



**ST GEORGE**  
MINING LIMITED

ABN 21 139 308 973

**HALF YEARLY REPORT FOR THE  
HALF YEAR ENDED 31 DECEMBER 2023**

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**This Interim Financial Report does not include all the notes of the type normally included in an Annual Financial Report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2023 and any public announcements made by St George Mining Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.**

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**DIRECTORS' REPORT**

The Directors are pleased to submit their report on St George Mining Limited for the half-year ended 31 December 2023. In order to comply with the provisions of the *Corporations Act 2001*, the directors report as follows.

**DIRECTORS**

The names of the Directors who held office during or since the end of the half-year are:

John Prineas – Executive Chairman

Sarah Shipway – Non-Executive Director

John Dawson – Non-Executive Director

Kecheng Cai – Non-Executive Director (appointed on 1 January 2024)

**REVIEW AND RESULTS OF OPERATIONS**

A summary of revenues and results for the half-year is set out below:

|                     | <b>31 December 2023</b> |                |
|---------------------|-------------------------|----------------|
|                     | <b>Revenues</b>         | <b>Results</b> |
|                     | <b>\$</b>               | <b>\$</b>      |
| Revenues and (Loss) | 69,498                  | (4,966,578)    |

During the six months period the exploration and evaluation expenditure was \$3,186,188 (2022: \$3,657,737). In accordance with the Group's accounting policy these costs were written off. Administration costs were \$1,636,708 (2022: \$1,226,493) and share based payments expense was \$213,180 (2022: \$32,760), resulting in a total loss for the six months of \$4,966,578 (2022: \$4,867,394).

Of the total losses for the six months \$4,867,486 (2022: \$4,867,394) was attributable to members of the Company and \$99,092 (2022: Nil) was attributable to non-controlling interest.

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**REVIEW OF OPERATIONS**

The Board is pleased to present the Review of Operations for the half-year ended 31 December 2023.

**HIGHLIGHTS**

St George is advancing its portfolio of battery metals projects in Western Australia with significant exploration activities completed in the half-year to 31 December 2023.

**MT ALEXANDER PROJECT – Lithium**

- Soil sampling, pegmatite field mapping and outcrop sampling completed over a previously untested area of the Mt Alexander Project – owned 100% by St George except for E29/638 (75% St George; 25% IGO)
- Results from the sampling will allow for prioritisation of the 2024 drill programme that will include testing:
  - an 8km-long zone around the Manta Prospect, where drilling by St George intersected a 121m-thick fractionated pegmatite
  - a 4km-long zone of the Jailbreak Prospect, where drilling by St George intersected multiple lithium-bearing pegmatites with values up to 1.8% Li<sub>2</sub>O and rock-chip samples returned values up to 3.25% Li<sub>2</sub>O
  - newly acquired tenements E29/1143 and P29/2680 which together host +5km of the contact with the Copperfield Granite – the same contact that hosts Delta Lithium’s Mt Ida Lithium Project

**DESTINY PROJECT – High-grade REE discovery**

- Thick zones of high-grade Total Rare Earth Oxide (TREO) – up to 42m thick – intersected at the Destiny Project (previously called the Woolgangie Project)
- REE mineralisation is hosted in a thick, near-surface clay zone that is +100m thick
- Large-scale potential with mineralisation confirmed over a 7km-long strike with mineralisation open in all directions and less than 10% of the target area tested
- Significant assay results include:
  - WGAC0026: 30m @ 1,885ppm TREO, 399ppm MREO from 20m, *including* 6m @ 3,578ppm TREO, 755ppm MREO from 32m, *and including* 2m @ 5,125ppm TREO, 1,199ppm MREO from 32m
  - WGAC0030: 42m @ 1,832ppm TREO, 351ppm MREO from 12m, *including* 14m @ 2,622ppm TREO, 515ppm MREO from 38m
- High-value Magnetic Rare Earth Oxides (MREO) – such as neodymium and praseodymium needed for magnets used in electric vehicle motors – comprise a high percentage of TREO

**LITHIUM STAR – Major financial investment completed**

- St George completed the acquisition of seven hard-rock lithium projects with all projects owned 100% by St George’s subsidiary, Lithium Star Pty Ltd (“Lithium Star”)
- New projects comprise 14 exploration licences in Western Australia covering a total area of 653 sq km, including land packages located along strike from high-grade lithium deposits and established spodumene producing lithium mines
- Amperex Technology Limited (“ATL”), the world’s leading producer of lithium-ion batteries, invested \$3 million in Lithium Star to acquire a 10% equity stake in Lithium Star, with St George holding the remaining 90%<sup>1</sup>
- New funds will be used to accelerate exploration at Lithium Star’s highly prospective lithium projects in Western Australia

**AJANA – Discovery in Maiden Drilling**

- Maiden drill programme comprising 12 reverse circulation (RC) drill holes and four diamond core holes completed
- Assays from the RC holes indicated high-grade or anomalous base metal mineralisation intersected in eight of the holes, confirming Ajana’s prospectivity for significant mineralisation

**CORPORATE – Global Battery Investors Back St George**

- Shanghai Jayson New Energy Materials Co., Ltd (“Jayson”) through its controlled company Hong Kong Jayson Holding Co., Limited invested a further \$3 million in St George at an issue price of \$0.038 per share, becoming St George’s largest single shareholder <sup>2</sup>
- A further \$2 million of new funds secured from the placement of new shares to domestic and international investors at an issue price of \$0.038 per share
- Together with the \$3 million investment by ATL, St George boosted its cash balance by \$8 million during the December quarter
- Mr Kecheng Cai, a senior executive of Jayson, joined the Board of St George as a Non-executive Director with effect from 1 January 2024

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<sup>1</sup> See St George’s ASX Release dated 17 October 2023 ‘Investment by World Leader in Lithium-ion Batteries’

<sup>2</sup> See St George’s ASX Release dated 9 November 2023 “Strategic Investment by Global Battery Investor”

**PROJECT ACTIVITIES****MT ALEXANDER PROJECT – LITHIUM**

Field mapping and systematic rock-chip sampling were completed during the quarter on several new target areas on tenements E29/638 (75% St George; 25% IGO) and the 100% St George-owned E29/1143, P29/2680 and E29/962.

The priority target areas on these tenements are:

1. The contact of the Mt Alexander greenstone sequence and the Copperfield Granite. This setting is a direct analogue to the contact of the Copperfield Granite with the Mt Ida Project area, where Delta Lithium (ASX: DLI) defined a major lithium deposit at its nearby Mt Ida Project (14.6Mt @ 1.2% Li<sub>2</sub>O)<sup>3</sup> – located less than 300m from that contact.
2. Extensive pegmatite swarms in the northern and central portions of the Mt Alexander greenstones with more than 400 pegmatites interpreted in this area from aerial imagery.
3. Extension areas along strike of lithium drilled at Jailbreak including a Proterozoic dyke interpreted from magnetics within the same structural corridor that hosts the Jailbreak lithium discoveries.
4. Structural corridors interpreted to be fault or shear zones that align with lithium anomalism and/or are in contact with the Copperfield Granite. Pegmatites in this case are interpreted to travel from the source granite through fault or shear zones into the greenstone sequence, during which they fractionate and become enriched in lithium, caesium and tantalum.

Assay results for the soil samples and rock chip samples will assist in finalising drill targets for the 2024 drill programme.

E29/1143 and P29/2680 – which were acquired by St George in late 2022 – cover the northern section of the LCT corridor at Mt Alexander. No prior systematic exploration for lithium has been carried out on this ground. Several important geological and structural targets have been identified in this area, including outcropping pegmatites, which support the prospectivity for lithium mineralisation.

For further details of the exploration at Mt Alexander, see our ASX Release dated 18 October 2023 “*Lithium Exploration Underway at Mt Alexander*”.

St George’s Mt Alexander landholding has extensive exposure of the contact between the Mt Alexander greenstone sequence and the Copperfield Granite – part of a large, regional LCT corridor that hosts the major lithium discovery by Delta Lithium.

Active lithium exploration in this emerging lithium province is also underway at the neighbouring Mt Bevan Project – a joint venture between Hancock Prospecting Pty Ltd, Legacy Iron Ore Limited (ASX: LCY) and Hawthorn Resources Limited (ASX: HAW) – a project that abuts the Mt Alexander landholding.<sup>4</sup>

**NOTE:**

*Visual observations of pegmatites are based on geological logging and visual interpretations and should not be considered a substitute for laboratory analysis, which is required to determine the concentration of any elements that may be indicative of possible mineralisation associated with pegmatites that are mapped, sampled from rock chips or intersected by drilling.*

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<sup>3</sup> See Delta Lithium’s ASX Release dated 3 October 2023 “*Mt Ida Lithium Mineral Resource Estimate Update*”

<sup>4</sup> See Legacy Iron’s ASX Release dated 15 June 2023 “*Hancock Executes Lithium Earn-in and Joint Venture*”

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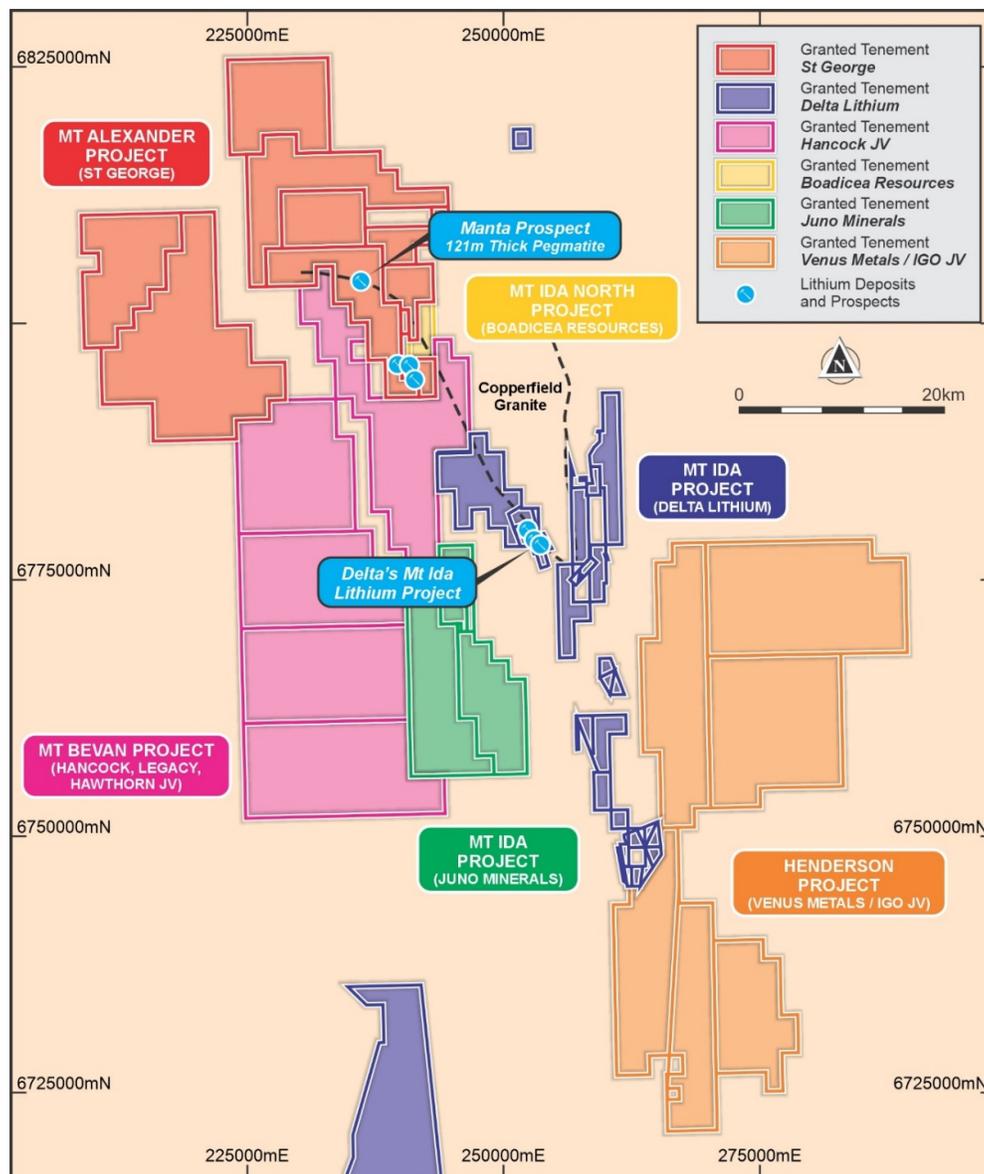


Figure 1 – regional map showing the location of Mt Alexander and other nearby lithium projects in the emerging Mt Ida Lithium Province.

**About the Mt Alexander Project:**

The Mt Alexander Project is located 120km south-west of the Agnew-Wiluna Belt, in a region which hosts numerous world-class lithium, nickel and gold deposits. The Project comprises eight tenements – seven granted exploration licences, E29/638, E29/548, E29/962, E29/954, E29/972, E29/1041 and E29/1143 and one Prospecting Licence P29/2680 – which are a contiguous package. An additional exploration licence – E29/1093 – is located to the southeast of the core tenement package.

The Cathedrals, Stricklands, Investigators and Radar nickel-copper-cobalt-PGE discoveries are located on E29/638, which is held in joint venture by St George (75%) and IGO Limited (25%). St George is the Manager of the Project, with IGO retaining a 25% non-contributing interest (in E29/638 only) until there is a decision to mine.

**DESTINY PROJECT – High-grade REE discovery**

St George completed its first drill programme at the Destiny Project during the quarter – a programme that comprised 61 air core (AC) holes for 2,145m of drilling. The area drilled covered 30 sq km and included a 7km stretch of the Ida Fault. Six drill traverses were completed with vertical drill holes generally wide-spaced (typically 500m apart or closer), drilled up to a maximum 110m.

High-grade Total Rare Earth Oxide (TREO) was intersected in 42 of the 61 drill holes, with a peak value of **2m @ 5,125ppm from 32m** downhole within a broader interval of **30m @ 1,885ppm from 20m** downhole. Significant intercepts included:

- WGAC0001: 8m @ 1,673ppm TREO, 342ppm MREO from 24m
- WGAC0026: 30m @ 1,885ppm TREO, 399ppm MREO from 20m, *including* 6m @ 3,578ppm TREO, 755ppm MREO from 32m, *and including* 2m @ 5,125ppm TREO, 1,199ppm MREO from 32m
- WGAC0030: 42m @ 1,832ppm TREO, 351ppm MREO from 12m, *including* 14m @ 2,622ppm TREO, 515ppm MREO from 38m
- WGAC0100: 29m @ 1,042ppm TREO, 200ppm MREO from 14m

TREO mineralisation is hosted within residual saprolitic clay horizons up to 100m thick. The mineralisation in the high-grade intervals is largely homogenous, supporting the potential for further and consistent mineralisation across the clay zone. With only a 7km stretch of the 90km-long prospective horizon within the Destiny landholding tested by drilling to date, the exploration upside is considered by the Company as very significant.

Assays confirmed that the REE mineralisation includes a high proportion of MREO with an average of 19% Magnetic Rare Earth Oxides (MREO) across all drilling.

MREO – comprising Neodymium (Nd), Praseodymium (Pr), Terbium (Tb) and Dysprosium (Dy) – are highly sought-after for their use in high-strength permanent magnets. These types of magnets are critical for electric motors used in electric vehicles and have other wide applications for clean-energy solutions.

For further details of the drill results, see our ASX Release dated 6 December 2023 “*High-Grade REE Discovery*”.

***Lithium at Destiny:***

Lithium exploration – including mapping, rock-chip and soil sampling – was also completed during the quarter at the Destiny Project.

A high-priority lithium target area at Destiny is located along strike to Neometal’s Spargos Project, where spodumene-bearing pegmatites have been reported<sup>5</sup>. Spargos is located along the Ida Fault and surrounded by the Destiny tenements on all sides; see Figure 2.

Greenstone sequences including mapped ultramafics at the contact zone with the potentially fertile Burra Monzogranite to the east of the Ida Fault. present a priority target area for potential lithium mineralisation.

Follow-up drilling of the REE discovery – as well as a lithium field programme – are scheduled for the Destiny Project during Q1 2024.

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<sup>5</sup> See ASX Release by Neometals dated 13 November 2023 ‘Neometals Discovers Spodumene bearing Pegmatite at Spargos’

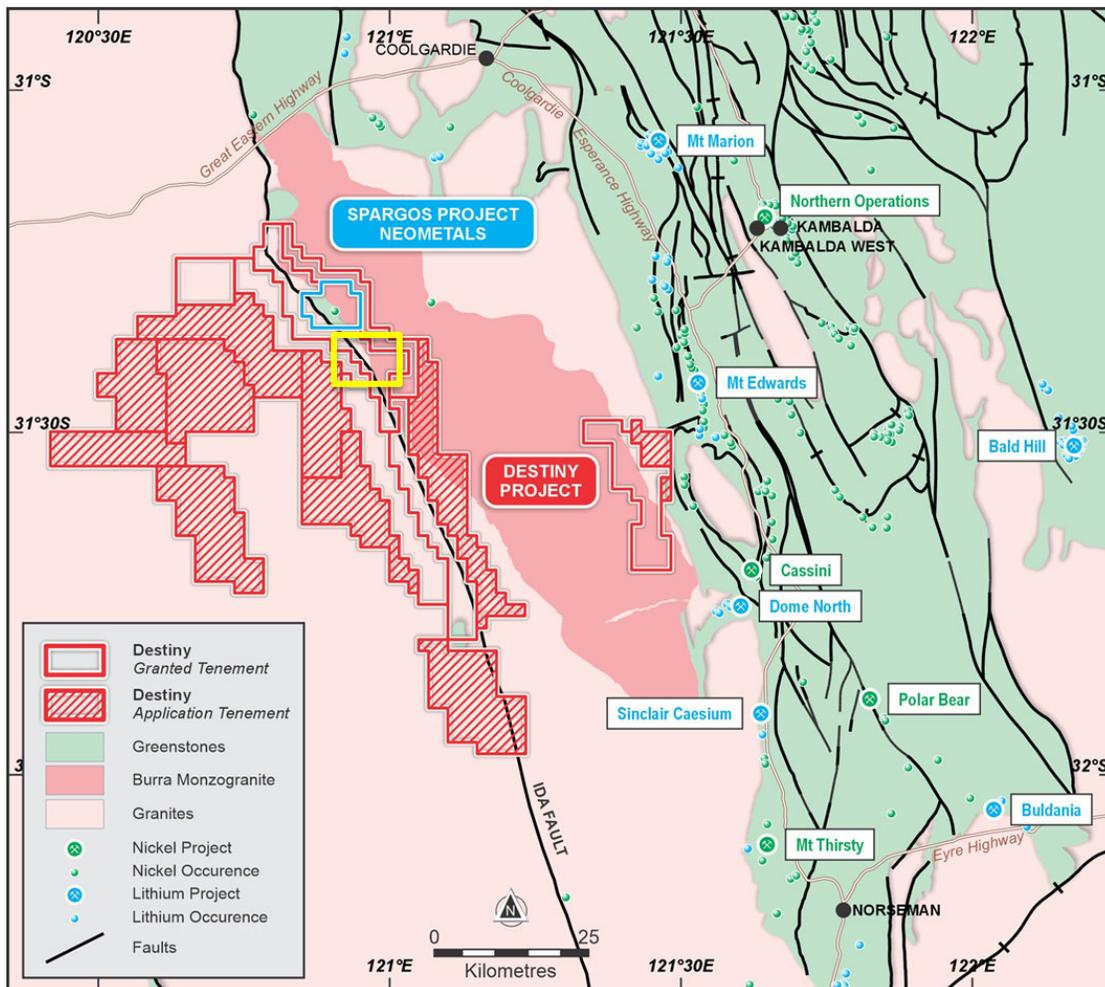


Figure 2 – map showing the regional location of the Destiny Project. REE drill area marked by the yellow polygon. The Spargos Project, where spodumene occurrences have been reported, is also highlighted.

**LITHIUM STAR – Milestone investment supports ramp-up of exploration**

The investment by ATL of \$3 million for a 10% stake in Lithium Star has provided a major step forward in unlocking the value of the Lithium Star project portfolio. With seven hard-rock lithium projects<sup>6</sup> located in highly prospective regions of Western Australia, we believe the potential of Lithium Star is substantial.

Significantly, several of the Lithium Star projects are strategically located along strike and/or in the same district as spodumene producing mines.

The new funds will allow acceleration of exploration by Lithium Star, with exploration prioritised for the following projects:

- **Split Rocks Project:** located ~25km north-west of the Earl Grey lithium deposit (189Mt @ 1.50% Li<sub>2</sub>O), owned in joint venture by Wesfarmers (ASX: WES) and SQM (NYSE: SQM)<sup>7</sup>

<sup>6</sup> For further details of the projects held by Lithium star, see St George’s ASX Release dated 22 March 2023 “St George Acquires Strategic Lithium Projects”

<sup>7</sup> Wesfarmers Proposal to acquire Kidman Resources – ASX Briefing Presentation 2 May 2019

- Buningonia and Buningonia North Projects: located in the same lithium province as Global Lithium’s (ASX: GL1) Manna Project (32.7Mt @ 1.0% Li<sub>2</sub>O)<sup>8</sup> and the operating Bald Hill Mine (26Mt @ 1% Li<sub>2</sub>O)<sup>9</sup>
- Myuna Rocks Project: located along the lithium belt that hosts Allkem’s (ASX: AKE) operating Mt Cattlin Mine (12.1Mt @ 1.3% Li<sub>2</sub>O)<sup>10</sup>

St George is confident the strategic relationship with ATL will provide an opportunity to leverage ATL’s substantial financial and technical capabilities in a way that can maximise the value of the Company’s lithium projects.

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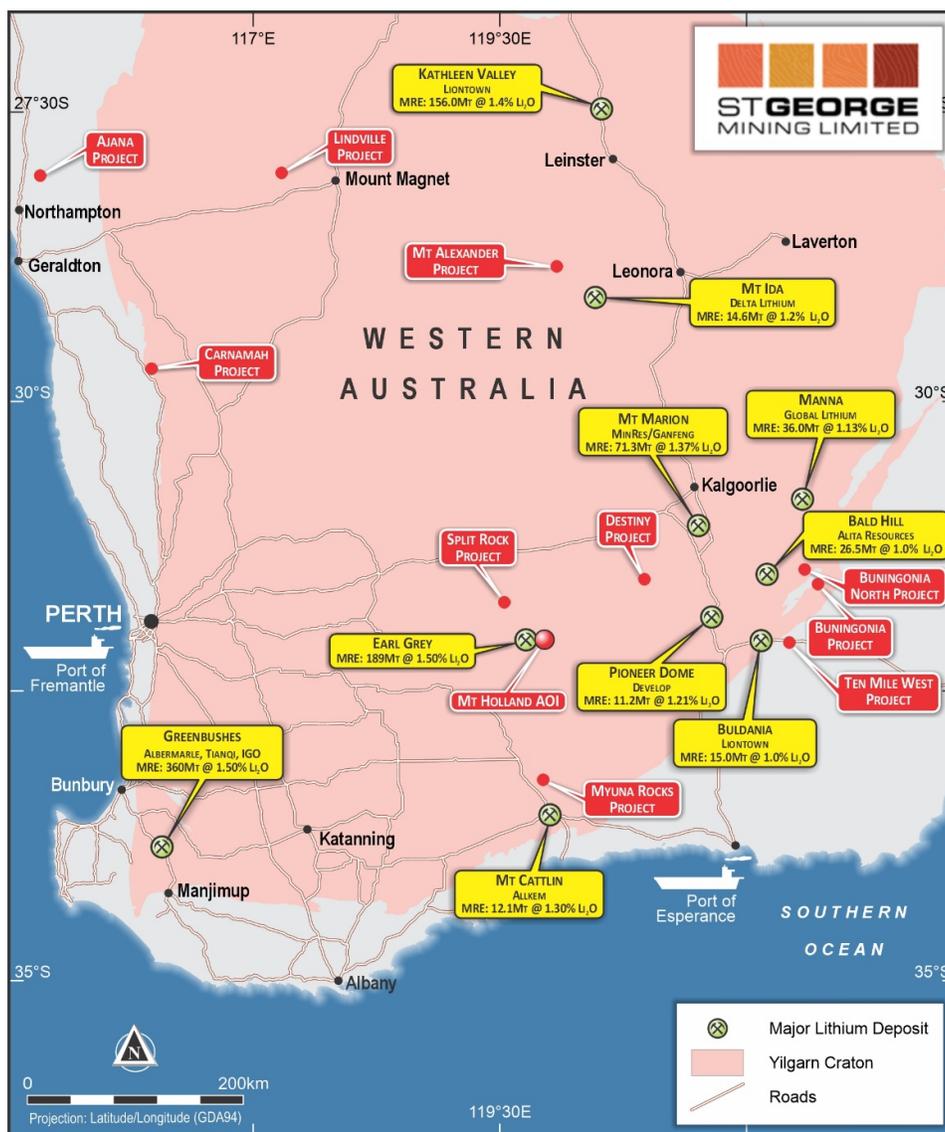


Figure 3 – Map of showing the location of the St George’s projects in Western Australia (including the Lithium Star projects) as well as major lithium mines and deposits in development.

<sup>8</sup> Global Lithium Delivers Transformative 50.7 Mt Lithium Resource Base – ASX Release 15 December 2022

<sup>9</sup> Lithium Ore Reserve Increase of 105% at Bald Hill by Tawana Resources – ASX Release 6 June 2018

<sup>10</sup> Allkem Confirms Material Growth Profile – ASX Release 25 September 2023

**AJANA PROJECT – *Discovery of Base Metals***

St George carried out a maiden drill programme at its 100% Ajana Project during Q3 2023, with 12 RC drill holes and four diamond core holes completed.

Encouraging RC drill results (e.g. AJRC002: **5m @ 1.23% Zn+ Pb, 7.2g/t Ag from 57m**) warranted immediate follow-up with diamond drilling to provide further information on the structural setting and nature of the mineralisation. Assays for the drilling show that eight of the RC holes have intersected high-grade or anomalous zinc, lead and silver mineralisation.

Drilling was designed to test two large-scale targets that had been defined from detailed airborne magnetic and ground gravity surveys completed by St George.

Target 1 is a 25km-long magnetic feature and has been named the **Perseverant Prospect**. All but two of the completed drill holes were drilled at the northern end of this Prospect. Multiple intersections of near-surface mineralisation across a broad area were returned for the drilling at Perseverant. These discovery intersections are associated with a 25km-long magnetic anomaly, highlighting the potential for Ajana to host a large-scale mineral deposit.

The drilling at Perseverant was designed to target the source of several magnetic features interpreted to be part of a large mafic intrusive complex, which could be prospective for nickel-copper-PGEs. The source of the magnetics has not been explained by the completed drill holes. Potential remains for the modelled source of the magnetics to be below the current depth of drilling, providing a high-priority target for future drilling.

Target 2 is a 2km-long strong magnetic anomaly, named the **Catalina Prospect**, which is interpreted to be an intrusion within a major north-west trending fault along the eastern margin of the Northampton Mineral Field. Diamond drill hole AJDD004 tested the northern end of the magnetic anomaly where access was available.

AJDD004 intersected intense hematite alteration over a wide interval from 43m to 95m downhole. Significantly, hematite alteration of this kind may indicate a distal cap or halo related to sulphide mineralisation. Catalina is a high priority target for further drilling to test the centre of the magnetic anomaly.

**OTHER PROJECTS**

No significant activities were conducted at the Company's other projects during the quarter – the Paterson Project and Broadview Project. Further field activities are being planned for Paterson for 2024 with details to be announced once work programmes are finalised.

**CORPORATE – *Global Battery Investors Back St George******November 2023 capital raising backed by Jayson:***

On 9 November 2023, St George announced that Shanghai Jayson New Energy Materials Co., Ltd (**Jayson**) had agreed to acquire 78,947,368 fully paid ordinary shares in St George at an issue price \$0.038 per share for a total investment of \$3 million.

This deal builds on Jayson's initial investment in St George almost a year ago and strengthens the strategic corporate relationship between our companies, with Jayson's shareholding in St George increasing to 11.73%.

Jayson has established itself as the world's leading producer of cathode precursor materials for lithium-ion batteries with operations in four countries. In addition to precursor manufacturing operations, Jayson has substantial mining, smelting and processing units for copper, cobalt and nickel. It has also developed technology for recycling lithium-ion batteries.

Jayson's market-leading credentials in new energy materials make it an attractive strategic partner for St George as we continue to rapidly grow our opportunities in lithium and other battery metals.

Contemporaneously with the Jayson investment, St George also received commitments from sophisticated investors for the placement of an additional 52,631,578 fully paid ordinary shares in St George at \$0.038 per share to raise a further \$2 million.

The placement to Jayson and sophisticated investors was completed during November.

**Senior battery industry executive joins the Board:**

Mr Kecheng Cai joined the Board as a Non-executive Director with effect from 1 January 2024.

As the Head of Investment & Strategy for Jayson, Mr Cai has deep knowledge of the global lithium-ion battery sector and been involved in numerous cross-border M&A transactions entailing both upstream and downstream battery assets.

Mr Cai's appointment, and the continued support of Jayson, is an endorsement of St George's growth strategy and the outstanding opportunities ahead. Mr Cai's extensive global experience in the lithium-ion battery industry will provide great value to the Board of St George and our Company.

**ATL investment in Lithium Star:**

During October 2023, ATL acquired a 10% equity stake in Lithium Star Pty Ltd with St George retaining the remaining 90%. ATL subscribed to 3,000,000 ordinary shares in Lithium Star for a total subscription price of \$3 million.

For further details of ATL's investment in Lithium Star, see our ASX Release dated 17 October 2023 "*Investment by World Leader in Lithium-Ion Batteries*".

**Shareholder meetings:**

The Annual General Meeting of the Company was held on 21 November 2023. All resolutions considered at the Meeting were approved.

An Extraordinary General Meeting of shareholders was held on 15 January 2024. All resolutions considered at the Meeting were approved.

**COMPETENT PERSON STATEMENT:**

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Dave Mahon, a Competent Person who is a Member of The Australasian Institute of Geoscientists. Mr Mahon is employed by St George Mining Limited to provide technical advice on mineral projects, and he holds performance rights issued by the Company.

Mr Mahon has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Mahon consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

This ASX announcement contains information extracted from the following reports which are available on the Company's website at [www.stgm.com.au](http://www.stgm.com.au):

- 7 September 2022 *Significant Lithium Potential at Mt Alexander*
- 20 September 2022 *Significant Expansion of Lithium Potential*
- 12 October 2022 *High-Grade Lithium Confirmed at Mt Alexander*

- 4 November 2022 *Drilling Intersects Pegmatites with Visible Lithium*
- 7 November 2022 *St George Increases Lithium Landholding*
- 21 December 2022 *More Positive Lithium Results at Mt Alexander*
- 21 December 2022 *Strategic Investment in St George*
- 6 February 2023 *Lithium Exploration Commences at Mt Alexander*
- 21 February 2023 *Lithium Drilling Underway at Mt Alexander*
- 22 March 2023 *St George Acquires Strategic Lithium Projects*
- 29 March 2023 *121 Metre Pegmatite Intersected at Mt Alexander*
- 29 May 2023 *Mt Alexander Lithium Exploration Update*
- 3 July 2023 *Maiden Drilling of Ni-Cu-PGE targets at Ajana*
- 5 July 2023 *Lithium Results for Mt Alexander*
- 8 August 2023 *Acquisition of Strategic Lithium Projects*
- 5 September 2023 *Base Metals Discovered at Ajana*
- 11 September 2023 *Exploration Commences at Woolgangie*
- 17 October 2023 *Investment by World Leader in Lithium-ion Batteries*
- 18 October 2023 *Lithium Exploration Underway at Mt Alexander*
- 9 November 2023 *Strategic Investment from Global battery Investor*
- 6 December 2023 *High-Grade REE Discovery*
- 27 December 2023 *St George – Exploration Update*

**SUBSEQUENT EVENTS**

On 17 January 2024 the Company announced that it had secured a key exploration tenement adjoining its Destiny Project, in the eastern Goldfields of Western Australia. The consideration under the Acquisition Agreement for the tenement – E15/1687, the ‘Prince of Wales’ tenement – is 4,411,765 fully paid ordinary shares of St George and these shares were issued on 24 January 2024.

On 2 January 2024 the Company announced that Mr Kecheng Cai joined the Board of St George Mining as a Non-Executive Director, with effect from 1 January 2024.

Other than the above there is no matter or circumstance that has arisen since 31 December 2023, which has significantly affected, or may significantly affect the operations of the Group, the result of those operations, or the state of affairs of the Group in subsequent financial years.

**AUDITOR’S INDEPENDENCE DECLARATION**

A copy of the auditor’s independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 15.

This report is made in accordance with a resolution of Directors.



John Prineas

Executive Chairman

**St George Mining Limited**

12 March 2024



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12 March 2024

Board of Directors  
St George Mining Limited  
Suite 2, 28 Ord Street  
WEST PERTH WA 6005

Dear Sirs

**RE: ST GEORGE MINING LIMITED**

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of St George Mining Limited.

As Audit Director for the review of the financial statements of St George Mining Limited for the half-year ended 31 December 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours faithfully

**STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD**  
**(An Authorised Audit Company)**

A handwritten signature in blue ink that reads "Eliya Mwale".

**Eliya Mwale**  
**Director**

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**FINANCIAL REPORT FOR THE HALF YEAR ENDED 31 DECEMBER 2023**


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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

| AUSTRALIAN DOLLAR (\$)  | NOTES | 31 DECEMBER<br>2023 | 31 DECEMBER<br>2022 |
|---|-------|---------------------|---------------------|
| <b>REVENUE FROM CONTINUING OPERATIONS</b>                                       |       |                     |                     |
| Interest  |       | 31,704              | 17,934              |
| Other   |       | 37,794              | 31,662              |
| <b>EXPENDITURE</b>  |       |                     |                     |
| Administration expenses   |       | (1,636,708)         | (1,226,493)         |
| Share based payments  | 3(b)  | (213,180)           | (32,760)            |
| Exploration expenditure written off   |       | (3,186,188)         | (3,657,737)         |
| <b>LOSS BEFORE INCOME TAX</b>   |       | <b>(4,966,578)</b>  | <b>(4,867,394)</b>  |
| Income tax benefit  |       | -                   | -                   |
| <b>LOSS AFTER INCOME TAX</b>  |       | <b>(4,966,578)</b>  | <b>(4,867,394)</b>  |
| <b>OTHER COMPREHENSIVE INCOME</b>   |       |                     |                     |
| Items that will not be reclassified to Profit or Loss                           |       | -                   | -                   |
| Items that may be reclassified subsequently to Profit or Loss                   |       | -                   | -                   |
| <b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>                                  |       | <b>(4,966,578)</b>  | <b>(4,867,394)</b>  |
| <b>LOSS AFTER INCOME TAX ATTRIBUTABLE TO MEMBERS OF THE COMPANY</b>             |       |                     |                     |
|   |       | <b>(4,867,486)</b>  | <b>(4,867,394)</b>  |
| <b>LOSS AFTER INCOME TAX ATTRIBUTABLE TO NON-CONTROLLING INTEREST</b>           |       |                     |                     |
|   |       | <b>(99,092)</b>     | -                   |
| <b>COMPREHENSIVE LOSS FOR THE PERIOD ATTRIBUTABLE TO MEMBERS OF THE COMPANY</b> |       |                     |                     |
|   |       | <b>(4,966,578)</b>  | <b>(4,867,394)</b>  |
| <b>EARNINGS PER SHARE</b>   |       |                     |                     |
| Basic and diluted loss per share (cents)  |       | (0.56)              | (0.68)              |

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2023

| AUSTRALIAN DOLLAR (\$)                      | NOTE | 31 DECEMBER<br>2023 | 30 JUNE<br>2023  |
|---|------|---------------------|------------------|
| <b>CURRENT ASSETS</b>                       |      |                     |                  |
| Cash and cash equivalents                   |      | 5,494,108           | 3,337,581        |
| Trade and other receivables                 |      | 30,545              | 32,306           |
| Other assets                                |      | 215,487             | 123,060          |
| <b>TOTAL CURRENT ASSETS</b>                 |      | <b>5,740,140</b>    | <b>3,492,947</b> |
| <b>NON-CURRENT ASSETS</b>                   |      |                     |                  |
| Security bond                               |      | 71,809              | 71,748           |
| Right of Use Assets                         | 8(a) | 262,310             | 310,407          |
| Plant and equipment                         |      | 25,075              | 30,862           |
| <b>TOTAL NON-CURRENT ASSETS</b>             |      | <b>359,194</b>      | <b>413,017</b>   |
| <b>TOTAL ASSETS</b>                         |      | <b>6,099,334</b>    | <b>3,905,964</b> |
| <b>CURRENT LIABILITIES</b>                  |      |                     |                  |
| Trade and other payables                    |      | 351,588             | 1,498,083        |
| Lease Liabilities                           | 8(b) | 95,489              | 90,704           |
| Provisions                                  |      | 250,434             | 260,034          |
| <b>TOTAL CURRENT LIABILITIES</b>            |      | <b>697,511</b>      | <b>1,848,821</b> |
| <b>NON-CURRENT LIABILITIES</b>              |      |                     |                  |
| Lease liabilities                           | 8(b) | 188,352             | 237,168          |
| <b>TOTAL NON-CURRENT LIABILITIES</b>        |      | <b>188,352</b>      | <b>237,168</b>   |
| <b>TOTAL LIABILITIES</b>                    |      | <b>885,863</b>      | <b>2,085,989</b> |
| <b>NET ASSETS</b>                           |      | <b>5,213,471</b>    | <b>1,819,975</b> |
| <b>EQUITY</b>                               |      |                     |                  |
| Issued capital                              | 3(a) | 76,301,605          | 71,593,685       |
| Other reserves                              | 3(c) | 2,704,593           | -                |
| Share options/performance rights reserves   | 3(b) | 1,973,176           | 1,321,022        |
| Accumulated losses                          |      | (75,962,218)        | (71,094,732)     |
|   |      | <b>5,017,156</b>    | <b>1,819,975</b> |
| Total equity attributable to members of SGQ |      | 5,017,156           | 1,819,975        |
| Non-controlling interest                    |      | 196,315             | -                |
| <b>TOTAL EQUITY</b>                         |      | <b>5,213,471</b>    | <b>1,819,975</b> |

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

**FINANCIAL REPORT FOR THE HALF YEAR ENDED 31 DECEMBER 2023**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2023**

| Australian (\$)                                      | SHARE CAPITAL     | ACCUMULATED<br>LOSSES | SHARE OPTIONS/<br>PERFORMANCE<br>RIGHTS<br>RESERVE | OTHER<br>RESERVES | TOTAL EQUITY<br>ATTRIBUTABLE<br>TO MEMBERS OF<br>THE PARENT<br>ENTITY | NON-<br>CONTROLLING<br>ENTITY | TOTAL EQUITY     |
|--|-------------------|-----------------------|--|-------------------|---|-------------------------------|------------------|
|  | \$                | \$                    | \$   | \$                | \$  | \$                            | \$               |
| <b>Balance at 1 July 2023</b>                        | <b>71,593,685</b> | <b>(71,094,732)</b>   | <b>1,321,022</b>                                   | -                 | <b>1,819,975</b>  | -                             | <b>1,819,975</b> |
| Profit (loss) for the period                         | -                 | (4,867,486)           | -  | -                 | (4,867,486)   | (99,092)                      | (4,966,578)      |
| Other comprehensive income                           | -                 | -                     | -  | -                 | -   | -                             | -                |
| Total comprehensive loss for the period              | -                 | (4,867,486)           | -  | -                 | (4,867,486)   | (99,092)                      | (4,966,578)      |
| Shares issued during the period                      | 5,001,600         | -                     | -  | -                 | 5,001,600   | 3,000,000                     | 8,001,600        |
| Share based payments                                 | 625,440           | -                     | 652,154  | -                 | 1,277,594   | -                             | 1,277,594        |
| Investment by non-controlling interest in subsidiary | -                 | -                     | -  | 2,704,593         | 2,704,593   | (2,704,593)                   | -                |
| Share and option issue expenses                      | (919,120)         | -                     | -  | -                 | (919,120)   | -                             | (919,120)        |
| <b>Balance at 31 December 2023</b>                   | <b>76,301,605</b> | <b>(75,962,218)</b>   | <b>1,973,176</b>                                   | <b>2,704,593</b>  | <b>5,017,156</b>  | <b>196,315</b>                | <b>5,213,471</b> |
| <b>Balance at 1 July 2022</b>                        | <b>62,739,363</b> | <b>(60,366,967)</b>   | <b>496,426</b>                                     | -                 | <b>2,868,822</b>  | -                             | <b>2,868,822</b> |
| Profit (loss) for the period                         | -                 | (4,867,394)           | -  | -                 | (4,867,394)   | -                             | (4,867,394)      |
| Other comprehensive income                           | -                 | -                     | -  | -                 | -   | -                             | -                |
| Total comprehensive loss for the period              | -                 | (4,867,394)           | -  | -                 | (4,867,394)   | -                             | (4,867,394)      |
| Shares issued during the period                      | 7,204,001         | -                     | -  | -                 | 7,204,001   | -                             | 7,204,001        |
| Share based payments                                 | 388,748           | -                     | 645,560  | -                 | 1,034,308   | -                             | 1,034,308        |
| Expiry of options                                    | -                 | -                     | -  | -                 | -   | -                             | -                |
| Share and option issue expenses                      | (1,178,168)       | -                     | -  | -                 | (1,178,168)   | -                             | (1,178,168)      |
| <b>Balance at 31 December 2022</b>                   | <b>69,153,944</b> | <b>(65,234,361)</b>   | <b>1,141,986</b>                                   | -                 | <b>5,061,569</b>  | -                             | <b>5,061,569</b> |

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

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 31 DECEMBER 2023

| AUSTRALIAN DOLLAR (\$)   | 31 DECEMBER<br>2023 | 31 DECEMBER<br>2022 |
|--|---------------------|---------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                      |                     |                     |
| Expenditure on mining interests                                  | (3,655,373)         | (3,339,887)         |
| Payments to suppliers and employees                              | (1,516,809)         | (1,192,953)         |
| Interest received  | 23,047              | 9,327               |
| Other income   | 44,585              | 21,209              |
| <b>Net cash outflow used in operating activities</b>             | <b>(5,104,550)</b>  | <b>(4,502,304)</b>  |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                      |                     |                     |
| Payment for term deposit   | (61)                | -                   |
| Purchase of plant and equipment                                  | -                   | (2,554)             |
| Payment for the acquisition of tenements                         | (433,735)           | -                   |
| <b>Net cash outflow used in investing activities</b>             | <b>(433,796)</b>    | <b>(2,554)</b>      |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                      |                     |                     |
| Issued of shares net of capital raising costs                    | 4,746,894           | 6,753,633           |
| Received from non-controlling interest in subsidiary             | 3,000,000           | -                   |
| Lease payment  | (52,020)            | (54,004)            |
| <b>Net cash inflow from financing activities</b>                 | <b>7,694,874</b>    | <b>6,699,629</b>    |
| Net outflow in cash and cash equivalents                         | 2,156,528           | 2,194,771           |
| Cash and cash equivalents at the beginning of the half-year      | 3,337,580           | 4,103,088           |
| <b>CASH AND CASH EQUIVALENTS AT THE<br/>END OF THE HALF-YEAR</b> | <b>5,494,108</b>    | <b>6,297,859</b>    |

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

**CONDENSED NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS****NOTE 1: BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT**

These general purpose interim financial statements for the half-year reporting period ended 31 December 2023 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*. This financial report was authorised for issue in accordance with a circular resolution of the Board of Directors on 12 March 2024. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of St George Mining Limited and its controlled entities (referred to as the "consolidated group" or "Group"). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2023, together with any public announcements made during the half-year.

**Accounting Policies**

Other than the accounting policy in relation to non-controlling interests, there have been no material changes in the critical accounting policies compared to those disclosures in the Group's consolidated financial statements as at, and for the year ended 30 June 2023.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards. St George Mining Limited has adopted all new and revised Standards issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current half year.

**New or Amended Accounting Standards and Interpretations Adopted**

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. There has been no significant impact on the disclosures or the amounts recognised in the Group's consolidated financial statements as a result of the new and revised accounting standards.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**Reporting Basis and Conventions**

The half-year report has been prepared on an accruals basis and is based on historical costs. Cost is based on the fair values of the consideration given in exchange for assets.

All amounts are presented in Australian dollars, unless otherwise noted.

The half-year report does not include full disclosures of the type normally included in an annual financial report.

**Going Concern Basis**

The Directors have prepared the financial statements on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and extinguishment of liabilities in the ordinary course of business.

The Consolidated Entity has recorded a net loss of \$4,966,578 and net operating cash outflows of \$5,104,550 for the six months ended 31 December 2023. At the last reporting date, the Group had \$5,494,108 of cash and cash equivalents.

Equity raisings or debt financing arrangements will be required in the future to fund the Group's activities. The Directors are assessing a number of options in respect of equity and debt financing arrangements, and have reasonable expectations that further funding will be arranged to meet the Company's objectives. There is no certainty that new funding will be successfully completed to provide adequate working capital for the Group.

The Board is confident that the Group will have sufficient funds to finance its operations in the next 12 months following successful completion of equity raisings or debt financing arrangements.

**Non-Controlling Interests**

The consolidated financial statements incorporate all of the assets, liabilities and results of St George Mining Limited and all of the subsidiaries. Subsidiaries are entities the Parent controls. The Parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 7.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group and is discontinued from the date that control ceases.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as "non-controlling interests". The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at the non-controlling interests' proportionate share of the subsidiary's net assets.

Where a non-controlling interest takes a share in a subsidiary, the difference between the fair value of the consideration received by the Group and the carrying value of the stake acquired by the non-controlling interest is recorded in equity, attributable to the members of St George Mining Limited.

Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

**NOTE 2: SEGMENT INFORMATION**

The Group operates in predominantly one business and geographical segment, being mineral exploration in Australia. The information shown in the Consolidated Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income is the same as the business segment.

NOTE 3: ISSUED CAPITAL

| AUSTRALIAN DOLLAR (\$)  | 31 DECEMBER<br>2023<br>\$   | 30 JUNE<br>2023<br>\$   |
|---|-----------------------------|-------------------------|
| <b>(a) Issued and paid up capital</b>   |                             |                         |
| At the beginning of the reporting period  | 71,593,685                  | 62,739,363              |
| November 2023: 131,578,947 shares issued at \$0.038   | 5,000,000                   | -                       |
| December 2023: 42,105 shares issued at \$0.038  | 1,600                       | -                       |
| December 2022: 105,941,190 shares issued at \$0.068   | -                           | 7,204,001               |
| January 2023: 23,255,814 shares issued at \$0.086   | -                           | 2,000,000               |
| Share based payment (i)   | 625,440                     | 838,748                 |
| Transactions costs arising from issue of shares   | (919,120)                   | (1,188,427)             |
| <b>At reporting date 984,128,667 (30 June 2023: 840,510,549) fully paid ordinary shares</b> | <b>76,301,605</b>           | <b>71,593,685</b>       |
|   | <b>31 DECEMBER<br/>2023</b> | <b>30 JUNE<br/>2023</b> |
| <b>Movements in Ordinary Shares</b>   | <b>Number</b>               | <b>Number</b>           |
| At the beginning of reporting period  | 840,510,549                 | 700,017,808             |
| Shares issued during the period:  |                             |                         |
| November 2023: 131,578,947 shares issued at \$0.038   | 131,578,947                 | -                       |
| December 2023: 42,105 shares issued at \$0.038  | 42,105                      | -                       |
| December 2022: 23,255,814 shares issued at \$0.086  | -                           | 105,941,190             |
| January 2023: 23,255,814 shares issued at \$0.052   | -                           | 23,255,814              |
| Share based payment (i)   | 11,997,066                  | 11,295,737              |
| <b>Balance at reporting date</b>  | <b>984,128,667</b>          | <b>840,510,549</b>      |

(i) During the period the following share-based payments were made:

- (a) On 7 August 2023 the Company issued 6,064,435 fully paid ordinary shares, at an issue price of \$0.066 per share, for the acquisition of seven lithium prospective projects located in Western Australia;
- (b) On 9 November 2023 the Company issued 3,157,894 fully paid ordinary shares, at an issue price of \$0.038 per share, for payment of services rendered to the Company; and
- (c) On 20 November 2023 the Company issued 2,774,737 fully paid ordinary shares, at an issue price of \$0.038 per share, for payment of services rendered to the Company.

(b) Share Options/Performance Rights Reserve

| AUSTRALIAN DOLLAR (\$)                            | 31 DECEMBER<br>2023<br>\$ | 30 JUNE<br>2023<br>\$ |
|---|---------------------------|-----------------------|
| <b>Issued Options/Performance Options</b>         |                           |                       |
| At the beginning of the reporting period          | 1,321,022                 | 496,426               |
| Share based payments expense recognised in equity | 438,974                   | -                     |
| Options based payments                            | -                         | -                     |
| Performance options expense                       | 213,180                   | 824,596               |
| <b>At reporting date</b>                          | <b>1,973,176</b>          | <b>1,321,022</b>      |

| Performance Options                     | 31 DECEMBER<br>2023<br>Number | 30 JUNE<br>2023<br>Number |
|---|-------------------------------|---------------------------|
| <b>Movements in Performance Options</b> |                               |                           |
| At the beginning of reporting period    | 22,500,000                    | -                         |
| Issued during the period                | 2,000,000                     | -                         |
| Expired during the period               | -                             | 22,500,000                |
| <b>Balance at reporting date</b>        | <b>24,500,000</b>             | <b>22,500,000</b>         |

The Performance Options issued in the period have the following milestones attached to them:

- (i) **Class A Performance Options:** Vesting on the Company reaching a market capitalisation of AUD100m, based on a volume weighted average price of the Company's shares over 20 consecutive trading days on which the Company's shares have traded on or before 31 December 2024.
- (ii) **Class B Performance Options:** Vesting on the Company reaching a market capitalisation of AUD150m, based on a volume weighted average price of the Company's shares over 20 consecutive trading days on which the Company's shares have traded on or before 31 December 2025.
- (iii) **Class C Performance Options:** Vesting on the Company announcing a JORC compliant Inferred Mineral Resource (as defined in the JORC Code 2012 Edition) at any of the Company's Project of not less than:
  - (a) 1,000,000 ounces of Au (at a cut-off grade of 0.3g/pt);
  - (b) 50,000t contained Ni (at a cut-off grade of 0.3%);
  - (c) 10,000t contained Co (at a cut-off grade of 0.1%);
  - (d) 100,000t contained Cu (at a cut-off grade of 0.2%); or
  - (e) 1,000,000t contained Li (at a cut-off grade of 0.5%).
 by 30 June 2026.
- (iv) **Class D Performance Options:** Vesting on the Company announcing that the board has resolved to proceed with a decision to mine at any of its Projects by 31 December 2026.

## FINANCIAL REPORT FOR THE HALF YEAR ENDED 31 DECEMBER 2023

The performance options were ascribed the below value:

| Class                | Date of Issue | Number of Performance Options (i) | Expiry Date | Price of Shares (\$) | Total Value (\$) (ii) | Expense for the period (\$) |
|----------------------|---------------|-----------------------------------|-------------|----------------------|-----------------------|-----------------------------|
| <b>Class A</b>       |               |                                   |             |                      |                       |                             |
|                      | 29.09.22      | 2,250,000                         | 31.12.24    | 0.035                | 78,750                | 48,539                      |
|                      | 24.03.23      | 3,000,000                         | 31.12.24    | 0.058                | 174,000               | 17,489                      |
|                      | 13.07.23      | 500,000                           | 31.12.24    | 0.041                | 20,500                | 6,003                       |
| <b>Total Class A</b> | -             | <b>5,750,000</b>                  | -           | -                    | <b>273,250</b>        | <b>72,031</b>               |
| <b>Class B</b>       |               |                                   |             |                      |                       |                             |
|                      | 29.09.22      | 2,250,000                         | 31.12.25    | 0.035                | 78,750                | 31,187                      |
|                      | 24.03.23      | 3,000,000                         | 31.12.25    | 0.058                | 174,000               | 12,120                      |
|                      | 13.07.23      | 500,000                           | 31.12.24    | 0.041                | 20,500                | 3,525                       |
| <b>Total Class B</b> | -             | <b>5,750,000</b>                  | -           | -                    | <b>273,250</b>        | <b>46,832</b>               |
| <b>Class C</b>       |               |                                   |             |                      |                       |                             |
|                      | 15.08.18      | 3,000,000                         | 31.12.25    | 0.035                | 105,000               | 31,187                      |
|                      | 17.12.18      | 3,000,000                         | 31.12.25    | 0.058                | 174,000               | 16,160                      |
|                      | 13.07.23      | 500,000                           | 31.12.24    | 0.041                | 20,500                | 3,525                       |
| <b>Total Class C</b> | -             | <b>6,500,000</b>                  | -           | -                    | <b>299,500</b>        | <b>50,872</b>               |
| <b>Class D</b>       |               |                                   |             |                      |                       |                             |
|                      | 15.08.18      | 3,000,000                         | 31.12.27    | 0.035                | 105,000               | 26,495                      |
|                      | 17.12.18      | 3,000,000                         | 31.12.27    | 0.058                | 174,000               | 14,025                      |
|                      | 13.07.23      | 500,000                           | 31.12.24    | 0.041                | 20,500                | 2,925                       |
| <b>Total Class D</b> | -             | <b>6,500,000</b>                  | -           | -                    | <b>299,500</b>        | <b>43,445</b>               |
| <b>Total</b>         | -             | <b>24,500,000</b>                 | -           | -                    | <b>1,145,500</b>      | <b>213,180</b>              |

(i) Each Performance option will convert into one fully paid ordinary share.

(ii) The value of the rights was determined as per the date the rights were issued.

It has been deemed that the milestones occurring for the performance options on issue as at reporting date will more likely occur and therefore expenses were accounted in full over the vesting period.

Options to take up ordinary shares in the capital of the Company are as follows:

| Exercise Period (On or Before) | Exercise Price (\$) | Opening Balance 1 July 2023<br>Number | Options Issued<br>Number | Options Exercised/Expired<br>Number | Closing Balance 31 December 2023<br>Number |
|--------------------------------|---------------------|---------------------------------------|--------------------------|-------------------------------------|--|
| 13.12.2025                     | 0.10                | 39,188,238                            | -                        | -                                   | 39,188,238                                 |
| 24.03.2024                     | 0.095               | 5,000,000                             | -                        | -                                   | 5,000,000                                  |
| 17.11.2026                     | 0.057               | -                                     | 10,000,000               | -                                   | 10,000,000                                 |
| 17.11.2026                     | 0.06                | -                                     | 39,224,209               | -                                   | 39,224,209                                 |

(c) Other Reserves

| AUSTRALIAN DOLLAR (\$)                               | 31 DECEMBER<br>2023<br>\$ | 30 JUNE<br>2023<br>\$ |
|--|---------------------------|-----------------------|
| Investment by non-controlling interest in subsidiary | 2,704,593                 | -                     |
| <b>At reporting date</b>                             | <b>2,704,593</b>          | <b>-</b>              |

In accordance with the accounting policy, the difference between the fair value of the consideration given by non-controlling interests and their share of the net assets of the subsidiary in which the non-controlling interest invests, is taken to the equity attributable to members of the parent company.

During the year, the group received \$3 million from non-controlling interests in Lithium Star Pty Ltd for a 10% equity share. The resulting difference between the share capital contribution and the net assets of Lithium Star have been taken to equity as "other reserves".

**NOTE 4: CONTINGENCIES**

There have been no significant changes to commitments or contingencies since 30 June 2023.

**NOTE 5: SUBSEQUENT EVENTS**

On 17 January 2024 the Company announced that it had secured a key exploration tenement adjoining its Destiny Project, in the eastern Goldfields of Western Australia. The consideration under the Acquisition Agreement for the tenement – E15/1687, the 'Prince of Wales' tenement – is 4,411,765 fully paid ordinary shares of St George and these shares were issued on 24 January 2024.

On 2 January 2024 the Company announced that Mr Kecheng Cai joined the Board of St George Mining as a Non-Executive Director, with effect from 1 January 2024.

Other than the above there is no matter or circumstance that has arisen since 31 December 2023, which has significantly affected, or may significantly affect the operations of the Group, the result of those operations, or the state of affairs of the Group in subsequent financial years.

**NOTE 6: ESTIMATES AND ASSUMPTIONS**

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are:

***Future Rehabilitation***

The Group measures the cost of future rehabilitation in relation to its tenements based on probable cost estimations at the date upon which tenements are altered from their original state. Estimated values are determined using local data available. No rehabilitation provision is considered necessary at 31 December 2023.

***Share-based payment transactions***

The Group measures the cost of equity-settled transactions by reference to the fair value of the equity instrument at the date at which they are granted. The fair value of the performance options granted was measured at the market price on date of issue.

A probability of 80% has been applied to milestone A, 60% has been applied to Milestone B and 100% has been applied to Milestone C and D of occurring for the performance options on issue.

**Valuation of Right of Use Assets**

The Group measures the lease transactions by reference to the market interest rate which is used to calculate the discounted cash flow in relation to its leases. The decision in terms of the length of leases is determined by the contract.

**NOTE 7: SUBSIDIARIES**

The parent entity, St George Mining Limited, has an interest in the below companies. St George Mining Limited is required to make all the financial and operating decisions of these subsidiaries.

| Subsidiaries of St George Mining Limited | Country of Incorporation | Percentage Owned % |              |
|--|--------------------------|--------------------|--------------|
|  |                          | 31 December 2023   | 30 June 2023 |
| Desert Fox Resources Pty Ltd             | Australia                | 100%               | 100%         |
| Blue Thunder Resources Pty Ltd           | Australia                | 100%               | 100%         |
| Destiny Nickel Pty Ltd                   | Australia                | 100%               | 100%         |
| Dragon Lithium Pty Ltd                   | Australia                | 100%               | 100%         |
| Lithium Star Pty Ltd                     | Australia                | 90%                | 100%         |
| Lithium Blue Pty Ltd                     | Australia                | 100%               | -            |

On 15 September 2023 the Company incorporated Lithium Blue Pty Ltd a 100% owned subsidiary of St George Mining Limited,

**NOTE 8: RIGHT OF USE ASSETS AND LEASE LIABILITIES**

**(a) Right of use assets:**

|  | 31 DECEMBER<br>2023 | 30 JUNE<br>2023 |
|--|---------------------|-----------------|
|  | \$                  | \$              |
| Cost                                   | 502,998             | 502,998         |
| Accumulated depreciation               | (240,688)           | (192,591)       |
| <b>Carrying value at end of period</b> | <b>262,310</b>      | <b>310,407</b>  |
| Opening net carrying value             | 310,407             | 333,064         |
| Additions                              | -                   | 73,022          |
| Depreciation for the period            | (48,097)            | (95,679)        |
| <b>Carrying value at end of period</b> | <b>262,310</b>      | <b>310,407</b>  |

(b) Lease liabilities

|                                | 31 DECEMBER<br>2023<br>\$ | 30 JUNE<br>2023<br>\$ |
|--------------------------------|---------------------------|-----------------------|
| <b>Current</b>                 |                           |                       |
| Property lease liability       | 95,489                    | 90,704                |
| <b>Non-current</b>             |                           |                       |
| Property lease liability       | 188,352                   | 237,168               |
| <b>Total lease liabilities</b> | <b>283,841</b>            | <b>327,872</b>        |

**Property leases**

The above right-of-use asset (ROU) and lease liability relate to the office lease and storage lease entered into by the Group.

The right-of-use asset is measured at the amount equal to the lease liability at initial recognition and then amortised over the life of the lease.

The right-of-use asset is being depreciated over the lease term on a straight-line basis which is approximately 60 and 36 months for the office and storage lease, respectively, in place at 31 December 2023. Depreciation expense of \$48,097 was included in corporate administration expense in the consolidated statement of profit or loss and other comprehensive income.

At initial recognition, the lease liability was measured as the present value of minimum lease payments using the Group's incremental borrowing rates between 5.4% and 11.24%. The incremental borrowing rate was based on the unsecured interest rate that would apply if finance was sought for an amount and time period equivalent to the lease requirements of the Group. Each lease payment is allocated between the liability and interest expense. The interest expense of \$10,172 was included in corporate administration expense in the consolidated statement of profit or loss and other comprehensive income. Lease payments during the period were \$54,004 including interest.

**Option to extend or terminate**

The Group uses hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

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**DIRECTORS' DECLARATION**

The Directors of the Company declare that:

1. the financial statements and notes, as set out on pages 16 to 27 are in accordance with the Corporations Act 2001 and:
  - (a) comply with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
  - (b) give a true and fair view of the financial position as at 31 December 2023 and of the performance for the 6 months ended on that date of the Group;
2. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



John Prineas  
**Executive Chairman**  
St George Mining Limited  
Perth, 12 March 2024

## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ST GEORGE MINING

### Report on the Half-Year Financial Report

#### **Conclusion**

We have reviewed the half-year financial report of St George Mining Limited (the Company), which comprises the consolidated statement of financial position as at 31 December 2023, 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, condensed notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

- (a) giving a true and fair view of St George Mining Limited's financial position as at 31 December 2023 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.

We confirm that the independence declaration required by the *Corporations Act 2001* has been given to the directors of the Company on 12 March 2024.

#### **Responsibility of the Directors for the Financial Report**

The directors of St George Mining Limited 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. 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 Company's financial position as at 31 December 2023 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.

**STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD**  
**(An Authorised Audit Company)**

*Stantons International Audit and Consulting Pty Ltd*  
*Eliya Mwale*

**Eliya Mwale**  
Director

West Perth, Western Australia  
12 March 2024

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