iTECH MINERALS

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31 DECEMBER 2024 HALF-YEAR REPORT

Interim consolidated financial statements for the half-year ended 31 December 2024

ACN 648 219 050

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This Interim Report covers iTech Minerals Ltd ("iTech" or the "Company") as a Group consisting of iTech Minerals Ltd and its subsidiaries, collectively referred to as the "Group". The financial report is presented in the Australian currency.

iTech is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 3, 170 Greenhill Road
PARKSIDE, SA 5063

DIRECTORS' REPORT

iTech Minerals Ltd (**iTech** or **Company**) Directors present their Report together with the financial statements of the consolidated entity, being iTech Minerals Ltd ("iTech" or "the Company") and its controlled entities ("the Group") for the half year ended 31 December 2024 and the Independent Review Report thereon.

DIRECTORS

The names of the directors in office at any time during the reporting period and since the end of the period are:
Glenn Davis
Michael Schwarz
Gary Ferris

REVIEW OF OPERATIONS AND FINANCIAL RESULTS

iTech Minerals Ltd holds exploration projects primarily comprising tenements in highly prospective geology primarily for battery materials (graphite and lithium), with graphite in South Australia and lithium, gold and copper in the Northern Territory.

In the half year to 31 December 2024, the Group progressed mineral exploration on its assets primarily prospective for lithium, copper, gold and graphite.

The net loss of the Group, from the six months to 31 December 2024 was $628,295 (2023: $538,884). The main factors contributing to the increased loss are higher employee benefits expense of $68,975 resulting from share based payments expense, impairment expense of $32,004 and lower interest revenue of $30,056. The increased loss is partly offset by increased other income of $102,500 primarily due to a farm-in payment.

A copy of the auditor's independence declaration as required under s307C of the *Corporations Act 2001* (Cth) is included on page 3 of this financial report and forms part of this Directors' Report.

Signed in accordance with a resolution of the directors.

Michael Schwarz
Managing Director

Adelaide
25 February 2025

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AUDITOR'S INDEPENDENCE DECLARATION

Grant Thornton

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Auditor's Independence Declaration

To the Directors of iTech Minerals Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of iTech Minerals Limited for the half-year ended 31 December 2024. I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of 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.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

Ian Kemp

I S Kemp
Partner – Audit & Assurance

Adelaide, 25 February 2025

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the half year ended 31 December 2024

	Notes	31 December 2024 $	31 December 2023 $
Interest income		75,352	105,408
Other income		102,500	-
Broker and investor relations		(60,000)	(65,744)
Employee benefits expense		(282,461)	(213,486)
Exploration expense		(740)	(6,890)
Impairment of exploration expenditure		(32,004)	-
Depreciation		(89,480)	(66,121)
Other expenses		(341,462)	(292,051)
Loss before tax		(628,295)	(538,884)
Income tax (expense) / benefit		-	-
Loss for the period from continuing operations attributable to owners of the parent		(628,295)	(538,884)
Fair value movement in financial assets (net of tax)		(120,000)	120,000
Total Comprehensive loss for the period attributable to owners of the parent		(748,295)	(418,884)
Earnings Per Share from Continuing Operations Basic and diluted loss – cents per share	2	(0.39)	(0.47)

This statement should be read in conjunction with the notes to the financial statements.

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	Notes	31 December 2024 $	30 June 2024 $
ASSETS			
Current assets			
Cash and cash equivalents		3,465,628	1,725,570
Restricted cash		95,614	-
Trade and other receivables		136,412	219,530
Other current assets		-	3,714
Total current assets		3,697,654	1,948,814
Non-current assets			
Exploration and evaluation expenditure	3	19,111,279	18,283,242
Plant and equipment		246,555	263,079
Right of use lease asset		59,113	105,617
Financial assets - FVOCI		-	180,000
Other non-current assets		71,015	52,000
Total non-current assets		19,487,962	18,883,938
TOTAL ASSETS		23,185,616	20,832,752
LIABILITIES			
Current liabilities			
Trade and other payables		275,152	468,034
Employee provisions		50,798	39,224
Lease liability		62,401	97,125
Total current liabilities		388,351	604,383
Non-current liabilities			
Lease liability		-	17,071
Employee provisions		19,854	14,180
Total non-current liabilities		19,854	31,251
TOTAL LIABILITIES		408,205	635,634
NET ASSETS		22,777,411	20,197,118
EQUITY			
Issued capital	4	26,292,263	23,148,053
Reserves		312,656	248,278
Accumulated losses		(3,827,508)	(3,199,213)
TOTAL EQUITY		22,777,411	20,197,118

This statement should be read in conjunction with the notes to the financial statements.

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half year ended 31 December 2024

2024

	Share capital	Financial assets Reserve	Share based payment Reserves	Accumulated losses	Total equity
	$	$	$	$	$
Balance at 1 July 2024	23,148,053	120,000	128,278	(3,199,213)	20,197,118
Placement shares	2,335,071	-	-	-	2,335,071
SPP shares	1,105,009	-	-	-	1,105,009
Share issue expenses	(295,870)	-	78,139	-	(217,731)
Fair value of employee performance rights	-	-	106,239	-	106,239
Transactions with owners	3,144,210	-	184,378	-	3,328,588
Comprehensive income:					
Total profit or loss for the reporting period	-	-	-	(628,295)	(628,295)
Total other comprehensive income for the reporting period	-	(120,000)	-	-	(120,000)
Balance 31 December 2024	**26,292,263**	**-**	**312,656**	**(3,827,508)**	**22,777,411**

2023

	Share capital	Financial assets Reserve	Share based payment Reserves	Accumulated losses	Total equity
	$	$	$	$	$
Balance at 1 July 2023	23,122,138	-	17,333	(1,991,571)	21,147,900
Share issue expenses	(6,444)	-	-	-	(6,444)
Fair value of employee performance rights	-	-	43,706	-	43,706
Transactions with owners	(6,444)	-	43,706	-	37,262
Comprehensive income:					
Total profit or loss for the reporting period	-	-	-	(538,884)	(538,884)
Total other comprehensive income for the reporting period	-	120,000	-	-	120,000
Balance 31 December 2023	**23,115,694**	**120,000**	**61,039**	**(2,530,455)**	**20,766,278**

This statement should be read in conjunction with the notes to the financial statements.

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CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 31 December 2024

	31 December 2024 $	31 December 2023 $
Operating activities		
Interest received	75,569	105,794
Other receipts – tenement farm-in	102,500	-
Payments to suppliers and employees	(476,298)	(528,365)
Payments for expensed exploration expenditure	(740)	(6,890)
R&D refundable tax offset received	201,881	235,669
Net cash used in operating activities	(97,088)	(193,792)
Investing activities		
Payments for capitalised exploration expenditure	(1,230,085)	(2,523,637)
Payments for plant and equipment	(39,578)	(169,025)
Increase in term deposits	(95,614)	-
Net cash used in investing activities	(1,365,277)	(2,692,662)
Financing activities		
Proceeds from issue of shares	3,440,080	-
Share Issue expenses	(217,730)	(6,444)
Lease payments	(19,927)	(19,355)
Net cash from financing activities	3,202,423	(25,799)
Net change in cash and cash equivalents	1,740,058	(2,912,253)
Cash and cash equivalents, beginning of reporting period	1,725,570	6,778,400
Cash and cash equivalents, end of period	3,465,628	3,866,147

This statement should be read in conjunction with the notes to the financial statements.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period ended 31 December 2024

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

a) Nature of operations

The Group's principal activities are the exploration for industrial minerals (graphite, kaolin and halloysite) and battery minerals in South Australia and copper, gold and lithium in the Northern Territory.

b) General information and basis of preparation

The interim consolidated financial statements (the interim financial statements) of the Group are for the six months ended 31 December 2024 and are presented in Australian dollars ($), which is the functional currency of the parent company. These general purpose interim financial statements have been prepared in accordance with the requirements of the Corporations Act 2001 (Cth) and AASB 134 Interim Financial Reporting. They do not include all of the information required in annual financial statements in accordance with AIFRS, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 30 June 2024 and any public announcements made by the Group during the half-year in accordance with the continuous disclosure requirements arising under the Australian Securities Exchange Listing Rules and the Corporations Act 2001 (Cth). The Company is a for profit entity for the purposes of preparing its financial statements.

The interim financial statements have been approved and authorised for issue by the board of directors on 25 February 2025.

c) Significant accounting policies

The Group has adopted all the amendments to the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board, which are relevant to and effective for the Group's financial statements for the period beginning 1 July 2024. The adoption of all of the relevant new and/or revised Australian Accounting Standards and Interpretations has not resulted in any changes to the Group's accounting policies and has had no effect on either the amounts reported for the current or previous financial years.

d) Critical accounting estimates and judgements

The Directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends of economic data, obtained both externally and within the Group.

i. Key estimates – impairment

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined.

ii. Key judgements – exploration and evaluation expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, which could impact the cost of mining, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, profits and net assets will be reduced in the period in which this determination is made.

In addition, exploration and evaluation expenditure is capitalised if activities in the area of interest have not yet reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. To the extent it is determined in the future that this capitalised expenditure should be written off, profits and net assets will be reduced in the period in which this determination is made.

iii. Share-based payment transactions

The Group measures the cost of equity-settled transactions with management and other parties by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of share options is determined by the Board of Directors with reference to quoted market prices or using the Black-Scholes valuation method, where required, taking into account the terms and conditions upon which the equity instruments were granted. The fair value of performance rights is calculated using the Company's share price at the time of issue. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact expenses and equity.

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iv. Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

2. EARNINGS PER SHARE

The weighted average number of shares for the purpose of diluted earnings per share can be reconciled to the weighted average number of ordinary shares used in the calculation of basic earnings per share as follows:

	6 months to 31 December 2024 #	6 months to 31 December 2023 #
Weighted average number of shares used in basic earnings per share	161,504,135	115,103,899
Weighted average number of shares used in diluted earnings per share	161,504,135	115,103,899
Profit / (loss) per share – basic and basic (cents)	(0.39)	(0.47)

There were 9,360,000 options and performance rights outstanding at the end of the period that have not been taken into account in calculating diluted EPS due to their effect being anti-dilutive.

3. EXPLORATION AND EVALUATION EXPENDITURE

	31 December 2024 $	30 June 2024 $
Opening balance	18,283,242	14,704,685
Expenditure on exploration during the period	984,432	4,158,318
CRC-P grant received	(115,910)	(235,140)
Project acquisition	97,019	26,042
Impairment of exploration expenditure	(32,004)	(168,782)
Research and development tax incentive received/receivable	(105,500)	(201,881)
Total exploration and evaluation	19,111,279	18,283,242

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4. SHARE CAPITAL

31 December 2024	Number of shares	31 December 2024 $
(a) Issued and paid up capital		
Fully paid ordinary shares	170,735,388	26,292,263
	170,735,388	26,292,263
(b) Movements in fully paid shares		
Balance as at 1 July 2024	122,283,562	23,148,053
Share placements	32,888,318	2,335,071
Share purchase plan	15,563,508	1,105,009
Capital raising costs	-	(295,870)
Balance as at 31 December 2024	170,735,388	26,292,263

31 December 2023	Number of shares	31 December 2023 $
(a) Issued and paid up capital		
Fully paid ordinary shares	122,183,562	23,115,694
	122,183,562	23,115,694
(b) Movements in fully paid shares		
Balance as at 1 July 2023	122,183,562	23,122,138
Capital raising costs	-	(6,444)
Balance as at 31 December 2023	122,183,562	23,115,694

5. OPERATING SEGMENTS

The Directors have considered the requirements of AASB 8 – Operating Segments and the internal reports that are reviewed by the chief operating decision maker (the Board) in allocating resources have concluded that at this time there are no separately identifiable segments.

6. EVENTS ARISING SINCE THE END OF THE REPORTING PERIOD

No matters or circumstances have arisen since the end of the financial period which 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 subsequent financial years.

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DIRECTORS' DECLARATION

In accordance with a resolution of the directors of iTech Minerals Ltd, the Directors of the Company declare that:

a) the consolidated financial statements and notes of iTech Minerals Ltd are in accordance with the *Corporations Act 2001* (Cth), including:

i. giving a true and fair view of its financial position as at 31 December 2024 and of its performance for the financial period ended on that date; and

ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001 (Cth); and

b) there are reasonable grounds to believe that iTech Minerals Ltd will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors:

Michael Schwarz
Managing Director

Adelaide
25 February 2025

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Independent Audit Report

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Independent Auditor's Review Report

To the Members of iTech Minerals Ltd

Report on the half-year financial report

Conclusion

We have reviewed the accompanying half-year financial report of iTech Minerals Ltd (the Company) and its subsidiaries (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, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, including material accounting policy information, other selected explanatory notes, and the directors' declaration.

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

a giving a true and fair view of the Company's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and

b complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

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

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

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. 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 half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company'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.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

I S Kemp
Partner – Audit & Assurance

Adelaide, 25 February 2025

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