Should the Group not be able to achieve successful outcomes with the above matters, there is a significant uncertainty as to whether the Group may be able to continue as a going concern, and therefore it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability or classification of recorded asset amounts, nor the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

### Significant accounting judgments and key estimates

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

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

### Changes in accounting policy

The accounting policies are consistent with those applied in the previous financial year and those of the corresponding interim reporting period.

### Adoption of new and revised accounting standards

In the half-year ended 31 December 2024, the Group has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2024. It has been determined by the Group that there is no impact, material or otherwise, of the new and revised standards and interpretations on its business.

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

## NOTE 2: SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The Group does not have any operating segments with discrete financial information. The Group does not have any customers, and all the Group's assets and liabilities are located within Australia.

The Board of Directors review internal management reports on a monthly basis that is consistent with the information provided in the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position and consolidated 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.

	Half-Year	
	31 December 2024	31 December 2023
<b>NOTE 3: OTHER EXPENSES</b>	<b>\$</b>	<b>\$</b>
Accounting expenses	(41,883)	(73,200)
Audit expenses	(9,000)	(9,000)
Consulting and investor relations expenses	(30,134)	(154,514)
Corporate expenses	(82,853)	(88,054)
Insurance expenses	(8,925)	(13,727)
Legal expenses	(6,685)	(47,929)
Other administrative expenses	(2,932)	(2,325)
	<b>(182,412)</b>	<b>(388,749)</b>

**NOTE 4: SHARE BASED PAYMENT EXPENSE**

Share based payments are recognised in the profit and loss statement. In the reporting period, share-based payments to the value of \$653,539 were expensed (31 December 2023: \$741,216) and share-based payments relating to options forfeited post-period end were credited against the profit and loss statement to the value of \$111,340.

The fair value of the options expensed in the period has been calculated using the appropriate option pricing model for each class of options. For options not yet vested at the start of the reporting period, the value of the options expensed has been reduced in accordance with the portion of the vesting period falling within the reporting period. The model inputs for option valuations are shown in the table below:

Date of issue	Date of expiry	Exercise price (\$)	Underlying share price at issue (\$)	Risk-free interest rate	Volatility	Number of options granted in period	Value expensed in period (\$)
22 Dec 2022 <sup>1</sup>	22 Dec 2026	0.12	0.075	3.18%	100%	-	59,625
22 Dec 2022 <sup>2</sup>	22 Dec 2026	0.12	0.075	3.18%	100%	-	111,942
22 Dec 2022 <sup>3</sup>	22 Dec 2026	0.12	0.075	3.18%	100%	-	110,763
22 Dec 2022 <sup>4</sup>	22 Dec 2026	0.12	0.075	3.18%	100%	-	204,533
22 Dec 2022 <sup>5</sup>	22 Dec 2026	0.12	0.075	3.18%	100%	-	17,797
22 Dec 2022 <sup>1</sup>	22 Dec 2026	0.12	0.075	3.18%	100%	-	17,888
12 Oct 2023 <sup>6</sup>	12 Oct 2026	0.12	0.055	3.91%	75%	-	4,193
12 Oct 2023 <sup>7</sup>	12 Oct 2027	0.12	0.055	3.95%	95%	-	7,780
1 Dec 2023 <sup>8</sup>	1 Dec 2026	0.00	0.044	4.07%	70%	-	51,708
1 Dec 2023 <sup>9</sup>	1 Dec 2027	0.00	0.044	4.09%	90%	-	31,036
1 Dec 2023 <sup>10</sup>	1 Dec 2025	0.12	0.044	4.17%	65%	-	8,687
1 Dec 2023 <sup>11</sup>	1 Dec 2026	0.12	0.044	4.07%	70%	-	10,641
1 Dec 2023 <sup>12</sup>	1 Dec 2027	0.12	0.044	4.09%	90%	-	16,946
						-	<b>653,539</b>

- Options in this class are subject to the vesting condition that the Company acquire two new projects introduced by the recipients in addition to the Company's existing projects at the date of grant. 10,000,000 options in this class are held by Obsidian Metals Group Pty Ltd, an entity controlled by the Company's CEO Michael Fotios, and 3,000,000 options in this class are held by Ms Bronwyn Barnes, a former Director of the Company, which were retained upon her resignation.
- Options in this class are subject to the vesting condition that the Company either announces a Mineral Resource (as defined in the JORC Code) of at least 10 million tonnes at 1% Li<sub>2</sub>O (or equivalent) on a project introduced by the recipient, or that the 5-day volume-weighted average price of the Company's shares exceeds \$0.15. The options in this class are held by Obsidian Metals Group Pty Ltd, an entity controlled by the Company's CEO Michael Fotios.
- Options in this class are subject to the vesting condition that the Company either announces a Mineral Resource (as defined in the JORC Code) of at least 20 million tonnes at 1% Li<sub>2</sub>O (or equivalent) on a project introduced by the recipient, or that the 5-day volume-weighted average price of the Company's shares exceeds \$0.25. The options in this class are held by Obsidian Metals Group Pty Ltd, an entity controlled by the Company's CEO Michael Fotios.
- Options in this class are subject to the vesting condition that the Company either announces a Mineral Resource (as defined in the JORC Code) of at least 50 million tonnes at 1% Li<sub>2</sub>O (or equivalent) on a project introduced by the recipient, or that the 5-day volume-weighted average price of the Company's shares exceeds \$0.35. The options in this class are held by Obsidian Metals Group Pty Ltd, an entity controlled by the Company's CEO Michael Fotios.
- Options in this class are subject to the vesting condition that the 5-day volume-weighted average price of the Company's shares exceeds \$0.15. The options in this class are held by Ms Bronwyn Barnes, a former Director of the Company, which were retained upon her resignation.
- Options in this class were subject to the vesting condition that the recipient remain employed or engaged by the Company until 21 September 2024.
- Options in this class are subject to the vesting condition that the recipient remain employed or engaged by the Company until 21 September 2025.
- Options in this class are subject to the vesting condition that the recipient remain employed or engaged by the Company until 1 June 2025. 3,000,000 options in this class are held by Obsidian Metals Group Pty Ltd, an entity controlled by the Company's CEO Michael Fotios, and 500,000 options in this class are held by Ms Kate Stoney, a director of the Company.



9. Options in this class are subject to the vesting condition that the recipient remain employed or engaged by the Company until 1 June 2026. 3,000,000 options in this class are held by Obsidian Metals Group Pty Ltd, an entity controlled by the Company's CEO Michael Fotios, and 500,000 options in this class are held by Ms Kate Stoney, a director of the Company.
10. Options in this class are subject to the vesting condition that the Company either signs a binding strategic partner agreement, or that the 5-day volume-weighted average price of the Company's shares exceeds \$0.15. The options in this class are held by Obsidian Metals Group Pty Ltd, an entity controlled by the Company's CEO Michael Fotios.
11. Options in this class are subject to the vesting condition that the Company either announces that it has secured stage 1 strategic partner funding, or that the 5-day volume-weighted average price of the Company's shares exceeds \$0.25. The options in this class are held by Obsidian Metals Group Pty Ltd, an entity controlled by the Company's CEO Michael Fotios.
12. Options in this class are subject to the vesting condition that the Company either announces a Mineral Resource (as defined in the JORC Code) of at least 10 million tonnes at 1% Li<sub>2</sub>O (or equivalent) on a project introduced by the recipient, or that the 5-day volume-weighted average price of the Company's shares exceeds \$0.35. The options in this class are held by Obsidian Metals Group Pty Ltd, an entity controlled by the Company's CEO Michael Fotios.

**NOTE 5: CAPITALISED EXPLORATION EXPENDITURE**

	31 December 2024 \$	30 June 2024 \$
Capitalised exploration and evaluation		
Opening net book amount	5,365,342	4,351,476
Capitalised exploration expenditure – Poona Project	-	476,599
Exploration expenditure written off – Youanmi Project	(1,803,057)	537,267
<b>Closing net book amount</b>	<b>3,562,285</b>	<b>5,365,342</b>

Ultimate recoupment of exploration expenditure carried forward is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas.

The Company's option over the Youanmi Project expired in December 2024.

**NOTE 6: TRADE AND OTHER PAYABLES – UNSECURED**

	31 December 2024 \$	30 June 2024 \$
Trade payables	781,830	674,868
Insurance premium funding	-	11,808
Accrued expenses	403,830	264,200
Employee liabilities	-	2,194
	<b>1,185,660</b>	<b>953,070</b>

The Company has entered into a deed of settlement with Delta Resource Management Pty Ltd (In Liquidation) ("Delta") for the repayment of a total of \$359,797, comprising ordinary trade payables and funds previously advanced to the Company under the loan facility with Michael Fotios and associated entities ("Delta Monies"). The deed of settlement was approved by the Supreme Court of Western Australia in September 2024 and provides for the Delta Monies to be repaid in equal instalments. At 31 December 2024, an amount of \$203,878 remained owing to Delta which is included in trade payables above.

**NOTE 7: BORROWINGS – UNSECURED**

In October 2018, the Group entered into a loan facility agreement with Mr Michael Fotios (a former Director of the Company) and associated entities (together, "Lenders"), incorporating various existing and preceding loan agreements between the parties. Mr Fotios was appointed CEO of the Company on 8 June 2023.

The agreement, as varied on various occasions, provides for the Lenders to provide a loan facility to the Group of up to \$2,500,000, repayable at an interest rate of 8% per annum. The loan facility is in place until 1 April 2025. The purpose of the loan facility is to provide working capital to the Group, where needed, to fund its immediate operational requirements, at an interest rate of 8% per annum. The loan facility limit does not refresh if debt is converted to equity or if repayments are made in cash.

The undrawn loan facility balance available to the Company at 31 December 2024 was \$1,324,663. There was no further drawdown on the loan facility during the reporting period.

	31 December 2024	30 June 2024
Lender	\$	\$
Azurite Corporation Pty Ltd (In Liquidation)	342,763	342,763
Investmet Limited (In Liquidation)	252,128	376,374
Closing balance	<b>594,891</b>	<b>719,137</b>

The sums owed to Azurite Corporation Pty Ltd ("Azurite") and Investmet Limited ("Investmet") primarily relate to funds advanced in 2017 and 2018 to Scorpion Metals Limited, an entity acquired by the Company in October 2018. The Company has entered into a deed of settlement with Investmet for the repayment of a total of \$282,118 ("Investmet Monies"). An initial deposit of \$30,000 was paid in November 2024 and the deed of settlement was approved in February 2025, providing for repayment of the remaining Investmet Monies in equal instalments.

Pursuant to the deed of settlement with Investmet, and following a review of the contractual basis for the accrual of interest on various loan monies, previously accrued interest on Investmet loans to the value of \$103,505 was reversed in the period ended 31 December 2024.

#### NOTE 8: ISSUED CAPITAL

	31 December 2024	
Issued Capital	Number	\$
Opening Balance 1 July 2024	420,456,192	31,313,001
Balance end of period	<b>420,456,192</b>	<b>31,313,001</b>

#### NOTE 9: OPTION RESERVE

	31 December 2024	30 June 2024
Option Reserve	\$	\$
Balance at beginning of period	3,528,071	2,412,960
Transfer on expiry of options	(614,335)	(433,016)
Transfer on exercise of options	-	(236,250)
Issue/vesting of unlisted options at fair value through profit & loss	653,539	1,665,381
Forfeiture of unlisted options credited against profit & loss	111,340	-
Issue/vesting of unlisted options credited against share capital	-	118,996
Balance end of period	<b>3,455,935</b>	<b>3,528,071</b>

#### NOTE 10: CONTINGENCIES

The Directors are of the opinion that there are no material contingent assets or contingent liabilities of the Group at reporting date (30 June 2024: nil).

**Deferred consideration receivable on sales of mineral rights**

In 2022, the Company accelerated its joint venture agreement with Fenix Resources Ltd (ASX:FEX) ("Fenix") by granting Fenix 100% of the iron ore rights on tenements E20/953 and E20/948 within the Pharos Project ("JV Tenements") (refer ASX release 9 February 2022). Under the amended JV agreement, deferred consideration is payable by Fenix in relation to the JV Tenements, comprising 5,000,000 fully paid ordinary shares in Fenix upon the definition of either a JORC-compliant inferred resource of at least 10,000,000 tonnes of iron ore or a JORC-compliant indicated and/or measured resource of at least 1,000,000 tonnes of iron ore, and a further 5,000,000 fully paid ordinary shares in Fenix on the first shipment of iron ore from the JV Tenements.

The Company has not recognised an asset in relation to the above deferred consideration as the outcomes of the project milestones are not certain and do not meet the recognition requirements of AASB 137.

**Deferred consideration payable from project acquisitions**

In 2012, the Company acquired the Mount Mulcahy Copper Project from Black Raven Mining Pty Ltd (refer ASX release 19 July 2012). Deferred consideration is payable by Scorpion in relation to the project acquisition, comprising 4,000,000 fully paid ordinary shares in the Company upon the definition of a JORC-compliant resource of 50,000 tonnes of contained copper metal (or equivalent) and 7,000,000 fully paid ordinary shares in the Company upon the definition of a JORC-compliant resource of 100,000 tonnes of contained copper metal (or equivalent).

In 2022, the Company acquired the Poona Project from eMetals Ltd (ASX:EMT) (refer ASX release 7 February 2022). Deferred consideration is payable by Scorpion in relation to the project acquisition, comprising two performance payments of \$50,000 payable to Venus Metals Corporation Ltd (ASX:VMC) on the definition of inferred and probable JORC-compliant resources of 200,000 tonnes of >1% Li<sub>2</sub>O (or equivalent).

The Company has not recognised any liabilities in relation to the above deferred consideration as the outcomes of the project milestones are not certain and do not meet the recognition requirements of AASB 137.

**NOTE 11: RELATED PARTY TRANSACTIONS**

During the period ended 31 December 2024, various share-based payments were expensed relating to options issued to related parties of the Company in prior periods, for which vesting conditions have not yet been satisfied. Further details of the recipients and option classes are included in Note 4. There have been no other material changes to the nature or scale of transactions with related parties from the disclosures made in the Company's financial report for the period ended 30 June 2024.

**NOTE 13: SUBSEQUENT EVENTS**

On 14 February 2025, the Company announced that it had entered into a farm-in and joint venture agreement with a wholly owned subsidiary of E79 Gold Mines Ltd (ASX:E79) ("E79") in respect of E79's Jungar Flats Gold Project. The binding heads of agreement provides for Scorpion to earn up to a 70% interest in the Jungar Flats Gold Project by expenditure of \$3 million over a five-year period, including cash consideration of \$100,000 and expenditure milestones.

On the same date, the Company announced a placement of 75,000,000 fully paid ordinary shares to new and existing sophisticated and professional investors at an issue price of \$0.02 per share to raise \$1.5 million (before costs) ("Placement"). Key contractors and Directors of the Company also agreed to convert \$332,000 of debt to equity via the issue of 16,600,000 shares at the same issue price as the Placement ("Debt-to-Equity Conversion"), while the Company's primary drilling contractor was also issued 10,000,000 shares in consideration for future drilling services to be rendered to the value of \$200,000 ("Drill-to-Equity Conversion"). Participants in the Placement, Debt-to-Equity Conversion and Drill-to-Equity Conversion are entitled to receive one free attaching option for every two shares issued, expiring one year from the date of issue and exercisable at \$0.04 per option ("Free Attaching Options"). The allotment of the Free Attaching Options and participation of related parties in the Placement and Debt-to-Equity Conversion is subject to shareholder approval.

On 20 February 2025, the Company announced the appointment of Mr Peter Koller as Non-Executive Director of the Company and the resignation of Ms Bronwyn Barnes as Non-Executive Chairman, with Non-Executive Director Mr Mike Kitney succeeding Ms Barnes as Non-Executive Chairman.

There are no other matters or circumstances that have arisen since 31 December 2024 that have significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company.

## DIRECTORS' DECLARATION

In the Directors' opinion:

1. The financial statements and notes of the Group are in accordance with the *Corporations Act 2001*, including
  - (a) complying with the *Corporations Regulations 2001* and Australian Accounting Standard AASB 134 *Interim Financial Reporting* and other mandatory professional requirements of the Group; and
  - (b) giving a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
2. There are reasonable grounds to believe that Scorpion Minerals Limited 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 Directors and is signed for and on behalf of the Directors by:



**Mike Kitney**  
Non-Executive Chairman

Perth, Western Australia  
14 March 2025

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**SCORPION MINERALS LIMITED**  
**INDEPENDENT AUDITOR'S REVIEW REPORT**

To the Members of Scorpion Minerals Limited

**Conclusion**

We have reviewed the accompanying half-year financial report of Scorpion Minerals Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes to the financial statements including material accounting policy information, 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 half-year financial report of Scorpion Minerals Limited 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 of its performance for the half-year ended on that date; and
- complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

**Basis for Conclusion**

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report.

We are independent of the Group 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 financial report in Australia. We have also fulfilled our other ethical requirements 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.

**In.Corp Audit & Assurance Pty Ltd**  
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## SCORPION MINERALS LIMITED

### INDEPENDENT AUDITOR'S REVIEW REPORT (continued)

#### Emphasis of Matter – Material Uncertainty in Relation to Going Concern

We draw attention to note 1 in the financial report, which indicates that the Group incurred a loss of \$2,939,411 for the half-year, and the Group's current liabilities exceed its current assets by \$1,714,319. As stated in note 1, these events or conditions along with our matters as set for in note 1 indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern, and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.

#### Directors' Responsibility for the Half-Year Financial Report

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

**In.Corp Audit & Assurance Pty Ltd**



**Volha Romanchik**  
Director

14 March 2025