



ABN 68 650 116 153

**INTERIM FINANCIAL REPORT
FOR THE HALF-YEAR ENDED
31 DECEMBER 2024**

For personal use only

VERTEX MINERALS LTD

ABN 68 650 116 153

Contents

	<u>Page</u>
Corporate directory	1
Directors' report	2
Auditor's independence declaration	11
Consolidated statement of profit or loss and other comprehensive income	12
Consolidated statement of financial position	13
Consolidated statement of changes in equity	14
Consolidated statement of cash flows	15
Notes to the consolidated financial statements	16
Directors' declaration	30
Independent auditor's review report to the members of Vertex Minerals Ltd	31

For personal use only

VERTEX MINERALS LTD

ABN 68 650 116 153

Corporate Directory

Directors

Roger Jackson
Executive Chairman

Tully Richards
Technical Director

Declan Franzmann
Non-Executive Director

Sean Richardson
Non-Executive Director

Company Secretary

Alex Neuling

Principal and Registered Office

Unit 38
460 Stirling Highway
Peppermint Grove WA 6011

Telephone: +61 8 6270 6316

Email: alex@erasmusconsulting.com.au

Website: www.vertexminerals.com.au

Auditors

William Buck Audit (Vic) Pty Ltd
Level 20
181 William Street
Melbourne WA 3000

Bankers

National Australia Bank

Securities Exchange Listing

Australian Securities Exchange

Home Exchange: Perth, Western Australia
Code: VTX

Share Registry

Automic Group
Level 2, 267 St Georges Terrace
Perth WA 6000

Telephone: 1300 288 664

For personal use only

VERTEX MINERALS LTD

ABN 68 650 116 153

Directors' Report

The Directors of Vertex Minerals Ltd (the 'Company') submit herewith the consolidated interim financial report of the Company and the entities it controlled at the end of, or during, the half-year period ended 31 December 2024. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

Directors

The names and particulars of the Directors of the Company during or since the end of the half-year period and up to the date of this report are:

Roger Jackson - Executive Chairman

Tully Richards - Technical Director

Declan Franzmann - Non-Executive Director

Sean Richardson – Non-Executive Director – appointed 11 February 2025

Principal activities

The principal activity of the Company during the half-year period ended 31 December 2024 is mining and exploration operations including the development of a gold operation at Hill End, New South Wales.

Dividends

The Directors resolved that no dividend be paid for the half-year ended 31 December 2024 (31 December 2023: \$Nil).

Review of operations for the half-year

The Company is pleased with its achievements in the half-year to 31 December 2024 in pursuit of Vertex's stated strategy to become a significant Australian gold producer.

Completion of the Gravity Gold Plant

In December 2024, Vertex confirmed that the processing facility rebuild, refurbishment and installation of the plant had progressed safely, efficiently and to plan, enabling the power-up of the facility with the focus now turning to dry and wet commissioning of the respective operating circuits.

For personal use only

Directors' Report (continued)

This included the installation of power generation units and plant components, with all electrical works completed along with completion of the dry stack tailing storage facility and tailings pipe work installation. With all works completed, Vertex initiated the start-up of the plant for mechanical testing, with wet commissioning and ore feed commissioning to follow in the new calendar year.

Construction of the Gravity Gold Plant required disciplined execution of a targeted rebuild and refurbishment program which included the procurement and installation of key equipment. As the plant moved toward commissioning, Vertex was also pleased to attract strong support from a network of large investors who believed in the Company's value-add strategy. With commissioning at the plant successfully underway post period end, Vertex is positioned with a unique opportunity to unlock additional value for our shareholders in what remains a positive gold price environment.

Mine Operations

At the date of this report, Vertex has processed the first ore with the newly installed Gravity Gold plant. The plant processed ore to a gold concentrate with visible gold evident in concentrate.

In early February 2025, Vertex completed the installation of a laser ore sorter and commissioning of the ore sorter/pre concentrator is underway. The plant commissioning process is utilising the Company's stockpiled gold ore which is located adjacent to the plant. This material will be the focus of initial production.

Vertex has appointed Chris Hamilton as General Manager, Operations for the Hill End Reward Gold Mine. Several key personnel and operators have been recruited to operate the Reward plant and Mine to coincide with the commencement of production. Refinement of operating systems is ongoing to transition Hill End operations to be 'business ready' ahead of plant commissioning

Acquisition of Boart Longyear LM90 underground drill rig

During the period, Vertex acquired a Boart Longyear LM90 underground drill rig to advance exploration at the Reward gold mine below the existing resource.

Acquisition of the LM90 followed an extensive review of the mineralisation potential below the Reward resource, which has only been drilled up to 50m below the Amalgamated Adit. This area targeted is referred to as the 'Reward mid depths' as it is located just 80m to ~200m below the Amalgamated Adit.

Directors' Report (continued)

The LM90 has several attributes which will provide flexibility for on-site drilling operations, where Vertex will be able to maintain drill sites with the Company's own underground mining crew. The deployment of the LM90 also means Vertex does not have to pay stand-down time or mobilisation fees, and its drillers can be assigned to other jobs.

The Vertex team are planning diamond drill programs below the current JORC-2012 Reward Resource with the aim of expanding upon the existing resource, as well as the Fosters Exploration Target and the South Star prospect area

Corporate Activity

The Company completed the following capital raises during the period:

A placement of a total of 47.125m shares at 8c per share was conducted in two tranches in August 2024 and November 2024 to raise a total of \$3.77m before costs. Placement participants also received free-attaching VTXO options exercisable at \$0.15 on or before 17 July 2027 on a 1 for 3 basis.

A strategic \$1.1m placement at 16c per share to an existing strategic investor was completed in October 2024 with the investor receiving free-attaching VTXOA options exercisable at \$0.25 on or before 17 July 2026 on a 3 for 5 basis.

A \$0.98m convertible loan facility was established in the period and all issued loan notes were fully converted in December 2024. 6.1m shares were issued at 16c per share plus free-attaching VTXOA options on a 2 for 5 basis to all note holders.

At the end of the period, the Company had received firm commitments for an additional convertible loan funding facility of \$5.1m with a network of institutional and sophisticated investors. Subsequent to the period end, the facility was increased to \$6.8m. As at 31 December 2024, the Company had used \$142,000 of the available facility, with funds having been received at the date of this report and used to meet working capital requirements. The loan matures in 2 years from initial drawdown and will convert to shares at 17c per share plus free-attaching VTXOA options on a 2 for 5 basis, subject to shareholder approval.

The capital raises provided strategic funding for the completion of the gold plant and the acquisition of key equipment and continue to fund associated infrastructure, underground mine development, sustaining costs and working capital.

Directors' Report (continued)



Figure 1 Automation programming technician testing the Reward gravity plant systems from the control room

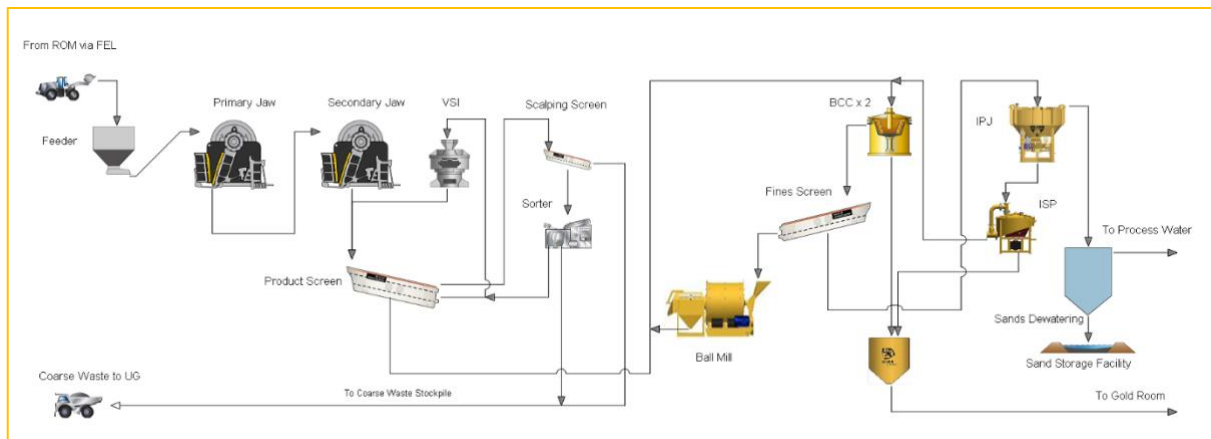


Figure 2 Hill End Gravity Gold plant simplified flow sheet

For personal use only

Directors' Report (continued)



Figure 3 Reward gravity gold Falcon concentrators

For personal use only

Directors' Report (continued)

For personal use only



Figure 4 Ore sorting circuit



Figure 5 Reward gold gravity plant looking back over the crushing circuit

Directors' Report (continued)



Figure 6 Reward gravity gold plant looking over the 2 jaw crushers and the impact crusher

Significant changes in the state of affairs

During the half-year period, the Company has undertaken several capital raisings, issuing 60,125,000 ordinary shares to raise \$5.85m before costs. As part of those raises, 56,763,333 VTXO and 21,080,000 VTXOA listed options were also issued.

The Company has incurred capital expenditure on the gravity gold plant of \$6,767,357 during the half-year period.

Other than as noted above, there have been no other significant changes in the state of affairs of the Company in the half-year period.

For personal use only

Directors' Report (continued)

Subsequent events

On 7 January 2025, the Company announced that 4,000,000 options exercisable at \$0.30 on or before 7 January 2025 had expired unexercised.

On 20 January 2025, the Company announced the commencement of commissioning of the Reward Gold Mine with the processing of gold ore through the gravity gold plant.

On 30 January 2025, the Company announced that convertible loan financing arrangements had been finalised with an additional \$1.7m of commitments accepted under a loan facility to bring the total raised to \$6.8m. Up to a further \$1.0m of working capital fundings is also to be made available by a major shareholder, subject to shareholder approval.

On 3 February 2025, the Company announced that an ore sorter/pre concentrator was being commissioned at the Hill End gravity gold plant.

On 11 February 2025, the Company announced the appointment of Mr Sean Richardson to the Board of Directors as a non-executive.

On 19 February 2025, the Company provided an update on Reward Mine commissioning advising that the ore sorter pre concentrator commissioning was now complete. Commissioning of the gravity plant is ongoing with some further components being introduced to improve performance. Gold concentrate is now being produced and reporting to the concentrate hopper ready for tabling in the gold room.

On 28 February 2025, the Company announced that it had commenced tabling gold concentrate with this material being prepared for sale. The Company further announced that it had issued 2,038,235 new fully paid ordinary shares at \$0.17 per share in repayment of loan principal under the convertible loan facility agreements originally announced on 24 December 2024.

On 13 March 2025, the Company announced a number of key operational staff appointments at the Reward Gold Mine.

On 14 March 2025, the Company announced the purchase of an Epiroc Boomer TD1 development and production drill rig to be incorporated in the underground fleet at the Reward Gold Mine.

Other than as noted above, there has not been any matter or circumstance occurring subsequent to the end of the financial year 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 years.

Directors' Report (continued)

Auditor's Independence Declaration

The auditor's independence declaration as required under section 307C of the Corporations Act 2001 is included on page 11 of the half-year financial statements.

The Directors' report is signed in accordance with a resolution of Directors made pursuant to s306(3)(a) of the Corporations Act 2001.

On behalf of the Directors



Roger Jackson
Executive Chairman
14 March 2025

For personal use only

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

To the directors of Vertex Minerals Limited

As lead auditor for the review of Vertex Minerals Limited for the half-year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements as set out in 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 respect of Vertex Minerals Limited and the entities it controlled during the period.

William Buck

William Buck Audit (Vic) Pty Ltd

ABN 59 116 151 136

R. P. Burt

R. P. Burt

Director

Melbourne, 14 March 2025

For personal use only

VERTEX MINERALS LTD

ABN 68 650 116 153

Consolidated statement of profit or loss and other comprehensive income

For the half-year ended 31 December 2024

	Note	Half-year ended 31/12/24 \$	Half-year ended 31/12/23 \$
Other income	(4)	23,867	53,301
Administrative and corporate expenses		(432,156)	(279,255)
Finance and interest costs		(122,712)	(4,741)
Depreciation		(60,754)	(1,005)
Share based payments		(93,818)	(50,503)
Exploration and evaluation expenses		(125,748)	(100,163)
Consulting fees		(478,198)	(70,858)
Loss from ordinary activities before income tax for the half-year period		(1,289,519)	(453,224)
Income tax expense		-	-
Loss for the half-year period		(1,289,519)	(453,224)
Other comprehensive income		-	-
Total comprehensive loss for the half- year period		(1,289,519)	(453,224)
Loss per share	(8)		
Basic loss per share (cents per share)		(0.91)	(0.71)
Diluted loss per share (cents per share)		(0.91)	(0.71)

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

For personal use only

VERTEX MINERALS LTD

ABN 68 650 116 153

Consolidated statement of financial position

As at 31 December 2024

	Note	31/12/24	30/06/24
		\$	\$
Current assets			
Cash and cash equivalents		901,524	2,107,783
Trade and other receivables		692,540	203,381
Other current assets		113,527	103,816
Total current assets		1,707,591	2,414,980
Non-current assets			
Capitalised exploration and evaluation expenditure	(6)	7,798,148	7,202,183
Property, plant and equipment	(7)	10,493,054	3,368,492
Right-of-use assets	(8)	1,115,637	217,245
Total non-current assets		19,406,839	10,787,920
Total assets		21,114,430	13,202,900
Current liabilities			
Trade and other payables		3,523,249	736,573
Interest bearing borrowings	(9)	244,793	107,725
Lease liabilities	(10)	451,170	51,989
Total current liabilities		4,219,212	896,287
Non-current liabilities			
Interest bearing borrowings	(9)	94,716	84,276-
Lease liabilities	(10)	439,657	137,714
Total non-current liabilities		534,373	221,990
Total liabilities		4,753,585	1,118,277
Net assets		16,360,845	12,084,623
Equity			
Issued capital	(11)	18,015,769	14,223,960
Reserves		2,280,720	506,788
Accumulated losses		(3,935,644)	(2,646,125)
Total equity		16,360,845	12,084,623

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

For personal use only

VERTEX MINERALS LTD

ABN 68 650 116 153

Consolidated statement of changes in equity

For the half-year ended 31 December 2024

	Note	Issued capital \$	Share based payment reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2023		8,825,412	205,332	(1,570,630)	7,460,114
Loss for the period		-	-	(453,224)	(453,224)
Total comprehensive loss for the period		-	-	(453,224)	(453,224)
Transactions with owners in their capacity as owners:					
Rights issue		1,668,383	-	-	1,668,383
Share issue costs		(137,370)	-	-	(137,370)
Share based payments		(201,000)	251,503	-	50,503
Balance at 31 December 2023		10,155,425	456,835	(2,023,854)	8,588,406
Balance at 1 July 2024		14,223,960	506,788	(2,646,125)	12,084,623
Loss for the period		-	-	(1,289,519)	(1,289,519)
Total comprehensive loss for the period		-	-	(1,289,519)	(1,289,519)
Transactions with owners in their capacity as owners:					
Issue of share capital from placements		4,874,000	-	-	4,874,000
Conversion of convertible loans		976,000	-	-	976,000
Share issue costs		(378,077)	-	-	(378,077)
Share based payments	(12)	(1,680,114)	1,773,932	-	93,818
Balance at 31 December 2024		18,015,769	2,280,720	(3,935,644)	16,360,845

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

VERTEX MINERALS LTD

ABN 68 650 116 153

Consolidated statement of cash flows

For the half-year ended 31 December 2024

	Note	Half-year ended 31/12/24 \$	Half-year ended 31/12/23 \$
Cash flows from operating activities			
Receipts from customers		10,329	53,301
Payments for exploration and evaluation expenditure		(146,500)	-
Payments to suppliers and employees		(1,274,481)	(414,989)
Net cash (outflow) from operating activities		(1,410,652)	(361,688)
Cash flows from investing activities			
Payments for exploration and evaluation expenditure		(414,375)	(611,010)
Payments for property, plant and equipment		(4,729,968)	(775,883)
Proceeds on sale of property, plant and equipment		13,537	-
Payments for right-of-use assets		(167,432)	-
Net cash (outflow) from investing activities		(5,298,238)	(1,386,893)
Cash flows from financing activities			
Proceeds from share issues		4,874,000	1,668,383
Payments for capital raising costs		(325,546)	(137,370)
Proceeds from borrowings		1,209,195	197,000
Finance fees paid		(59,065)	-
Interest paid		(63,648)	(4,741)
Repayment of lease repayments		(96,728)	-
Repayment of borrowings		(35,577)	(19,771)
Net cash inflow from financing activities		5,502,631	1,703,501
Net decrease in cash and cash equivalents		(1,206,259)	(45,080)
Cash and cash equivalents at beginning of the year		2,107,783	596,313
Cash and cash equivalents at the end of the period		901,524	551,233

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

Notes to the consolidated half-year financial statements

For the half-year ended 31 December 2024

1. General information

The consolidated financial statements are presented in Australian dollars, which is Vertex Minerals Ltd.'s functional and presentation currency.

Vertex Minerals Ltd and the entities it controlled (**Vertex, VTX, or Group**) is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office is Unit 38, 460 Stirling Highway, Cottesloe, WA 6011 and principal place of business is 4 Bowen Street, Hill End, NSW 2850.

A description of the nature of the Group's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors on 14 March 2025. The directors have the power to amend and reissue the financial statements.

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 period ended 30 June 2024 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

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

The following accounting policies are applicable to the current reporting period.

Going Concern

The financial report has been prepared on the going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

Notes to the consolidated half-year financial statements

For the half-year ended 31 December 2024

For the period ended 31 December 2024, the Company incurred a net loss of \$1,289,519, net current liabilities of \$2,511,621 as at 31 December 2024, net cash outflows from operating activities of \$1,410,652 and net cash outflows from investing activities of \$5,298,238 and had a cash balance as at 31 December 2024 of \$901,524. The Directors have assessed that these conditions indicate that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern, and therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Notwithstanding these conditions, the Directors determined that the use of the going concern basis of accounting is appropriate in preparing the financial report. The assessment of the going concern assumption is based on the Company's cash flow projections and application of a number of judgements and estimates, resulting in the conclusion of a range of reasonably possible scenarios.

Included in the Directors' going concern cash flow assessment are:

- The Group has an ability to raise capital through options including a placement of shares, option conversion or rights issues subsequent to the date of this report;
- Access to short-term converting loan facility funds for the purposes of meeting working capital requirements, of which \$6.8m was received subsequent to the period end;
- The Group has the ability to defer discretionary operational and capital cash cost expenditure including exploration and evaluation activities to subsequent periods;
- Key management personnel have written to the Group advising that they are willing to defer amounts owing to them as at reporting date and in future periods, if necessary, to ensure the Group has adequate reserves of available working capital; and
- Commercialisation of the Group's gold operations to generate cash inflows to support working capital requirements.

Should the company be unable to achieve the matters as described above, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustment relating to the recoverability or classification of recorded asset amounts or to the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern and meet its debt when they fall due. Accordingly, the financial report has been prepared on the basis that the Company can continue normal business activities and meet its commitments as and when they fall due, and the realisation of assets and liabilities in the ordinary course of business.

VERTEX MINERALS LTD

ABN 68 650 116 153

Notes to the consolidated half-year financial statements

For the half-year ended 31 December 2024

New or amended Accounting Standards and Interpretations adopted

The Company has adopted all 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.

3. Operating segments

Identification of reportable operating segments

The Company is organised into one operating segment, being mining and exploration operations. This operating segment is based on the internal reports that are reviewed and used by the Board of Directors (being the Chief Operating Decision Makers) in assessing performance and in determining the allocation of resources to the segment.

Types of products and services

The principal products and services of this operating segment are the mining and exploration operations predominately in Australia.

4. Other income

	31/12/24	31/12/23
	\$	\$
Sale of gold bullion	6,976	53,301
Sale of scrap metals	3,354	-
Gain on sale of property, plant and equipment	13,537	-
	<u>23,867</u>	<u>53,301</u>

During the period, the Company sold gold bullion produced at the Hill End mine for \$6,976 (31 December 2023: \$53,301).

5. Dividends

No dividend has been paid or proposed in respect of the half-year ended 31 December 2024 (31 December 2023: \$Nil).

Notes to the consolidated half-year financial statements

For the half-year ended 31 December 2024

6. Capitalised exploration and evaluation expenditure

Exploration and evaluation phase:	\$
Balance at 30 June 2023	5,839,604
Exploration expenditure incurred	1,540,546
Expenditure not capitalised ¹	(177,967)
Balance at 30 June 2024	<u>7,202,183</u>
Exploration expenditure incurred	721,713
Exploration not capitalised	(125,748)
Balance at 31 December 2024	<u>7,798,148</u>

1. Exploration expenditure on areas of interest where tenure was not granted at time of expense is written off to profit or loss.

The ultimate recoupment of exploration and evaluation expenditure carried forward is dependent on successful development and exploitation, or alternatively sale of the respective area of interest. Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, costs of drilling and production, production rates, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

VERTEX MINERALS LTD

ABN 68 650 116 153

Notes to the consolidated half-year financial statements

For the half-year ended 31 December 2024

7. Property, plant and equipment

	31/12/24	30/06/24
	\$	\$
Land – at cost	250,000	250,000
	<u>250,000</u>	<u>250,000</u>
Buildings and infrastructure – at cost	100,000	100,000
Less: accumulated depreciation	(6,005)	(4,997)
	<u>93,995</u>	<u>95,003</u>
Plant and equipment – at cost	1,078,155	676,983
Less: accumulated depreciation	(395,811)	(352,853)
	<u>682,344</u>	<u>324,130</u>
Plant under construction – at cost	9,466,715	2,699,360
	<u>9,466,715</u>	<u>2,699,360</u>
Total property, plant and equipment	<u>10,493,054</u>	<u>3,368,493</u>

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

	Land	Buildings and infrastructure	Plant and equipment	Plant under construction	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2023	250,000	97,003	100,756	797,223	1,244,982
Additions	-	-	330,022	1,902,137	2,232,159
Depreciation expense	-	(2,000)	(106,648)	-	(108,648)
Balance at 30 June 2024	250,000	95,003	324,130	2,699,360	3,368,493
Additions	-	-	401,172	6,767,355	7,168,527
Depreciation expense	-	(1,008)	(42,958)	-	(43,966)
Balance at 31 December 2024	250,000	93,995	682,344	9,466,715	10,493,054

VERTEX MINERALS LTD

ABN 68 650 116 153

Notes to the consolidated half-year financial statements

For the half-year ended 31 December 2024

8. Right-of-use assets

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

	Motor Vehicles \$	Plant & Equipment	Total Right- of-use \$
Balance at 1 July 2023	-	-	-
Additions	221,368	-	221,368
Depreciation expense	(4,123)	-	(4,123)
Balance at 30 June 2024	217,245	-	217,245
Additions	67,637	847,542	915,179
Depreciation expense	(13,720)	(3,067)	(16,787)
Balance at 31 December 2024	271,162	844,475	1,115,637

9. Interest bearing borrowings

	31/12/24 \$	30/06/24 \$
Current borrowings	244,793	107,725
Non-current borrowings	94,716	84,276
	339,509	192,001
Opening balance	192,001	-
Loans advanced	1,209,195	953,822
Loan interest	4,093	22,227
Principal and interest payments	(89,780)	(90,848)
Loan repayments through share issued	(976,000)	(693,200)
Closing balance	339,509	192,001

During the financial period, the following borrowing arrangements were entered into:

JCB Wheel Loader Loan

In August 2024, the Group acquired a JCB Wheel Loader at a cost of \$82,000 (excluding GST). A loan totalling \$90,695 was secured against the equipment on a 3-year term with interest payable at 0.38% per annum.

VERTEX MINERALS LTD

ABN 68 650 116 153

Notes to the consolidated half-year financial statements

For the half-year ended 31 December 2024

Convertible Loans

In October 2024, the Group entered into Convertible Loan agreements to raise \$976,000. The loan facility is unsecured, has a 12-month term and 10% interest rate payable if the loan is unconverted. Following shareholder approval, the loan was fully converted in December 2024 to 6,100,000 ordinary shares at \$0.16 per share plus 2,440,000 free-attaching options exercisable at \$0.25 on or before 17 July 2026. As at 31 December 2024, the outstanding loan balance was \$nil.

In December 2024, the Group announced it had received commitments for convertible loan funding of \$5.1m. The loan facility is unsecured, has a 2-year term from drawdown and 10% interest rate. The loan can be converted at any time up to maturity through the issue of ordinary shares at a fixed conversion price of \$0.17 per share for the fixed amount of debt plus free-attaching options on a 2-for-5 basis exercisable at \$0.25 on or before 17 July 2026. Funds received at 31 December 2024 totalled \$142,500.

10. Lease liabilities

	31/12/24	30/06/24
	\$	\$
Current lease liability	451,170	51,989
Non-current lease liability	439,657	137,714
	<u>890,827</u>	<u>189,703</u>
Opening balance	189,703	-
Additions to lease liability	747,747	194,500
Finance costs	50,105	1,943
Principal and interest payments	<u>(96,728)</u>	<u>(6,740)</u>
Closing balance	890,827	189,703

The Group has entered lease arrangements for the purchase of motor vehicles and plant and equipment.

For personal use only

VERTEX MINERALS LTD

ABN 68 650 116 153

Notes to the consolidated half-year financial statements

For the half-year ended 31 December 2024

11. Share Capital

	31/12/24	30/06/24
	\$	\$
182,898,332 fully paid ordinary shares (30 June 2024: 122,773,332)	18,015,769	14,223,960
	18,015,769	14,223,960

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number and amounts paid on the shares held. On a show of hands, every holder of ordinary shares present at a meeting in person or by proxy is entitled to one vote, and upon a poll each share is entitled to a vote.

Ordinary shares have no par value, and the Company does not have a limited amount of authorised capital.

Movements in share capital during the period were as follows:

		Share Capital
	Number of shares	\$
As at 30 June 2024	122,773,332	14,223,960
Placement – Tranche 1	(a) 11,277,333	902,187
Placement	(b) 6,900,000	1,104,000
Placement – Tranche 2	(a) 35,847,667	2,867,813
Convertible loan	(c) 6,100,000	976,000
Share based payment issue costs	-	(1,680,114)
Share issue costs	-	(378,077)
As at 31 December 2024	182,898,332	18,015,769

(a) On 21 August 2024, the Company issued 11,277,333 ordinary shares at \$0.08 as Tranche 1 of a placement. Following shareholder approval, a further 35,847,667 ordinary shares were issued at \$0.08 on 28 November 2024. Free-attaching options were also subsequently issued on a 1-for-3 basis for the total issued shares of 47,125,000.

(b) On 18 October 2024, the Company completed a placement of 6,900,000 ordinary shares at \$0.16. Free-attaching options were also subsequently issued on a 3-for-5 basis.

VERTEX MINERALS LTD

ABN 68 650 116 153

Notes to the consolidated half-year financial statements

For the half-year ended 31 December 2024

- (c) On 4 December 2024, the Company issued 6,100,000 ordinary shares at \$0.16 following the conversion of convertible loans. Free-attaching options were also subsequently issued on a 3-for-5 basis.

Share Options

Unissued equity-settled shares under option at balance date were as follows:

Series	Number of shares under option	Class of shares	Exercise price of option	Expiry date of options
Lead manager options (2021)	4,000,000	Ordinary	\$0.30	07/01/2025
VTXO	72,110,092	Ordinary	\$0.15	17/07/2027
VTXOA	34,421,743	Ordinary	\$0.25	17/07/2026
Total	110,531,835			

All options were issued by Vertex Minerals Ltd. The following options were issued during the current financial period:

- 10,000,000 VTXOA options were issued in December 2024 to participants of placement completed in February 2024 on a 1-for-1 basis.
- 15,708,333 VTXO options were issued in December 2024 to participants of the August 2024 placement on a free-attaching 1-for-3 basis.
- 4,140,000 VTXOA options were issued in December 2024 to participants of the October 2024 placement on a free-attaching 3-for-5 basis.
- 2,440,000 VTXOA options were issued in December 2024 to note holders of the October 2024 Convertible Loan on a free-attaching 3-for-5 basis.
- 41,055,000 VTXO and 4,500,000 VTXOA options were issued in December 2024 to the Company's lead brokers. See note 12 for further details.

No options were exercised during the period.

For personal use only

VERTEX MINERALS LTD

ABN 68 650 116 153

Notes to the consolidated half-year financial statements

For the half-year ended 31 December 2024

Performance Rights

The Group currently has the following Performance Rights on issue

Series	Tranche	Number	Conditions	Expiry
2022	1	1,800,000	20-day VWAP >\$0.40	12/01/2027
2022	3	1,350,000	Grant of mining lease on Hargraves project	12/01/2027
As at 1 July 2024		3,150,000		
2024	A	240,000	First gold pour at VTX gold operations	11/12/2025
2024	B	700,000	30-day VWAP >\$0.27	11/12/2026
2024	C	1,250,000	30-day VWAP >\$0.37	11/12/2027
2024	E	1,250,000	30-day VWAP >\$0.47	11/12/2028
2024	F	1,250,000	30,000 ozs of gold poured in a year	11/12/2027
2024	G	1,250,000	25,000 ozs of gold poured in a year	11/12/2027
2025	H	1,700,000	50,000 ozs of gold poured in a year	11/12/2028
2024	I	1,700,000	75,000 ozs of gold poured in a year	11/12/2028
As at 31 Dec 2024		12,490,000		

A total of 9,340,000 2024 series performance rights were issued during the financial period.

12. Share-based payments

	31/12/24	31/12/23
	\$	\$
Recognised in profit or loss:		
Employee benefits – Performance Rights	93,818	
	93,818	
Recognised in equity:		
Share issue expense	1,680,114	-
Total share-based payments	1,773,932	189,703

Options granted

During the financial period, options granted as share-based payments were valued using the Black-Scholes Option valuation model. Details were as follows:

VERTEX MINERALS LTD

ABN 68 650 116 153

Notes to the consolidated half-year financial statements

For the half-year ended 31 December 2024

	Lead Manager/Broker			
	Feb 2024 Placement	May 2024 Rights Issue	August 2024 Placement	October 2024 Convertible Loan
Number issued	3,000,000	20,346,667	20,708,333	1,500,000
Grant date	24/12/2024	24/12/2024	24/12/2024	24/12/2024
Expiry date	17/07/2026	17/07/2027	17/07/2027	17/07/2026
Exercise price	\$0.25	\$0.15	\$0.25	\$0.15
Share price at approval date	\$0.19	\$0.19	\$0.19	\$0.19
Expected volatility	86%	83%	79%	81%
Option life (years)	2.4	3.2	2.9	1.6
Dividend yield	-	-	-	-
Risk-free interest rate	3.775%	3.969%	3.575%	3.880%
Fair value at grant date	\$0.0244	\$0.0373	\$0.0364	\$0.0628

The above share options were related to broker costs incurred in relation to recent placements, rights issue and convertible loans. The cost reflects the service provided by various suppliers.

Performance Rights

During the financial period, the group issued 9,340,000 2024 performance rights over ordinary shares a compensation to directors of the Group. Terms and conditions of the performance rights are detailed in note 11 above.

An independent valuation on grant of the awards of the performance rights was conducted and assigned a value at grant date of \$1,624,401. An expense of \$43,315 has been recognised in relation to the 2024 performance rights in the current period (2023: Nil) based on the directors' assessment of expected vesting periods.

The Group also has 3,150,000 2022 Performance Rights currently on issue. An expense of \$50,503 has been recognised in the current financial period (2023: \$50,503) based on the directors' assessment of the probability of milestones being achieved and the director's individual service period.

Performance rights have been valued using binomial lattice option pricing and trinomial lattice options pricing with a Parisian barrier adjustment models. The following assumptions were used in the valuations:

VERTEX MINERALS LTD

ABN 68 650 116 153

Notes to the consolidated half-year financial statements

For the half-year ended 31 December 2024

2024 Performance Rights:

	Tranche A	Tranche B	Tranche C	Tranche E
Number	240,000	700,000	1,250,000	1,250,000
Valuation date	11/12/2024	11/12/2024	11/12/2024	11/12/2024
Maturity date	11/12/2025	11/12/2026	11/12/2027	11/12/2028
Conditions	Non-market	Market	Market	Market
Volatility	84%	84%	84%	84%
Dividend yield	Nil	Nil	Nil	Nil
Risk free interest rate	3.979%	3.797%	3.755%	3.771%

	Tranche F	Tranche G	Tranche H	Tranche I
Number	1,250,000	1,250,000	1,650,000	1,650,000
Valuation date	11/12/2024	11/12/2024	11/12/2024	11/12/2024
Maturity date	11/12/2027	11/12/2027	11/12/2028	11/12/2028
Conditions	Non-market	Non-market	Non-market	Non-market
Volatility	84%	84%	84%	84%
Dividend yield	Nil	Nil	Nil	Nil
Risk free interest rate	3.755%	3.755%	3.771%	3.771%

No performance rights vested in the period.

13. Commitments and contingent liabilities

In order to maintain and preserve rights of tenure to granted exploration tenements, the Company is required to meet certain minimum levels of exploration expenditure specified by various State governments.

As at reporting date these future minimum exploration expenditure commitments are as follows:

	31/12/24	30/06/24
	\$	\$
Not longer than 1 year	468,133	1,059,654
Longer than 1 year and not longer than 5 years	732,050	846,726
Longer than 5 years	13,125	57,500
Total	1,213,308	1,963,880

The Company had no contingent liabilities at 31 December 2024 (30 June 2024: Nil).

For personal use only

VERTEX MINERALS LTD

ABN 68 650 116 153

Notes to the consolidated half-year financial statements

For the half-year ended 31 December 2024

14. Loss per share

	31/12/24	31/12/23
	\$	\$
Loss after income tax attributable to owners of the Company	(1,289,519)	(453,224)
	Cents	Cents
Basic loss per share	(0.91)	(0.71)
Diluted loss per share	(0.91)	(0.71)
	Number	Number
<i>Weighted average number of ordinary shares</i>		
Weighted average number of ordinary shares used in calculating basic and diluted loss per share	140,962,902	64,110,307

15. Subsequent events

On 7 January 2025, the Company announced that 4,000,000 options exercisable at \$0.30 on or before 7 January 2025 had expired unexercised.

On 20 January 2025, the Company announced the commencement of commissioning of the Reward Gold Mine with the processing of gold ore through the gravity gold plant.

On 30 January 2025, the Company announced that convertible loan financing arrangements had been finalised with an additional \$1.7m of commitments accepted under a loan facility to bring the total raised to \$6.8m. Up to a further \$1.0m of working capital fundings is also to be made available by a major shareholder, subject to shareholder approval.

On 3 February 2025, the Company announced that an ore sorter/pre concentrator was being commissioned at the Hill End gravity gold plant.

On 11 February 2025, the Company announced the appointment of Mr Sean Richardson to the Board of Directors as a non-executive.

On 19 February 2025 the Company provided an update on Reward Mine commissioning advising that the ore sorter pre concentrator commissioning was now complete. Commissioning of the gravity plant is ongoing with some further components being introduced to improve performance. Gold concentrate is now being produced and reporting to the concentrate hopper ready for tabling in the gold room.

Notes to the consolidated half-year financial statements

For the half-year ended 31 December 2024

On 28 February 2025, the Company announced that it had commenced tabling gold concentrate with this material being prepared for sale. The Company further announced that it had issued 2,038,235 new fully paid ordinary shares at \$0.17 per share in repayment of loan principal under the convertible loan facility agreements originally announced on 24 December 2024.

On 13 March 2025, the Company announced a number of key operational staff appointments at the Reward Gold Mine.

On 14 March 2025, the Company announced the purchase of an Epiroc Boomer TD1 development and production drill rig to be incorporated in the underground fleet at the Reward Gold Mine.

Other than as noted above, there has not been any matter or circumstance occurring subsequent to the end of the financial year 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 years.

For personal use only

Directors' Declaration

In the Directors' opinion:

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

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

On behalf of the Directors



Roger Jackson
Executive Chairman
14 March 2025

Independent auditor's review report to the members of Vertex Minerals Limited

Report on the half-year financial report



Our conclusion

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 Vertex Minerals Limited (the Company), and its subsidiaries (the Group) does not comply 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 financial performance for the half-year then ended; and
- complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

What was reviewed?

We have reviewed the accompanying half-year financial report of 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 for the half-year then ended,
- the consolidated statement of changes in equity for the half-year then ended,
- the consolidated statement of cash flows for the half-year then ended,
- notes to the financial statements, including material accounting policy information, and
- the directors' declaration.

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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Material uncertainty related to going concern

We draw attention to Note 2 of the half-year financial report which indicates that the Group incurred a net loss after income tax of \$1,289,519, had net operating cash outflows of \$1,410,652 and net cash outflows from investing activities of \$5,298,238 for the half-year period ended 31 December 2024 and had net current liabilities of \$2,511,621 as at 31 December 2024. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Responsibilities of the directors 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 gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the 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 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.

William Buck

William Buck Audit (Vic) Pty Ltd

ABN 59 116 151 136



R. P. Burt

Director

Melbourne, 14 March 2025