



Half Year Financial Report

31 December 2024

ABN 70 126 678 037

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Board of Directors

Eddie King – Non-Executive Chairman
Myles Fang – Executive Director
Jason Hou – Non-Executive Director
Mark Calderwood – Non-Executive Director

Company Secretary

Heath Roberts

Principal and Registered Office

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Securities Exchange Listing

Australian Securities Exchange
ASX Code: EFE

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DIRECTORS' REPORT

Your Directors submit their report for Eastern Resources Limited for the half year ended 31 December 2024.

DIRECTORS

The names of the Company's Directors in office during the half year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Eddie King	Non-Executive Chairman	Appointed 10 July 2017
Myles Fang	Executive Director	Appointed 12 March 2018
Jason Hou	Non-Executive Director	Appointed 27 September 2021
Mark Calderwood	Non-Executive Director	Appointed 12 January 2023

REVIEW AND RESULTS OF OPERATIONS

Financial results

The net results of operations after applicable income tax expense for the half year was a loss of \$257,028 (2023 \$728,267). There was no exploration and evaluation expenditure written off during the period (2023: 396,289).

Lepidolite Hill Lithium Project

During the reporting period ("Period"), the Company has worked with experienced lithium consultancy, Nagrom, on metallurgical testwork samples from the Lepidolite Hill Lithium Project. The metallurgical testwork includes multi-stage separation and floatation to test the ability to produce a commercial lithium concentrate.

The work was completed, and the results were received in January 2025. The detailed results are in the Subsequent Events After the Balance Date section in this report.

Nowa Nowa Iron Project

During the Period, the Company continued to conduct ongoing works on the Environmental Effects Assessment ("EES") approval process, which is an all-inclusive permitting approach including all planning and operating licence requirements for the development and operation of Nowa Nowa.

The following assessments have currently been undertaken: Aboriginal Cultural Heritage Impact assessment, Ecology Impact assessment, Traffic Impact assessment and a Groundwater Impact assessment.

Nowa Nowa Copper Project

No exploration work was carried out during the Period.

Other Lithium Projects

No exploration activities were conducted at Trigg Hill, Yalgoo West and the Lake Johnston Projects during the Period.

New Projects Search and Acquisition

The Company has actively reviewed opportunities to acquire an advanced exploration or near-development project in this Period. A number of projects have been evaluated, and the Company has been in commercial discussion with various parties.

Corporate

During the Period and subsequent to shareholder approval received at the 2024 AGM, a number of initiatives were applied to optimise the Company's capital structure. First, a 1:10 consolidation was carried out. Second, a range of Director and executive performance rights and/or options were restructured consistent with the consolidation and as detailed in the 2024 AGM Notice. As a result, at year end and as at the date of this report, the capital structure of the Company is as set out below:

DIRECTORS' REPORT

Security Name	Total Holdings
Fully Paid Ordinary Shares	126,089,947
Unlisted Options \$0.50 EXP 30.09.2025	2,076,560
Performance Rights EXP 29/11/2029	6,550,000

Principal Activities

The principal activity of the Company is the exploration of iron ore, lithium and base metal resources and the development of those resources into economic, cash flow generating mines.

Dividends

No dividends were paid or proposed during the period.

SUBSEQUENT EVENTS AFTER THE BALANCE DATE

January 2025 metallurgical results from preliminary test work for the samples from Lepidolite Hill Lithium Project were received. The results demonstrate that recoveries ranging from 80% to 82% producing a 3.7% Lithia in lepidolite concentrate using a combination of magnetic separation and conventional flotation could be achieved.

Results Summary

A summary of recoveries and grades for lithium (Li₂O) and iron (Fe₂O) are presented in Table 1

Table 1: Flotation Results

Fraction	Mass	Grade	Recovery	Grade	Recovery
		Li ₂ O	Li ₂ O	Fe ₂ O ₃	Fe ₂ O ₃
Re-cleaner conc	44.1%	3.75%	80.53%	0.07%	9.82%
Cleaner tails.	5.9%	1.38%	3.86%	0.07%	1.16%
Scavenger tails.	39.2%	0.28%	5.34 %	0.01%	1.17%
Magnetics	1.4%	1.53%	1.07%	12.43%	53.08%
Slimes	9.4%	2.01%	9.20%	1.24%	34.78%
Feed	100.0%	2.07%	100.00%	0.05%	100.00%

Metallurgical Test Work Overview

The first batch of 27 kg composite sample selected from the Lepidolite Hill Lithium Project, was delivered to Nagrom metallurgical and analytical laboratory in Perth, to conduct metallurgical test work. The metallurgical test program was designed to test the ability to produce a commercial lithium concentrate by conventional multi-stage flotation technology.

Flotation

Flotation is the most widely used technique for the beneficiation of lithium-bearing minerals and is more suited to the processing of fine particle size feed. The processing route selected was as follows:

- Stage Crush (~20kg) to P100 =3.35mm
- Grind (17x 1kg) to P80= 0.106mm
- Cyclone Deslime (17kg) to produce one (1) Overflow and one (1) Underflow fraction, with target Cut-Point @D50 =10-20µm
- WHGMS145 (~15kg) to produce one (1) Overflow and one (1) Underflow fraction, at 3000 Gauss

DIRECTORS' REPORT

- Sighter Multi-Stage Flotation (1kg) to produce up to ten (10) fractions
- All tests were done in Perth tap water

All samples were analysed via ICP/XRF for Li₂O, Fe₂O₃, CaO, K₂O, MgO, Al₂O₃, SiO₂, Na₂O, Ta₂O₅, Nb₂O₅ and LOI1000.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's Independence Declaration to the Directors as required under section 307C of the *Corporations Act 2001* is set out on page 15.

Signed in accordance with a resolution of the directors.



Eddie King
Chairman

14 March 2025

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	Note	31 December 2024 \$	31 December 2023 \$
Revenue	4	84,940	93,003
ASX and ASIC fees		(42,707)	(39,196)
Audit fee		(15,000)	(13,000)
Contract administration services		(110,850)	(137,663)
Directors' fees (net of costs recharged to exploration projects)		(21,600)	(104,323)
Share-based payments		(96,651)	(59,467)
Rent		-	(12,501)
Insurance		(12,196)	(9,380)
Exploration and evaluation expenditure written off	6	-	(396,289)
Other expenses from ordinary activities		(42,964)	(49,451)
Loss before income tax expense		(341,968)	(728,267)
Income tax expense			
Loss after income tax expense		(257,028)	(728,267)
Other comprehensive income			
Other comprehensive income for the period, net of tax		-	-
Total comprehensive (loss) attributable to members of Eastern Resources Limited		(257,028)	(728,267)
Basic loss per share (cents per share)	8	(0.21)	(0.59)
Diluted loss per share (cents per share)	8	(0.21)	(0.59)

The Consolidated Statement of 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 \$
Current assets			
Cash assets	5	3,774,250	4,313,778
Receivables		181,709	98,846
Total current assets		3,955,959	4,412,624
Non-current assets			
Tenement security deposits	7	20,000	20,000
Property, plant and equipment		1,514	2,273
Deferred exploration and evaluation expenditure	6	8,296,888	7,982,244
Total non-current assets		8,318,402	8,004,517
Total assets		12,274,361	12,417,141
Current liabilities			
Payables		128,025	182,428
Total current liabilities		128,025	182,428
Total liabilities		128,025	182,428
Net assets		12,146,336	12,234,713
Equity			
Contributed equity	9	26,470,137	26,398,137
Reserves	10	378,592	281,941
Accumulated losses		(14,702,393)	(14,445,365)
Total equity		12,146,336	12,234,713

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

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	Note	Contributed equity \$	Accumulated losses \$	Reserves \$	Total equity \$
At 1 July 2023		26,398,137	(14,344,642)	872,110	12,925,605
Loss for the period		-	(728,267)	-	(728,267)
Other comprehensive income		-	-	-	-
Total comprehensive income/(loss) for the period		-	(728,267)	-	(728,267)
Transactions with owners in their capacity as owners:					
Share-based payments	10	-	-	59,467	59,467
Lapsed of employee share option value transferred to accumulated losses	10	-	743,251	(743,251)	-
Total transactions with owners in their capacity as owners		-	743,251	(683,784)	59,467
At 31 December 2023		26,398,137	(14,329,658)	188,326	12,256,805
At 1 July 2024		26,398,137	(14,445,365)	281,941	12,234,713
Loss for the period		-	(257,028)	-	(257,028)
Other comprehensive income		-	-	-	-
Total comprehensive income/(loss) for the period		-	(257,028)	-	(257,028)
Transactions with owners in their capacity as owners:					
Share-based payments	10	-	-	96,651	96,651
Issue of share capital, net of transaction costs	9	72,000	-	-	72,000
Total transactions with owners in their capacity as owners		72,000	-	96,651	168,651
At 31 December 2024		26,470,137	(14,702,393)	378,592	12,146,336

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

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CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	Note	31 December 2024 \$	31 December 2023 \$
Cash flows from operating activities			
Payments to suppliers and employees		(217,929)	(411,683)
Interest received		6,917	90,901
Net cash flows (used in) operating activities		(211,012)	(320,782)
Cash flows from investing activities			
Payments for deferred exploration and evaluation expenditure		(328,516)	(564,652)
Payments for property, plant and equipment		-	(2,815)
Net cash flows (used in) investing activities		(328,516)	(567,467)
Cash flows from financing activities			
Proceeds from issue of shares	9	-	-
Net cash flows (used in) from financing activities		-	-
Net increase (decrease) in cash held		(539,528)	(888,249)
Add opening cash brought forward		4,313,778	5,905,839
Closing cash carried forward	5	3,774,250	5,017,590

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

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

1. CORPORATE INFORMATION

The financial report of Eastern Resources Limited (the “**Company**”) and its wholly owned subsidiaries (the “**Group**”) for the half year ended 31 December 2024 was authorised for issue in accordance with a resolution of the directors on 14 March 2025. Eastern Resources Limited is a company incorporated in Australia and limited by shares which are publicly traded on the Australian Securities Exchange using the ASX code EFE.

The nature of the operations and principal activities of the Group are described in the Directors’ Report.

2. MATERIAL ACCOUNTING POLICY INFORMATION

The Half Year Financial Report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the full financial report.

The Half Year Financial Report should be read in conjunction with the Annual Financial Report of Eastern Resources as at 30 June 2024.

It is also recommended that the Half Year Financial Report be considered together with any public announcements made by Eastern Resources during the half year ended 31 December 2024 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

Basis of preparation

The Half Year Financial Report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, applicable Accounting Standards, including AASB 134 Interim Financial Reporting and other mandatory professional reporting requirements. The Half Year Financial Report has been prepared on a historical cost basis.

For the purpose of preparing the Half Year Financial Report, the half year has been treated as a discrete reporting period.

Accounting policies

The half year consolidated financial statements have been prepared using the same accounting policies as used in the annual financial statements for the year ended 30 June 2024.

Management has reviewed and assessed the new accounting standards effective 1 July 2024 and determined that they have not had a material impact on the Half Year Financial Report of the Group.

Fair value measurement

The carrying amounts of the Group’s assets and liabilities are a reasonable approximation of their fair values with the exception of deferred exploration and evaluation expenditure.

Basis of consolidation

The half year consolidated financial statements comprise the financial statements of Eastern Resources Limited and its wholly owned subsidiaries. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All inter-company balances and transactions, including unrealised profits arising from intra-group transactions, have been eliminated in full. The subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

Going concern

The financial report has been prepared on the going concern basis which the Group ability to pay its debts as and when they become due and payable for at least the next 12 months from the date of issuing the financial report.

The Group incurred a net loss after tax from operations of \$257,028 for the six months period to 31 December 2024 (2023: \$728,267). The Group had operating cash outflows of \$211,012 (2023: \$320,782). The Group’s net cash outflow from investing activities was \$328,516 (2023: \$567,467).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

From a cash flow forecast for the next 12 months prepared by management, the Directors believe the Group will have sufficient working capital to meet its project development and administrative expenditure as and when they are due, and therefore, the financial report has been prepared on the going concern basis.

3. FINANCIAL REPORT BY SEGMENT

The operating segment identified by management is as follows:

Exploration projects funded directly by Eastern Resources Limited (“Exploration”)

Regarding the Exploration Segment, the Chief Operating Decision Maker (the Board of directors) receives information on the exploration expenditure incurred. This information is disclosed in Note 6 of the Half Year Financial Report. No segment revenues are disclosed as each exploration tenement is not at a stage where revenues have been earned. Furthermore, no segment costs are disclosed as all segment expenditure is capitalised, with the exception of expenditure written off which is disclosed in Note 6 of this Half Year Financial Report.

Financial information about each of these tenements is reported to the Board on an ongoing basis.

Corporate office activities are not allocated to operating segments as they are not considered part of the core operations of any segment and comprise of the following:

- Interest revenue
- Corporate costs
- Depreciation and amortisation of non-project specific property, plant and equipment

The Group’s accounting policies for reporting segments are consistent with the policies disclosed in Note 2.

4. REVENUE

	31 December 2024 \$	31 December 2023 \$
Interest received	84,940	93,003
	84,940	93,003

5. CASH AND CASH EQUIVALENTS

	31 December 2024 \$	30 June 2024 \$
Cash at bank	3,774,250	4,313,778
	3,774,250	4,313,778

6. DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

	31 December 2024 \$	30 June 2024 \$
Balance at the beginning of the period	7,982,244	7,190,147
Costs incurred during the period	314,644	1,188,386
Expenditure written off during the period	-	(396,289)
Balance at the end of the period	8,296,888	7,982,244

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

7. CONTINGENT ASSETS AND LIABILITIES

The Company has provided a guarantee totalling \$20,000 (30 June 2024: \$20,000) in respect of an exploration tenement in Victoria. This guarantee in respect of exploration tenements is secured against a deposit with a banking institution. The Company does not expect to incur any material liability in respect of the guarantees.

8. EARNINGS PER SHARE

	31 December 2024	31 December 2023
	\$	\$
Net profit/(loss) used in calculating basic and diluted earnings per share	(257,028)	(728,267)
	Number	Number
Weighted average number of ordinary shares outstanding during the year used in calculation of basic earnings per share	124,348,084	124,194,652
	Cents per share	Cents per share
Basic earnings (loss) per share	(0.21)	(0.59)
Diluted earnings (loss) per share	(0.21)	(0.59)

The weighted average ordinary share numbers above have been adjusted as if the 10:1 share consolidation occurred on 1 July 2023.

9. CONTRIBUTED EQUITY

	31 December 2024 \$	30 June 2024 \$
(a) Share capital		
126,089,947 fully paid ordinary shares (2024: 1,241,946,517)	27,949,279	27,877,279
Fully paid ordinary shares carry one vote per share and carry the right to dividends.		
Share issue costs	(1,479,142)	(1,479,142)
	26,470,137	26,398,137

	Number	\$
Movements in ordinary shares on issue		
At 31 December 2023	1,241,946,517	27,877,279
Shares issued during the period	-	-
At 30 June 2024	1,241,946,517	27,877,279
Share consolidation	(1,117,751,306)	-
Shares issued during the period	1,894,736	72,000
At 31 December 2024	126,089,947	27,949,279

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

(b) Options and performance rights

Date	Number of options	Exercise price	Expiry date	Vested and exercisable at end of the year number	
<i>Unlisted</i>					
At 1 July 2024	86,265,519			86,265,519	
25 November 2024	(18,688,959)	\$0.0500	30 Sep 25	(18,688,959)	(a)
25 November 2024	(19,000,000)	-	28 Nov 27	(19,000,000)	(b)
25 November 2024	(46,500,000)	-	18 Dec 28	(46,500,000)	(c)
29 November 2024	6,550,000	-	28 Nov 29	6,550,000	(d)
At 31 December 2024	8,626,560			8,626,560	

- (a) 10:1 consolidation of 20,765,519 options
- (b) Cancellation of 19,000,000 Performance Rights at nil consideration.
- (c) Cancellation of 46,500,000 Performance Rights at nil consideration.
- (d) Issue of 6,550,000 Performance Rights to Directors and consultants at nil consideration approved by shareholders at the AGM on 21 November 2024

10. RESERVES/SHARE-BASED PAYMENTS

	31 December 2024 \$	30 June 2024 \$
At 1 July	281,941	872,110
Share-based payment expense during the period	96,651	153,082
Expired of employee share option value transferred to accumulated losses	-	(743,251)
At 31 December 2024	378,592	281,941

11. EVENTS AFTER THE BALANCE SHEET DATE

There were, at the date of this report, no other matters or circumstances which have arisen since 31 December 2024 that have significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years other than the following:

- January 2025 metallurgical results from preliminary test work for the samples from Lepidolite Hill Lithium Project were received. The results demonstrate that recoveries ranging from 80% to 82% producing a 3.7% Lithia in lepidolite concentrate using a combination of magnetic separation and conventional flotation could be achieved.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Eastern Resources Limited, I state that:

In the opinion of the Directors:

- (a) The financial statements and notes of the consolidated entity are in accordance with the *Corporations Act 2001*, including:
 - (i) 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
 - (ii) Complying with Australian Accounting Standards AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and
- (b) There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

On behalf of the Board



Eddie King
Chairman

14 March 2025

Independent Auditor's Review Report

To the members of Eastern Resources Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Eastern Resources Limited and controlled entities (the consolidated entity), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising material accounting policy information and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of Eastern Resources Limited (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 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 Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the 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*. As the auditor of Eastern Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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 material matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Eastern Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Conclusion

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 Eastern Resources Limited and controlled entities is not in accordance with the *Corporations Act 2001* including:

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

BDJ Partners

Anthony Dowell
Partner

14 March 2025

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Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Eastern Resources Limited and Controlled Entities

I declare that, to the best of my knowledge and belief during the half year ended 31 December 2024 there have been:

- a. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- b. no contraventions of any applicable code of professional conduct in relation to the review.

BDJ Partners

Anthony Dowell
Partner

13 March 2025

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