



LEFROY EXPLORATION LIMITED

FINANCIAL REPORT

For the half year ended 31 December 2024

Incorporated in the British Virgin Islands IBC No 29457

Australian Registered Body Number 052 123 930

LEFROY EXPLORATION LIMITED AND CONTROLLED ENTITIES
ARBN 052 123 930

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ARBN 052 123 930

CORPORATE DIRECTORY

Directors

David Kelly (Non-executive Chairman)
Michael Davies (Non-executive Director)
Tara French (Non-executive Director)

Company Secretary

Susan Park

Registered Office

Level 3, 7 Rheola Street
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Telephone: +618 9321 0984

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British Virgin Islands

Auditors

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Perth WA 6000

Share Registry

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Level 17, 221 St George's Terrace
PERTH WA 6000
Telephone: +618 9323 2000

Rodus Building
PO Box 3093
Road Town,
Tortola, VG1110
British Virgin Islands

Stock Exchange Listing

Lefroy Exploration Limited shares are listed on the Australian Securities Exchange (ASX code: LEX)

Australian Company Number and Australian Business Number

ARBN: 052 123 930
ABN: 71 052 123 930

Email

info@lestroyex.com

Internet Address

<http://lestroyex.com>

LEFROY EXPLORATION LIMITED AND CONTROLLED ENTITIES
ARBN 052 123 930

DIRECTORS' REPORT

The Directors present their report together with the financial report of Lefroy Exploration Limited (“the Company”) and its controlled entities (“the Group”), for the half-year ended 31 December 2024 and independent review report thereon. This financial report has been prepared in accordance with *IAS 34 Interim Financial Reporting*.

Director’s Names

The names of the Directors in office at any time during or since the end of the half year are:

David Kelly (Non-executive Chairman)

Michael Davies (Non-executive Director)

Tara French (Non-executive Director)

The Directors have been in office since the start of the half year to the date of this report unless otherwise stated.

Results and Review of Operations

For the half year ended 31 December 2024, the Group recorded a loss (after providing for income tax) amounting to \$1,667,000 (Dec 2023: loss \$1,270,000).

During the 6 months ended 31 December 2024, the Company completed updated Minerals Resources for Burns Central and Mt Martin in line with the Company strategy to unlock project value, in addition to a major aircore program across the broader Lefroy Project.

Another significant milestone for the Company, included the execution of an Exclusivity and Heads of Agreement with BML Ventures Pty Ltd (“BML Ventures”) to support development of the Lucky Strike Gold Project with a Mineral Resource Estimate (“MRE”) of 1.27 Mt @ 1.95 g/t Au for 79,600 ounces.

Pending a successful partnership with BML Ventures at the Lucky Strike Project, the Company has identified that the Mt Martin Gold Mine represents the next frontier of growth for the Company, with a combined mineral resource estimate of 9.29Mt containing 439,000 ounces grading 1.47g/t Au (Indicated 5.6Mt @ 1.4g/t for 247,500 oz. Inferred 3.69Mt @ 1.61g/t for 191,500 oz) (see Table 3 and refer ASX release 10 October 2024).

Burns Gold-Copper Project

Burns Central

The Burns Central Deposit forms part of the Burns Gold-Copper Project (“Burns”), 70km southeast of Kalgoorlie in the highly prospective Kalgoorlie Terrane of Western Australia. Burns is located within the broader Lefroy Gold Project, in close proximity to the St Ives gold camp (Gold Fields Ltd; JSE: GFI) and the Daisy Milano and Mt Monger gold operations (Vault Minerals Limited; ASX: VAU).

During the December quarter, the Company released details of a mineral resource update at the Burns Central deposit. This is in keeping with Lefroy’s focus to progress and commercialise the Company’s portfolio of shallow advanced gold deposits (refer ASX release 27 March 2024).

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Following an internal review of the high-grade potential of the Burns Central resource, a high-grade zone has been identified within the Burns Central MRE. By including only the blocks located within 200 metres of the surface and applying a cut-off grade of 0.5 g/t Au, this zone is estimated to contain 4.22 million tonnes at a grade of 1.18 g/t Au, which equates to 159,285 contained ounces (refer to Table 1). This estimation includes oxide, transitional, and fresh mineralisation categories.

This high-grade zone is reported at over 98% Indicated resource classification, with combined oxide and transitional material representing over 34% of the total resource.

Table 1: Mineral Resource Statement for Burns Central, including Gold (Au), Copper (Cu) and Silver (Ag), (0.5 g/t Au cutoff) and maximum 200m depth from surface. Small discrepancies may occur due to the effect of rounding

Mineralisation	Category	Average Value				Material Content		
		Mass Mt	Au g/t	Cu %	Ag g/t	Au oz	Cu t	Ag oz
Oxide	Indicated	1.06	1.35	0.21	0.56	46,122	2,219	19,280
	Inferred	0.02	0.70	0.32	0.77	416	59	462
	Total	1.08	1.34	0.21	0.57	46,538	2,279	19,741
Transitional	Indicated	0.27	0.93	0.56	1.29	8,152	1,532	11,269
	Inferred	0.00	0.57	0.08	0.08	2	0	0
	Total	0.27	0.93	0.56	1.29	8,154	1,532	11,269
Fresh Rock	Indicated	2.78	1.15	0.19	0.57	102,941	5,368	51,104
	Inferred	0.08	0.62	0.15	0.29	1,652	124	769
	Total	2.86	1.14	0.19	0.56	104,593	5,492	51,873
Total	Indicated	4.11	1.19	0.22	0.62	157,215	9,119	81,653
	Inferred	0.10	0.63	0.18	0.38	2,070	184	1,231
	Total	4.22	1.18	0.22	0.61	159,285	9,303	82,883

The contained gold ounces (159,285 oz) within the recently calculated high grading central core represents 32% of the entire gold ounces (497,472 oz) reported in the May 2023 original MRE. Expressed differently, 32% of the contained gold ounces at Burns Central are contained within 10% of the defined tonnes (159,258 oz within 4.2Mt versus 497,472 oz within 42.95Mt).

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DIRECTORS' REPORT

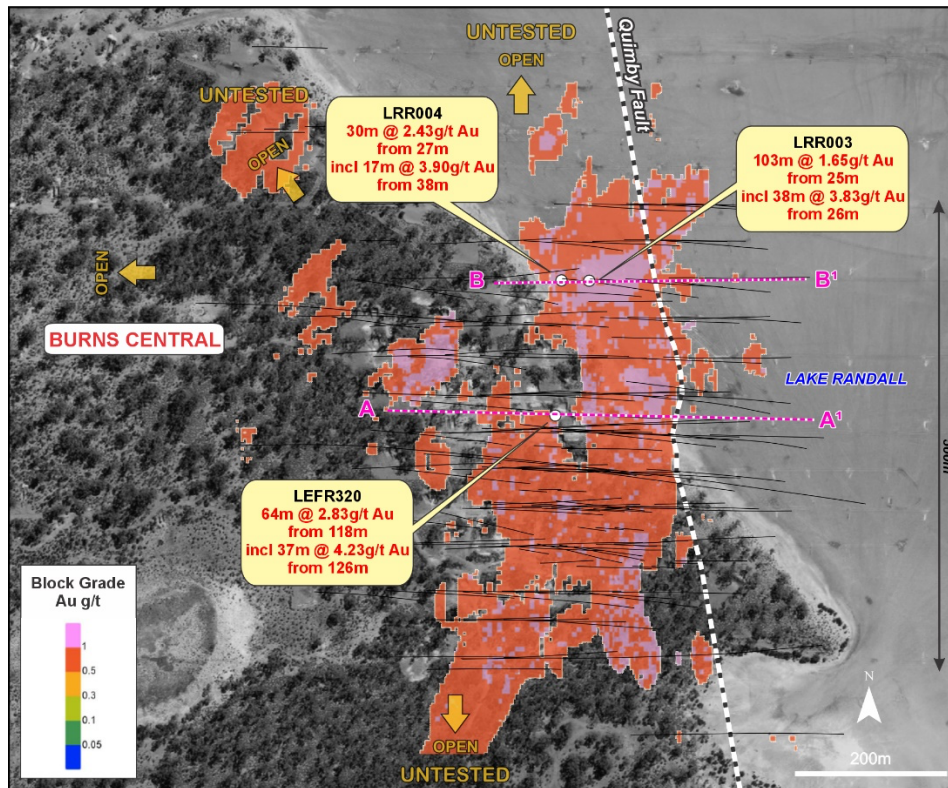


Figure 1: Burns Central Location depicting resource cut to 0.5g/t Au

As reported in the maiden MRE for Burns in May 2023 (refer ASX release 4 May 2023), the Company recognised the importance of a significant north-south trending structure (now named the Quimby Fault).

This fault coincides with and strikes sub-parallel to the eastern edge of the recognised high-grade gold zone at Burns (Figure 1).

Significant gold intersections are associated with this north-south trending fault, with the system remaining open to the north and south (Figure 1).

Several historical significant drillhole intersections were returned by the Company within previous phases of drilling at Burns, with notable intercepts (using a 0.5g/t cutoff) reported including:

- 61m @ 2.96 g/t Au (from 120m), including 37m @ 4.23 g/t Au (from 126m) in LEFR320
- 39m @ 3.87 g/t Au (from 26m) in LRR003; and
- 30m @ 2.43 g/t Au (from 27m), including 17m @ 3.9 g/t (from 38m) in LRR004

These highly significant gold intersections, coupled with a sound understanding of the high-grade gold mineralisation at Burns, and with the system remaining open north and south, represent a compelling exploration target for growing the high-grade mineral resource. Further details can be found in the ASX Announcement dated 3 October 2024.

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Mt Martin

Additionally in the December quarter, the Company completed an update to the MRE for the Mt Martin deposit, located within the Location 45 freehold property (Figure 2).

The update at Burns Central along with Mt Martin focused on unlocking value from both projects significant near-surface mineral resources.

Since the acquisition of the Mt Martin project by the Company in May 2023, numerous activities have been undertaken to unlock value, including:

- Target generation and execution of a 29-hole RC drilling program, testing shallow extensions to the Mt Martin resource (refer to Lefroy ASX release 18 January 2024), with intersections including:
 - 8m @ 3.98 g/t Au from 38m (East Shear) in LEFR395
 - 35m @ 1.78 g/t Au from 209m (Main Shear) in LEFR379
- A thorough reinterpretation and wireframing of the main geological resource domains using Leapfrog software.
- Completion of down-hole density surveys on six RC drillholes at Mt Martin, resulting in an upgrade of density values applied to tonnage calculations across the deposit.

Table 2 below shows the updated MRE (October 2024), compared to the previous MRE calculated in 2013¹, with both reporting at a 0.5g/t cut-off, and only reporting resource blocks within 200m of surface.

Further details relating to the update of the Mt Martin resource can be found in the ASX announcement dated 10 October 2024.

***Table 2:** Mineral Resource estimate comparison for Mt Martin (between April 2013 and October 2024) reported at a 0.5g/t cut-off and reporting all block within 200m of surface. Small discrepancies may occur due to the effect of rounding.*

	Category	Sept 2013			Oct 2024		
		Tonnes	Au g/t	Oz	Tonnes	Au g/t	Oz
Total Resource	Indicated	4,356,486	1.81	253,937	5,597,000	1.40	247,500
	Inferred	2,484,081	1.68	134,493	3,698,000	1.60	191,500
	Total	6,840,567	1.77	388,430	9,295,000	1.47	439,000

* Incorporating Mt Martin, Swift and Adelaide resource numbers.

** The tonnes, grade and ounces reported relate to only blocks filtered within 200m of surface.

¹ Refer to ASX Announcement – Alacer Gold Corp, April 2013 (AQG), “Alacer Gold Announces December 2012 Resource & Reserves Statement”.

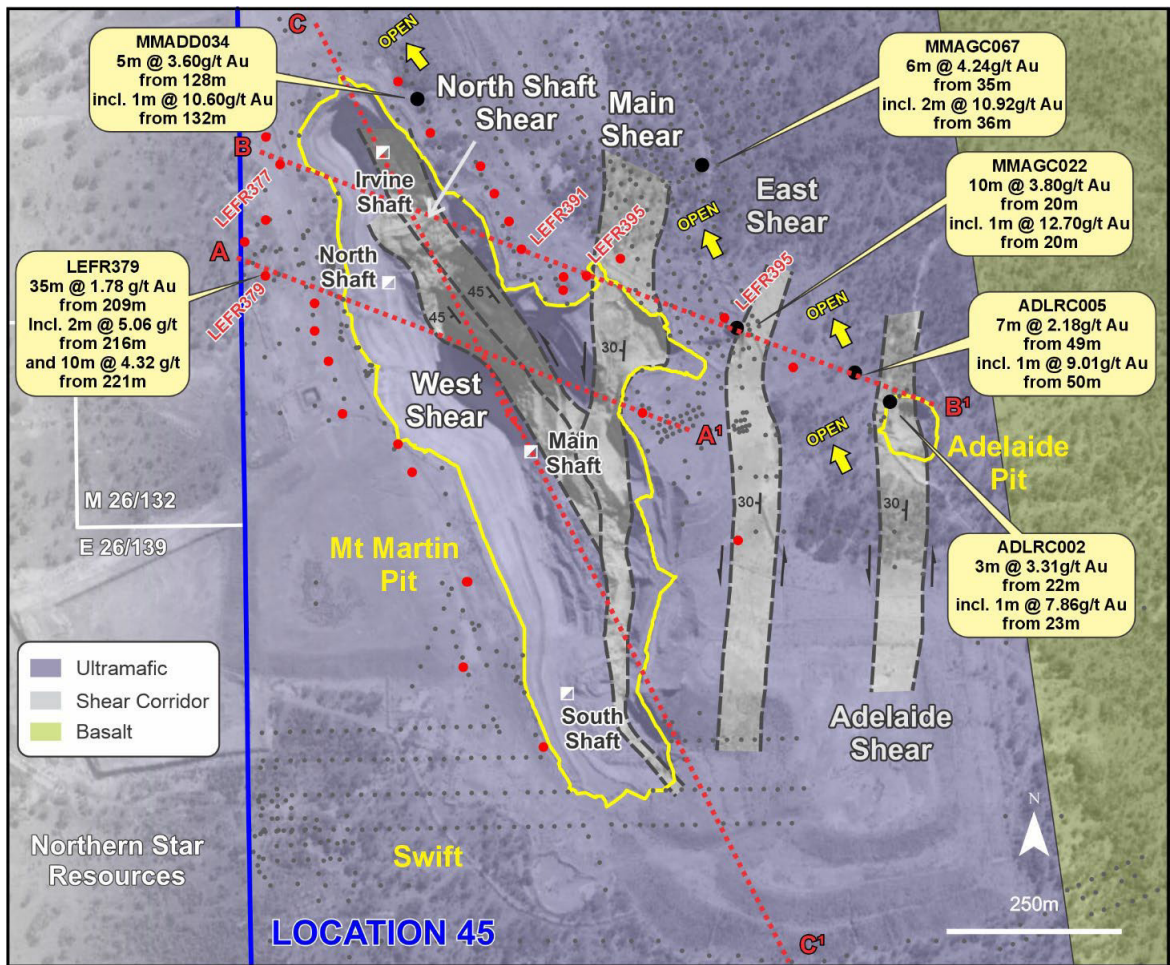


Figure 2: Mt Martin Geology (Plan View)

Regional

Major Aircore Program Across Lefroy Project

In July, the company commenced a major regional aircore drilling program across its broader Lefroy Project, located 35km southeast of Kalgoorlie-Boulder.

The program comprised 324 holes for 12,164m across a 40km zone along the Mt Monger and Talcum Faults corridor, a trend that hosts three separate >400koz deposits at Mt Martin, Salt Creek and Burns, but which remains vastly underexplored (Figure 3).

The gold targets are within the prolific Boulder-Lefroy to Mount Monger Fault district, host to multiple gold mining centres including St Ives, Daisy Milano and Mt Belches.

The Company believes there is potential for numerous new gold discoveries, especially within the vicinity of the Talcum Fault, and within the broader corridor north and south of the Mt Martin pit.

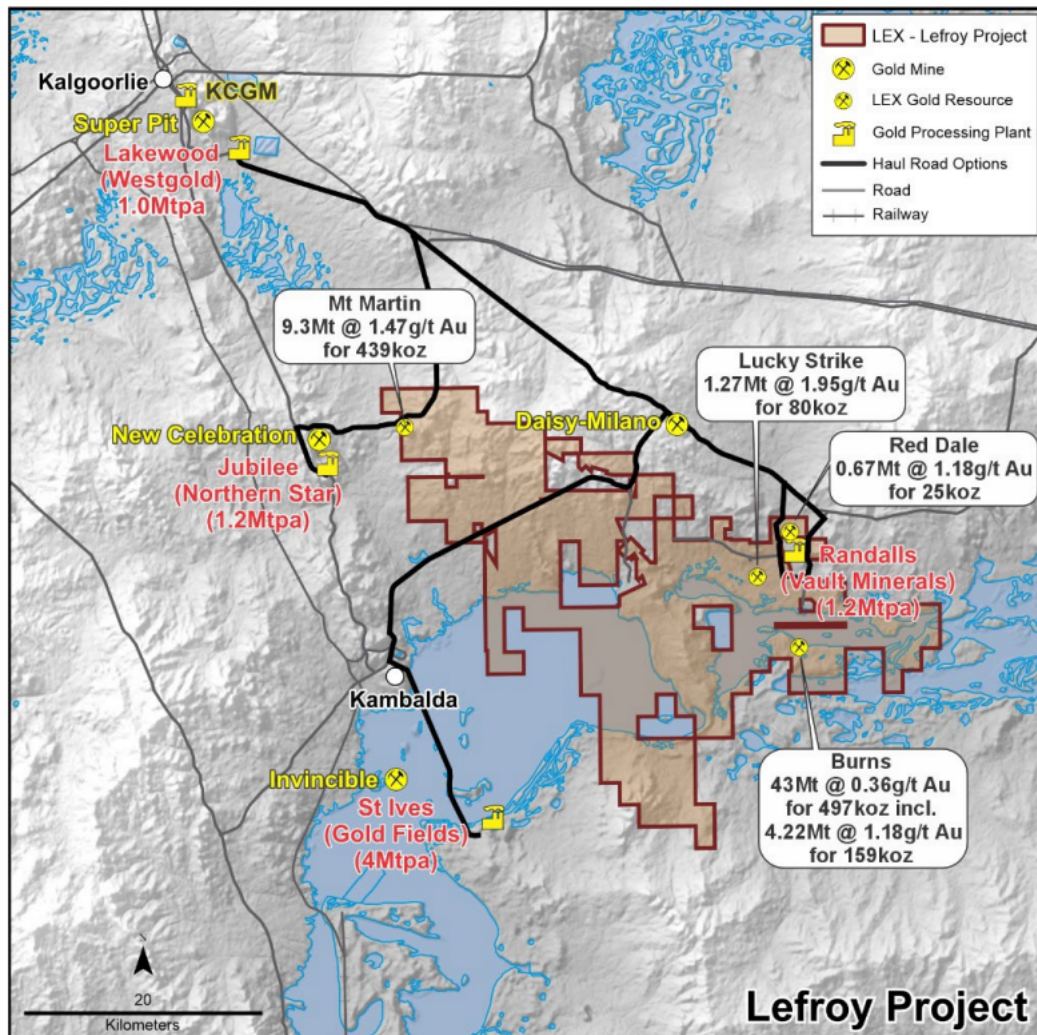


Figure 3: Lefroy Project tenure and regional air core drilling lines

Business Development Activities

Exclusivity and Heads of Agreement with BML Ventures Pty Ltd

In December, the Company executed an Exclusivity and Heads of Agreement with BML Ventures to support development of the Lucky Strike Gold Project which contains an MRE of 1.27 Mt @ 1.95 g/t Au for 79,600 ounces.

BML Ventures is a private mining contractor, with a proven track record of advancing open pit gold mines in the Kalgoorlie-Kambalda region of WA, including their recent collaboration with Auric Mining (ASX:AWJ) at Jefferys Find¹.

This agreement provides the framework for both parties to complete negotiations towards finalising a binding mine profit share agreement.

¹ For details of the mine share agreement between Auric Mining and BML Ventures, refer to AWJ ASX Announcement 22 August 2022 Agreement Executed to Commence Gold Mining at Jefferys Find

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The indicative non-binding material terms of the Exclusivity and Heads of Agreement include:

- Once all upfront BML Ventures costs have been recovered, the net surplus cash (profit) is to be split between Lefroy 50% and BML Ventures 50%;
- On successful execution of a Profit-Sharing Agreement (“PSA”), BML Ventures will coordinate and fund all pre-production mining approvals, capital and ongoing operating costs; and
- BML Ventures to coordinate toll milling negotiations and scheduling with third party mill processing plant operators.

In February 2025, the Company executed a binding Profit-Sharing Agreement with BML Ventures in relation to the Lucky Strike Gold Project (refer ASX announcement 12 February 2025), with Lefroy granting an exclusive right to BML Ventures to open pit mining at the Lucky Strike Area, within the Lucky Strike Project, with a profit-sharing split of Lefroy 50% and BML Ventures 50%. Subsequent to this agreement, both BML Ventures and Lefroy have continued to advance other activities, including design of pre-development grade control drilling programmes, mine optimisation work and negotiations on a toll milling arrangement with a nearby mill.

The Company remains focused on commercialising its existing gold resources, which includes both internal assessment of mining options and engagement with multiple regional operators and prospective developers along its pathway to commercialise advanced gold resource projects within the broader Lefroy Gold Project (refer post- quarter ASX release 23 October 2024).

The Lucky Strike Project hosts a mineral resource estimate of 1.27Mt @ 1.95 g/t Au for 79,600 (Indicated 0.70Mt @ 1.93g/t Au for 43,400 oz. Inferred 0.57Mt @ 1.97g/t for 36,200 oz).

Lucky Strike represents one of three major gold projects held by the Company, which also includes Mt Martin and Burns Central Deposits, together totalling greater than 1 million ounces of gold (Figure 4, Table 3).

Pending a successful partnership with BML Ventures at the Lucky Strike Project, the Company has identified that the Mt Martin Gold Mine represents the next frontier of growth for the Company, with a combined mineral resource estimate of 9.29Mt containing 439,000 ounces grading 1.47g/t Au (Indicated 5.6Mt @ 1.4g/t for 247,500 oz. Inferred 3.69Mt @ 1.61g/t for 191,500 oz) (see Table 3) and (refer ASX release 10 Oct 2024).

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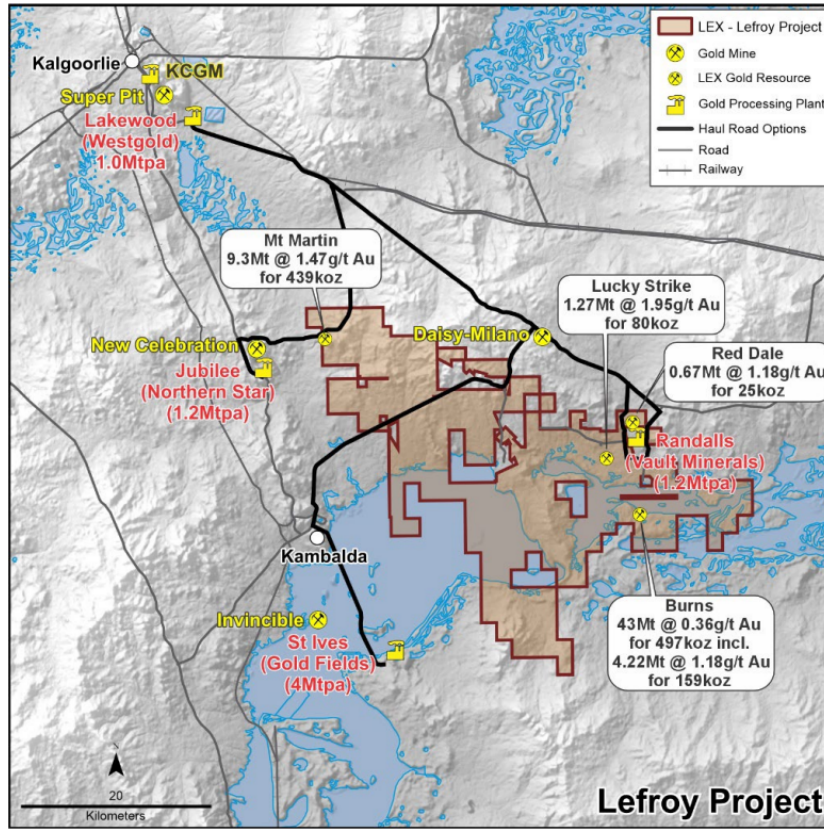


Figure 4: Lefroy Gold Project and location of Lucky Strike

Table 3: Total Indicated and Inferred Mineral Resources (small discrepancies may occur due to the effect of rounding)

Orogenic Gold Style									
Deposit	Indicated			Inferred			Total Resource		
	Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz
Red Dale	0.64	1.21	24,660	0.03	0.60	570	0.67	1.18	25,230
Lucky Strike	0.70	1.93	43,400	0.57	1.97	36,200	1.27	1.95	79,600
Mt Martin	5.60	1.40	247,500	3.69	1.61	191,500	9.29	1.47	439,000
TOTAL	6.94	1.41	315,560	4.29	1.66	228,270	11.23	1.51	543,830

Porphyry Gold-Copper Style														
Deposit	Indicated					Inferred					Total Resource			
	Mt	Au (g/t)	Cu (%)	Au (Oz)	Cu (t)	Mt	Au (g/t)	Cu (%)	Au (Oz)	Cu (t)	Mt	Au (g/t)	Au (Oz)	Cu (t)
Burns Central	32.31	0.38	0.16	394,308	50,253	10.65	0.3	0.08	103,165	8,047	42.96	0.36	497,472	58,300
Total	32.31	0.38	0.16	394,308	50,253	10.65	0.3	0.08	103,165	8,047	42.96	0.36	497,472	58,300

Nickel									
Deposit	Indicated			Inferred			Total Resource		
	tonnes	Ni (%)	Ni metal	tonnes	Ni (%)	Ni metal	tonnes	Ni (%)	Ni metal
Goodyear	-	-	-	392,000	3.78	14,780	392,000	3.78	14,780
TOTAL	-	-	-	392,000	3.78	14,780	392,000	3.78	14,780

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DIRECTORS' REPORT

Corporate

The key corporate activities for the Company for the half year ended 31 December 2024 were:

- The Company received approximately \$755,000 from the Australian Tax Office as a result of its Research and Development Tax Incentive claim for the year ended 30 June 2023.
- The Company announced on 28 November 2024 that it had raised \$3,300,000 (before costs) from an oversubscribed share placement to institutional and sophisticated investors, including \$270,000 from the Directors subject to shareholder approval, which was approved by Shareholders at the General Meeting on 13 January 2025 with the Director placement shares issued in February 2025.

Significant Changes in State of Affairs

There were no significant changes in the Group's state of affairs that occurred during the half year, other than those referred to elsewhere in this Report.

Principal Activities

The principal activity of the Group during the half year was exploration and evaluation of mineral assets within the state of Western Australia.

No significant change in the nature of these activities occurred during the half year.

After Balance Date Events

On 13 January 2025 the results of the General Meeting of Shareholders was announced resulting in approval for Director participation in the placement announced to ASX on 28 November 2024.

On 12 February 2025 it was announced to the ASX that Lefroy and BML Ventures had entered into a profit-sharing mining agreement in relation to the Lucky-Strike Gold Project, 60km Southeast of Kalgoorlie, which contains a total MRE of 1.27Mt @ 1.95g/t Au for 79,000 ounces.

- BML Ventures will fund capital and operating costs and manage mining related activities. All net cash from sale of product (Au) will be retained by BML Ventures until all costs incurred and payable by BML Ventures have been repaid.
- The net profit after deducting expenses from the income for the lucky strike area will be split 50:50 between Lefroy and BML Ventures.

No other matters or circumstances have arisen since the end of the financial half year 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 future financial years.

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DIRECTORS' REPORT

Likely developments

The Group expects to maintain the present status and level of operations.

Rounding of amounts

The financial statements are expressed in Australian Dollars and have been rounded to the nearest thousand dollars.

Signed in accordance with a resolution of the Board of Directors.



David Kelly

Non-Executive Chairman

Dated this 13th day of March 2025

LEFROY EXPLORATION LIMITED AND CONTROLLED ENTITIES
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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	Note	Consolidated 31-Dec-24 \$000	Consolidated 31-Dec-23 \$000
Income			
Interest income		41	53
Other income		1	-
Total income		<u>42</u>	<u>53</u>
Expenses			
Accommodation expenses		35	33
Legal, professional and consulting expenses		183	402
Directors fees		201	113
Travel expenses		8	48
Interest expense		3	4
Depreciation expense		38	50
Salaries and wages expenses		113	432
Share based payment expense		221	48
Other expenses		125	193
Impairment Expense	3	782	-
Total expenses		<u>1,709</u>	<u>1,323</u>
Loss for the period before income tax		<u>(1,667)</u>	<u>(1,270)</u>
Income tax expense		-	-
Loss after income tax		<u>(1,667)</u>	<u>(1,270)</u>
Other comprehensive income		-	-
Total comprehensive loss for the period		<u>(1,667)</u>	<u>(1,270)</u>
Loss per share			
Basic loss per share attributable to ordinary equity holders in cents		(0.81)	(0.78)
Diluted loss profit per share attributable to ordinary equity holders in cents		(0.81)	(0.78)

The accompanying notes form part of these financial statements.

LEFROY EXPLORATION LIMITED AND CONTROLLED ENTITIES
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CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	NOTE	Consolidated 31-Dec-24 \$000	Consolidated 30-Jun-24 \$000
ASSETS			
Cash and cash equivalents		2,745	1,348
Trade and other receivables		75	910
Other current assets		4	4
Total current assets		2,824	2,262
Property, plant and equipment		45	47
Right of use assets		129	161
Exploration and evaluation assets	3	23,182	22,522
Total non-current assets		23,356	22,730
TOTAL ASSETS		26,180	24,992
LIABILITIES			
Trade and other payables		243	464
Lease liabilities		69	62
Provisions		63	51
Total current liabilities		375	577
Provisions		283	283
Lease liability		73	113
Total non-current liabilities		356	396
TOTAL LIABILITIES		731	973
NET ASSETS		25,449	24,019
EQUITY			
Issued capital	4	54,761	51,885
Foreign currency translation reserve	5	(111)	(111)
Share based payment reserve	5	3,485	3,264
Accumulated losses		(32,686)	(31,019)
TOTAL EQUITY		25,449	24,019

The accompanying notes form part of these financial statements.

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

Consolidated	NOTE	Contributed equity \$'000	Accumulated losses \$'000	Share based payments reserve \$'000	Foreign currency translation reserve \$'000	Total equity / (shareholders' deficit) \$'000
At 1 July 2023		45,913	(27,832)	2,157	(111)	20,127
Loss for the period		-	(1,270)	-	-	(1,270)
Other comprehensive income, net of income tax		-	-	-	-	-
Total comprehensive loss		-	(1,270)	-	-	(1,270)
Issue of ordinary shares (net of costs)		5,903	-	-	-	5,903
Share based payments		-	-	48	-	48
At 31 December 2023		51,816	(29,102)	2,205	(111)	24,808
At 1 July 2024		51,885	(31,019)	3,264	(111)	24,019
Loss for the period		-	(1,667)	-	-	(1,667)
Other comprehensive income, net of income tax		-	-	-	-	-
Total comprehensive loss		-	(1,667)	-	-	(1,667)
Issue of ordinary shares (net of costs)	4	2,876	-	-	-	2,876
Share based payments		-	-	221	-	221
At 31 December 2024		54,761	(32,686)	3,485	(111)	25,449

The accompanying notes form part of these financial statements.

LEFROY EXPLORATION LIMITED AND CONTROLLED ENTITIES
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CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	Note	Consolidated 31-Dec-24 \$000	Consolidated 31-Dec-23 \$000
Cash flows from operating activities			
Payments to suppliers and employees		(772)	(1,400)
Interest paid		(3)	(4)
Interest and dividends received		41	53
Net cash flows used in operating activities		(734)	(1,351)
Cash flows from investing activities			
Payments for exploration and evaluation		(1,402)	(1,694)
Payments for plant and equipment		(4)	(7)
Proceeds from research and development tax incentive claim		755	941
Net cash flows used in investing activities		(651)	(760)
Cash flows from financing activities			
Proceeds from issue of shares	4	3,030	6,284
Payments of share issue costs	4	(215)	(381)
Principal payment of lease liabilities		(33)	(30)
Net cash flows generated from financing activities		2,782	5,873
Net increase in cash and cash equivalents held		1,397	3,762
Cash and cash equivalents at the beginning of the financial period		1,348	442
Cash and cash equivalents at the end of the financial period		2,745	4,204

The accompanying notes form part of these financial statements.

LEFROY EXPLORATION LIMITED AND CONTROLLED ENTITIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2024

NOTE 1: GENERAL INFORMATION

Lefroy Exploration Limited was incorporated under the laws of the British Virgin Islands on 14 May 1990 under the International Business Companies Act (Cap. 291). The liability of the members is limited by shares. The Company maintains its Registered Office in the British Virgin Islands.

These financial statements are presented in thousands of Australian Dollars and comprises the Company and its controlled entities ("the Group"). The Group has determined that its functional currency is Australian dollars (June 2024: Australian dollars).

The consolidated financial statements were approved and authorised for issue by the Directors as at the date of the Directors' Report.

NOTE 2: MATERIAL ACCOUNTING POLICIES

The accounting policies adopted by the Group in the preparation and presentation of the consolidated financial report are in accordance with the same accounting policies adopted in the Group's last annual financial statements for the year ended 30 June 2024.

(a) Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with *IAS 34 Interim Financial Reporting*. The half-year report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report and any public announcements made by the Group during the half-year.

(b) Accounting Estimates and Judgements

When preparing the consolidated financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses.

All judgements, estimates and assumptions applied in the consolidated financial statements for the half year ended 31 December 2024, including the key sources of estimation uncertainty were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2024.

(c) Historical Cost Convention

The financial report has been prepared under the historical cost convention, except for certain classes of assets and liabilities for which the fair value basis of accounting has been applied.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2024

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Going Concern

The interim consolidated financial statements have been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the normal course of business. The Group has incurred a net loss after tax for the half year ended 31 December 2024 of \$1,667,000 (31 December 2023: loss of \$1,270,000) and had a net cash outflow from operating and investing activities of \$1,385,000 (31 December 2023: \$2,111,000). The net assets of the Group as at 31 December 2024 were \$25,449,000 (30 June 2024: \$24,019,000) which included cash and cash equivalents of \$2,745,000 (30 June 2024: \$1,348,000).

The Group's cash flow forecast through to 31 March 2026, reflects that the Group has sufficient working capital to enable it to meet its working capital commitments. However, this cash flow forecast assumes the Group raises additional working capital within this timeframe to enable it to pursue its ongoing exploration and evaluation objectives and meet exploration and operational expenditure commitments over this period.

The Directors are satisfied that the Group will be able to secure additional funding as required via one or a combination of a placement of shares, the exercise of options, rights issues, or joint venture arrangements or sale of certain assets. Accordingly, the Directors consider it appropriate to prepare the financial reports on a going concern basis. In the event the Group is unable to raise additional working capital to meet the Group's ongoing operational and exploration commitments as and when required, there is a material uncertainty as to whether the Group will be able to meet its debts as and when they fall due and thus continue as a going concern.

The financial reports do not include any adjustments relating to the recoverability and classification of recorded asset amounts, nor to the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

(e) Operating Segments

IFRS 8 requires that operating segments be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. The Group engages in one business segment, being exploration activities within Western Australia. Consequently, the results of the Group are analysed as a whole by the chief operating decision maker.

LEFROY EXPLORATION LIMITED AND CONTROLLED ENTITIES
ARBN 052 123 930

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2024

(f) New and Amended Standards and Interpretations

A number of new and amended accounting standards are effective for the current reporting period, however, the change to the Group's accounting policies arising from these standards has not required the Group to make retrospective adjustments as a result of adopting these standards. The adoption of the new and amended accounting standards has therefore had no material impact on the Group for the half year ended 31 December 2024.

NOTE 3: EXPLORATION AND EVALUATION ASSETS	Consolidated	
	31-Dec-24	30-Jun-24
	\$000	\$000
<i>Exploration and evaluation assets</i>		
Carrying amount at the beginning of the period	22,522	19,491
Exploration costs incurred during the period	1,442	3,727
Exploration incentive scheme grant received	-	-
Change in rehabilitation provision	-	59
Research and development tax incentive received	-	(755)
Impairment Expense ¹	(782)	-
Carrying amount at the end of the period	23,182	22,522

The ultimate recoupment of exploration and evaluation expenditure carried forward is dependent upon successful development and commercial exploitation.

¹During the half-year ended 31 December 2024, the Group conducted a review of its exploration and evaluation assets, the group forfeited tenure and has impaired the carrying value of the exploration and evaluation assets for the Glenayle project to nil with \$782,192 written off as an impairment expense in the Statement of Profit or Loss. The impairment loss is a non-cash adjustment and does not impact the Group's cash flows. No indicators of impairment were identified for the Group's remaining exploration and evaluation assets.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2024

NOTE 4: ISSUED CAPITAL

Issued Capital	31-Dec-24 Nos.	30-Jun-24 Nos.	31-Dec-24 \$000	30-Jun-24 \$000
(a) Share capital				
Fully Paid Ordinary Shares	236,905,492	192,800,981	54,761	51,885

		Consolidated	
		No.	\$000
(b) Movements in issued capital			
Fully Paid Ordinary Shares			
Balance at 1 July 2023		152,800,501	45,913
2 October 2023 - Share placement to Directors		35,843,750	5,735
28 December 2023 - Share placement \$0.16		2,906,250	465
28 December 2023 - Shares issued in lieu of consulting fees owing		529,297	75
8 March 2024 - Shares issued in lieu of drilling fees at \$0.108 per share		721,183	78
Share issue costs		-	(381)
Balance at 30 June 2024		192,800,981	51,885
5 November 2024 - Issue of placement shares to raise \$3.03 million (before costs).		43,285,725	3,030
11 December 2024 - Issue of shares in lieu of payment of drilling fees.		426,761	32
11 December 2024 - Issue of shares in lieu of director fees.		392,025	29
Share issue costs		-	(215)
Balance at 31 December 2024		236,905,492	54,761

NOTE 5: RESERVES

		Consolidated	
		31-Dec-24 \$000	30-Jun-24 \$000
Reserves			
Foreign currency translation reserve		(111)	(111)
Share based payments reserve (i)		3,485	3,264
		3,374	3,153

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2024

NOTE 5: RESERVES (CONTINUED)

(i) Share Plan Shares

As at 31 December 2024, there were 7.657 million ordinary shares (30 June 2024: 7.657 million ordinary shares) held by the Lefroy Exploration Share Plan (the 'Share Plan Trust'), previously named the U.S. Masters Executive Plan Trust, on behalf of Directors, employees and consultants, held in conformity with the Share Plan Trust rules.

A reconciliation of Share Plan Trust ordinary shares is as follows:

Director	1-Jul-24	Grants	Vested	31-Dec-24
Michael Davies	1,200,000	-	-	1,200,000
Other Participants	6,457,500	-	-	6,457,500
Total	7,657,500	-	-	7,657,500

The Share Plan Trust shares have no set expiry date; however, they are subject to a fixed vesting period of five years, concluding on 2 December 2026. Directors, employees and consultants are not entitled to the shares held by the Share Plan Trust until the relevant vesting conditions are met. 7.657 million shares held on behalf of Directors, Employees and Consultants by the Share Plan Trust, were issued in three equal tranches and subject to the same vesting conditions, outlined below and as approved by the Group's shareholders on 2 December 2021:

- (i) Tranche one (33.33%) – When the Company's share price (as traded on the ASX) exceeds \$0.60 per share for 5 consecutive days;
- (ii) Tranche two (33.33%) – When the Company's share price (as traded on the ASX) exceeds \$0.70 per share for 5 consecutive days; and
- (iii) Tranche three (33.33%) – When the Company's share price (as traded on the ASX) exceeds \$0.80 per share for 5 consecutive days.

The total amount expensed during the half year ended 31 December 2024 in relation to the Share Plan Trust shares was \$80,901 (31 December 2023 half year: \$218,478).

(ii) Incentive Plan Options

As at 31 December 2024 there were 11.3 million incentive options (31 December 2023: 5.6 million options) held by the Lefroy Exploration Incentive Awards Plan ("the Incentive Plan"), on behalf of Directors and employees. No other options were issued during the half-year ended 31 December 2024.

A reconciliation of Incentive Plan options is as follows:

Director	1-Jul-24	Grants	Other	31-Dec-24
Michael Davies	1,200,000	-	-	1,200,000
Tara French	1,200,000	-	-	1,200,000
Other Participants	3,200,000			3,200,000
David Kelly	1,750,000			1,750,000
Graeme Gribbin	3,500,000			3,500,000
Timothy Netscher	450,000			450,000
Total	11,300,000	-	-	11,300,000

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2024

NOTE 5: RESERVES (CONTINUED)

The total amount expensed during the half year ended 31 December 2024 in relation to the Incentive Plan Trust shares was \$139,730 (31 December 2023: \$91,382).

NOTE 6: RELATED PARTY TRANSACTIONS

The following related party transactions occurred during the half year ended 31 December 2024:

Mr Michael Davies is a director of New Holland Capital Pty Ltd ('New Holland Capital'), a subsidiary of Taurus Funds Management Pty Ltd.

On 1 January 2022, the Group also entered into a deed of sub-lease for leasehold premises occupied in West Perth. \$64,602 (exc. GST) (31 December 2023: \$72,547 exc. GST) has been paid to Taurus Funds Management Pty Ltd in relation to rent and variable outgoings in accordance with the terms and conditions of the deed of sub-lease.

As at 31 December 2024 and 31 December 2023, no amounts were due and payable to New Holland Capital or Taurus Funds Management Pty Ltd in respect of services rendered.

Transactions with other related parties are made on normal commercial terms and conditions and at market rates. Outstanding balances are unsecured and are repayable in cash.

NOTE 7: COMMITMENTS AND CONTINGENCIES

Exploration Commitments

	31-Dec-24	30-Jun-24
	\$000	\$000
Within 1 year	1,542	2,352
Later than 1 year but not later than 5 years	2,455	6,975
	3,997	9,327

The expenditure commitment of the Group for later than 1 year but not later than 5 years is uncertain. It is not possible to accurately forecast the nature or amount of future tenement expenditure commitments required to maintain areas of interest, although it will be necessary to incur expenditure.

The amount included is considered by management to be a conservative estimate of future costs in order to maintain the Group's interest in present tenement areas. If the Group decides to relinquish, farm out, vary, convert or otherwise change its areas of interests that are in good standing with the Department of Energy, Mines, Industry Regulation and Safety (subject to receipt of approval), such amounts that are committed will also change.

NOTE 8: DIVIDENDS PAID

No dividends were paid or provided for during the half year ended 31 December 2024 (31 December 2023: \$NIL).

NOTE 9: FAIR VALUES

The fair value of financial assets and financial liabilities of the Group approximated their carrying amount.

LEFROY EXPLORATION LIMITED AND CONTROLLED ENTITIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2024

NOTE 10: EVENTS SUBSEQUENT TO REPORTING DATE

The following event have occurred subsequent to the period ended 31 December 2024:

Lefroy and BML Ventures have entered into a profit-sharing mining agreement in relation to the Lucky-Strike Gold Project, 60km Southeast of Kalgoorlie, which contains a total MRE of 1.27Mt @ 1.95g/t Au for 79,000 ounces.

Directors were issued a total of 3,857,145 fully paid ordinary shares at \$0.07 per share as approved by shareholders at the General Meeting of Shareholders held on 13 January 2025.

Other than as outlined above there have been no matters or circumstance, which have arisen since 31 December 2024 that have significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 31 December 2024, of the Group, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 31 December 2024, of the Group.

LEFROY EXPLORATION LIMITED AND CONTROLLED ENTITIES
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DIRECTORS' DECLARATION

The Board of Directors of Lefroy Exploration Limited state that the accompanying financial statements have been prepared in accordance with International Financial Reporting Standards and that in their opinion:

- a) the consolidated statement of profit or loss and other comprehensive income drawn up presents fairly the results of the Group for the 6 months ended 31 December 2024.
- b) the accompanying consolidated statement of financial position drawn up presents fairly the state of affairs of the Group as at 31 December 2024.
- c) Subject to Note 2(d) to financial statements, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors.



David Kelly

Non-executive Chairman

Dated this 13th day of March 2025.



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Independent auditor's review report to the members of Lefroy Exploration Limited

Conclusion

We have reviewed the accompanying half-year financial report of Lefroy Exploration Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, explanatory notes and the directors' declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the accompanying half-year financial report is not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting*.

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* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Material uncertainty related to going concern

We draw attention to Note 2(d) of the financial report, which describe the principal condition that raise doubt about the Group's ability to continue as going concern. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Directors' responsibilities for the half-year financial report

The directors of the Company are responsible for the preparation and presentation of half-year financial report in accordance with IAS 34 *Interim Financial Reporting* and for such internal control as the directors determine is necessary to enable the preparation and presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the half-year financial report is not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting*.



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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.

Ernst & Young

Ernst & Young
Perth
13 March 2025