EAGLE MOUNTAIN MINING LIMITED

ABN 34 621 541 204

FINANCIAL REPORT

FOR THE HALF YEAR ENDED
31 DECEMBER 2024

CONTENTS PAGE

CORPORATE DIRECTORY

DIRECTORS

Rick Crabb (Non-Executive Chairman)
Charles Bass (Managing Director)
Roger Port (Non-Executive Director)
Fabio Vergara (Executive Director)

ALTERNATE DIRECTOR

Brett Rowe
(Alternate Director for Charles Bass)

COMPANY SECRETARY

Mark Pitts

ASX CODE

EM2

SHARE REGISTRY

Computershare Investor Services Pty Ltd
Level 17, 221 St Georges Terrace
Perth WA 6000

PRINCIPAL AND ADMINISTRATIVE OFFICE

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West Perth WA 6005

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REGISTERED OFFICE

Level 5, 191 St Georges Terrace
Perth WA 6000

AUDITORS

William Buck Audit (WA) Pty Ltd
Level 3
15 Labouchere Road
South Perth WA 6151

COMPETENT PERSON STATEMENT

Where the Company references previous announcements incorporating exploration results and Mineral Resource Estimates, it confirms that it is not aware of any new information or data that materially affects the information included in those announcements, and all material assumptions and technical parameters underpinning the exploration results and Mineral Resource Estimates continue to apply and have not materially changed. In addition, the form and context in which the Competent Persons findings are presented have not been materially modified from the original reports.

DIRECTORS' REPORT

The Directors present the consolidated financial statements of Eagle Mountain Mining Limited (Eagle Mountain or the Company) and its controlled entities (the Group) for the half year ended 31 December 2024.

DIRECTORS

The following persons were Directors of Eagle Mountain during the whole of the half year and up to the date of this report, unless stated otherwise:

Rick Crabb	*(Non-Executive Chairman)*
Charles Bass	*(Managing Director)*
Roger Port	*(Non-Executive Director)*
Brett Rowe	*(Alternate Director for Charles Bass)*
Fabio Vergara	*(Executive Director – appointed 24 February 2025)*

CHIEF EXECUTIVE OFFICER

Tim Mason *(resigned 28 February 2025)*

COMPANY SECRETARY

Mark Pitts

REVIEW OF OPERATIONS

The loss after income tax of the Group for the half year was $13,366,808 (31 December 2023: $3,146,231), which includes exploration and evaluation costs of $1,199,922 (31 December 2023: $1,563,404) and impairment of assets of $12,015,601 (31 December 2023: nil).

As at 31 December 2024, the Group had cash assets of $477,286 (30 June 2024: $3,116,959).

Exploration activities

Silver Mountain Project
During the half year, various geophysical studies and geochronological analyses were undertaken. Surface mapping discovered high grade outcropping gold and silver mineralisation across a one kilometre trend connecting historical mines. Drilling applications to test the porphyry style targets and surrounding near-surface hydrothermal high grade features were submitted and approved subject to bond payment. Site preparation for drilling commenced during the period.

Wedgetail Project
During the first half of the reporting period, the Group undertook a strategic review of the Oracle Ridge Project and entered into discussions to renegotiate certain agreements with the landowner, Marble Mountain Ventures LLC (MMV). Agreement on reasonable terms could not be reached with MMV, leading to the decision to not exercise the option to extend ownership of the mineral rights over the area upon which the Oracle Ridge Mine and the mineral resource is located. Concurrently, notice was provided to MMV to terminate a surface lease agreement with MMV.

Studies and testwork commenced on the existing tailings which demonstrated that the screened tailings have potential to be sold as a filler or binder material for various cemented products.

Discussions with Vincere Resource Holdings LLC (Vincere) were held during the period, which resulted in the re-negotiation of repayment terms for the Vincere Loan.

The Group retains the balance of claims, now known as the Wedgetail Project, which comprise a strategic land position surrounding the Oracle Ridge Mine with considerable exploration potential and drill core and related data related to the foregone mineral resource. The Wedgetail Project incorporates the prospective OREX, Red Hawk and Golden Eagle interests.

DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

Corporate activities

Work commenced on a partially underwritten renounceable entitlement issue with a prospectus lodged in late December 2024.

During the reporting period, the Company entered into an unsecured loan with a director related entity for $500,000.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Other than the matters above, and elsewhere in this report, there were no significant changes in the Group's state of affairs during the half year.

EVENTS SUBSEQUENT TO THE REPORTING DATE

Subsequent to the end of the reporting period, the Company:

- Closed a Renounceable Entitlement Issue aiming to raise $6.4 million (the Offer). Applications and commitments from underwriters raised approximately $5.9 million before costs (comprising $2.9 million in cash and $3 million in satisfaction of a $3 million loan facility with Silver Mountain Mining Nominee Pty Ltd). The Company issued 734,079,513 ordinary shares and 265,378,350 free attaching options pursuant to the terms of the Offer. The options are exercisable at $0.016 each and expire on 31 July 2027. Approximately $0.54 million of shortfall remains to be placed;
- Repaid on 17 February 2025, the $0.5 million unsecured loan owing to Quartz Mountain Mining Pty Ltd, an entity associated with Director, Mr Charles Bass;
- Relinquished its rights to the mineral rights of certain patented claims for the Oracle Ridge Mine to the landowner MMV; and
- Appointed Fabio Vergara as Executive Director effective 24 February 2025, and accepted the resignation of CEO, Tim Mason, effective 28 February 2025. Prior to joining the Board, Mr Vergara was granted 10 million incentive options which will vest on 31 January 2026 and are exercisable on or before 31 July 2027 by payment of $0.016 each.

Other than as stated above, there has not arisen in the interval between the end of the reporting period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect substantially the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the *Corporations Act 2001* requires our auditors, William Buck Audit (WA) Pty Ltd, to provide the Directors of the Group with an Independence Declaration. This Independence Declaration is set out on the following page and forms part of this Directors' Report for the half year ended 31 December 2024.

This report has been made in accordance with a resolution of the Board of Directors.

Rick Crabb
Chairman
Dated at Perth this 14th day of March 2025

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

To the directors of Eagle Mountain Mining Limited and its controlled entities

As lead auditor for the review of Eagle Mountain Mining Limited and its controlled entities for the half-year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been:

— no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and

— no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Eagle Mountain Mining Limited and the entities it controlled during the period.

William Buck

William Buck Audit (WA) Pty Ltd
ABN 67 125 012 124

Amar Nathwani

Amar Nathwani
Director

Dated this 14th day of March 2025

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Half Year Ended 31 December 2024

	Notes	31 December 2024 A$	31 December 2023 A$
Operations			
Interest revenue		**13,472**	3,244
Other income		**24,702**	35,172
Exploration and evaluation costs		**(1,199,922)**	(1,563,404)
Administration and other costs		**(855,735)**	(882,901)
Equity based payments	11	-	(14,918)
Finance costs		**(310,650)**	(338,814)
Depreciation expense		**(257,369)**	(448,367)
Impairment of assets	6, 7	**(12,015,601)**	-
Net change in fair value of convertible loans	10	**(2,044)**	60,133
Gain on loan modifications	10	**938,475**	-
Fair value gain on interest payment	12	**295,748**	-
Gain on foreign currency exchange		**2,116**	3,714
Loss before income tax		**(13,366,808)**	(3,146,231)
Income tax expense		**-**	-
Loss after income tax from operations		**(13,366,808)**	(3,146,231)
Other comprehensive income/(loss)			
Other comprehensive income that may be re-classified to profit or loss in subsequent periods			
Loss on foreign currency exchange translation		**(443,724)**	(128,815)
Total comprehensive loss for the period		**(13,810,532)**	(3,275,046)

	Cents	Cents
Basic and diluted loss per share	**(3.4)**	(1.0)

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2024

	Note	31 December 2024 A$	30 June 2024 A$
Current Assets			
Cash and cash equivalents		**477,286**	3,116,959
Trade and other receivables		**65,988**	85,554
Total Current Assets		**543,274**	3,202,513
Non-Current Assets			
Exploration and evaluation expenditure	6	**1,887,076**	11,291,705
Property, plant and equipment	7	**1,234,225**	3,360,631
Right-of-use assets	8	**-**	117,237
Bonds and deposits		**352,283**	296,516
Total Non-Current Assets		**3,473,584**	15,066,089
TOTAL ASSETS		**4,016,858**	18,268,602
Current Liabilities			
Trade and other payables		**189,185**	479,989
Employee leave liabilities		**79,994**	114,282
Lease liabilities	9	**-**	92,507
Borrowings	10	**5,721,029**	5,556,758
Total Current Liabilities		**5,990,208**	6,243,536
Non-Current Liabilities			
Lease liabilities	9	**-**	48,554
Employee leave liabilities		**17,757**	30,950
Borrowings	10	**8,540,414**	8,748,245
Total Non-Current Liabilities		**8,558,171**	8,827,749
TOTAL LIABILITIES		**14,548,379**	15,071,285
NET (LIABILITIES)/ASSETS		**(10,531,521)**	3,197,317
Equity			
Issued capital	12	**89,634,141**	89,552,447
Reserves		**(2,833,208)**	4,160,276
Accumulated losses		**(97,332,454)**	(90,515,406)
TOTAL EQUITY		**(10,531,521)**	3,197,317

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the Half Year Ended 31 December 2024

	Issued capital A$	Foreign currency translation reserve A$	Share based payment reserve A$	Common control reserve A$	Accumulated losses A$	Total A$
Balance at 1 July 2023	84,482,468	479,764	8,058,311	(3,014,276)	(85,462,223)	4,544,044
Loss for the period	-	-	-	-	(3,146,231)	(3,146,231)
Other comprehensive income for the period net of income tax	-	(128,815)	-	-	-	(128,815)
Total comprehensive loss for the period	-	(128,815)	-	-	-	(128,815)
Issue of shares	-	-	-	-	-	-
Capital raising costs	-	-	-	-	-	-
Vesting of options/performance rights	-	-	14,918	-	-	14,918
Cancellation of options	-	-	(1,037,642)	-	1,037,642	-
Balance at 31 December 2023	84,482,468	350,949	7,035,587	(3,014,276)	(87,570,812)	1,283,916
Balance at 1 July 2024	**89,552,447**	**491,292**	**6,683,260**	**(3,014,276)**	**(90,515,406)**	**3,197,317**
Loss for the period	-	-	**-**	**-**	**(13,366,808)**	**(13,366,808)**
Other comprehensive income for the period net of income tax	**-**	**(443,724)**	**-**	**-**	**-**	**(443,724)**
Total comprehensive loss for the period	**-**	**(443,724)**	**-**	**-**	**-**	**(443,724)**
Issue of shares	**101,177**	-	-	-	-	**101,177**
Capital raising costs	**(19,483)**	-	-	-	-	**(19,483)**
Vesting of options/performance rights	**-**	**-**	**-**	**-**	**-**	**-**
Cancellation of options	-	**-**	**(6,549,760)**	**-**	**6,549,760**	**-**
Balance at 31 December 2024	**89,634,141**	**47,568**	**133,500**	**(3,014,276)**	**(97,332,454)**	**(10,531,521)**

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

EAGLE MOUNTAIN MINING

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the Half Year Ended 31 December 2024

	31 December 2024	31 December 2023
	A$	A$
Cash Flows from Operating Activities		
Payments to suppliers and employees	**(989,233)**	(765,054)
Payments for exploration and evaluation	**(1,415,843)**	(1,741,162)
Payments for interest and other financing costs	**(4,468)**	(15,339)
Interest received	**13,348**	3,125
Net cash used in operating activities	**(2,396,196)**	(2,518,430)
Cash Flows from Investing Activities		
Proceeds from the sale of fixed assets	**24,701**	90,993
Payments for purchase of fixed assets	**(306,246)**	(142,909)
Payments for bonds and deposits	**(34,023)**	-
Net cash used in investing activities	**(315,568)**	(51,916)
Cash Flows from Financing Activities		
Costs of the issue of shares and options	**(19,484)**	-
Proceeds from borrowings	**500,000**	1,000,000
Repayment of borrowings	**(380,940)**	-
Repayment of lease liabilities	**(41,232)**	(140,788)
Net cash generated by financing activities	**58,344**	859,212
Net decrease in cash held	**(2,653,420)**	(1,711,134)
Cash and cash equivalents at the beginning of the period	**3,116,959**	2,236,536
Effect of foreign currency exchange on cash and cash equivalents	**13,747**	132
Cash and cash equivalents at the end of the period	**477,286**	525,534

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the Half Year Ended 31 December 2024

NOTE 1 BASIS OF PREPARATION OF HALF YEAR REPORT

Statement of compliance
The half year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting* (AASB 134). Compliance with AASB 134 ensures compliance with International Financial Reporting Standard 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 30 June 2024 annual financial statements and any public announcements made by the Group during the half year in accordance with continuous disclosure requirements arising under the Australian Securities Exchange Listing Rules and the *Corporations Act 2001*.

The Group is a for profit entity for financial reporting purposes under Australian Accounting Standards.

Basis of preparation
The consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of financial instruments. 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.

These accounting policies are consistent with those previously disclosed in the 30 June 2024 annual financial statements unless otherwise stated.

The half year financial report was approved by the Board of Directors on 14th March 2025.

Going Concern
The financial statements have been prepared on the going concern basis which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

The Group has incurred a loss after income tax of $13,366,808 (which includes an impairment charge of $12,015,601) and a net operating cash outflow of $2,396,196 during the half year ended 31 December 2024. Cash assets at 31 December 2024 were $477,286 and current liabilities at that date were $5,990,208. Current liabilities include $5,721,029 relating to borrowings.

In December 2024, the Company lodged a prospectus for a renounceable entitlement offer to raise up to $6.4 million. The entitlement offer was partially underwritten, with Managing Director Charles Bass committing to $3 million of subordinated sub-underwriting. Subsequent to the end of the reporting period, shares to the amount of $3 million were issued to Silver Mountain Mining Nominee Pty Ltd, an entity associated with Mr Bass, in satisfaction of the sub-underwriting commitment thereby reducing current liabilities by $3 million (refer note 13). Total cash of approximately $2.9 million was raised, before costs, including the placement of shortfall to date.

At 30 June 2024, the Group was in discussions with Vincere Resource Holdings LLC (Vincere) to renegotiate the terms of the loan agreement. During the current reporting period, terms were agreed with Vincere to reduce the first loan repayment and defer subsequent payments by one year with the final payment due in November 2029. The Group remains open to discussions with Vincere on renegotiating the balance of the loan. The balance of the loan owing to Vincere is secured by the assets of Wedgetail Operations LLC and there is no recourse to Eagle Mountain.

During the period, the Group resolved to provide notice to Marble Mountain Ventures LLC (MMV) to not exercise its option to extend the ownership of mineral rights over certain claims within the Oracle Ridge Mine area and as such provided notice to MMV to terminate the surface lease agreement. As a result of this termination, the Group has impaired the capitalised acquisition costs for Oracle Ridge by an amount of $12,015,601. Since the MMV patented claims will be relinquished, the Group will no longer be committed to pay the property taxes and annual rent on the claims of over US$200k per annum.

The Group has completed a number of corporate cost-cutting initiatives including the resignation of the CEO (effective 28 February 2025) and the waiving of current Directors' fees until further notice. Expenditure on exploration activities is largely discretionary and the Directors will continue to actively monitor the Group's activities with due regard to current and future funding requirements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the Half Year Ended 31 December 2024

NOTE 1 BASIS OF PREPARATION OF HALF YEAR REPORT (continued)

Going Concern (continued)
Cash forecasts have been prepared to 31 March 2026 and whilst they project a positive cash balance at this date, there is a need for additional funding over and above the funds available at 31 December 2024. The Group has a history of being able to raise funds and enjoys the support of its major shareholder. Under the revised Vincere loan agreement, US$1.5 million (approximately A$2.4m as at December 2024) is payable to Vincere in November 2025. In addition, the Company will, in the absence of an appropriate level of funding, be required to renegotiate the schedule of payments under the agreement with Vincere, particularly in relation to the payments required during the next 12 months.

At the date of signing this report, there is material uncertainty on the outcome of negotiations with Vincere, although the Directors remain optimistic that a mutually beneficial outcome can be reached. Should renegotiation of the loan with Vincere not be favourable to the Group and unless sufficient funding can be raised on satisfactory terms, then the balance of assets held by WTO would revert to Vincere and the loan owing to Vincere will be extinguished.

In this event, the Group will retain the rights to the Silver Mountain Project and would continue with exploration on these claims.

These factors indicate that there is a material uncertainty that may cast significant doubt on whether the Group will be able to continue as a going concern and therefore whether it will be able to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

Adoption of new and revised Accounting Standards
There has been no impact to the financial statements arising from new, revised or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted by the Group for the reporting period ended 31 December 2024.

Critical accounting estimates
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 disclosed in note 2.

Principles of consolidation
The financial statements of subsidiary companies are included in the consolidated financial statements from the date control commences until the date control ceases. The financial statements of subsidiary companies are prepared for the same reporting period as the parent company using consistent accounting policies.

Inter-entity balances resulting from transactions with or between controlled entities are eliminated in full on consolidation. Investments in subsidiary companies are accounted for at cost in the individual financial statements of the Company.

NOTE 2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances. The estimates, judgements and assumptions disclosed as at 30 June 2024 are still valid for this half year reporting period. In addition, the following key judgements, estimates and assumptions apply to this reporting period:

Convertible Loans – modification of terms
The Group has entered into loan agreements which contain a conversion feature whereby the value of the loan, or a portion thereof, can be converted into shares in the Company upon the occurrence of various conversion trigger events or upon the election of the lender (or borrower). To derive the fair value of the embedded derivative liability component of the loans, a number of assumptions have been made. During the reporting period, these loans were amended to either modify or remove the conversion feature and vary the timing of cash payments, resulting in a modification gain. The assumptions adopted and the key terms for the modified loans are outlined in note 10.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the Half Year Ended 31 December 2024

NOTE 2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

Impairment of Capitalised Exploration and Evaluation Expenditure

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

During the reporting period, the carrying value of capitalised exploration and evaluation expenditure was reviewed for impairment and it was determined to impair the Oracle Ridge Project. The quantum of the impairment charge is dependent on judgement and estimates. The assumptions behind the determination are outlined in note 6.

NOTE 3 SEGMENT INFORMATION

AASB 8 *Operating Segments* requires operating segments to 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 operates in one segment, being exploration for mineral resources. This is the basis on which internal reports are provided to the Directors for assessing performance and determining the allocation of resources within the Group.

The Group has exploration claims and the Oracle Ridge Copper Project in Arizona, USA and operates in both Australia and USA.

Information regarding the non-current assets by geographical location is reported below. No geographical location segment information is provided in relation to revenue and profit or loss for the half year ended 31 December 2024 or the year ended 30 June 2024.

Reconciliation of Non-Current Assets by Geographical Location

	31 December 2024 A$	30 June 2024 A$
Australia	**52,871**	176,233
USA	**3,420,713**	14,889,856
	3,473,584	15,066,089

NOTE 4 DIVIDENDS

No dividends were paid or proposed during the period.

The Company has no franking credits available as at 31 December 2024.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the Half Year Ended 31 December 2024

NOTE 5 LOSS FROM ORDINARY ACTIVITIES

	31 December 2024 A$	31 December 2023 A$
Included in the loss before income tax are the following specific items of income/(expenses):		
Net change in fair value of convertible loans (note 10)	**(2,044)**	60,133
Interest and finance costs paid/payable on borrowings	**(307,337)**	(326,626)
Interest paid/payable on leases	**(3,313)**	(12,188)
Impairment of assets - capitalised exploration costs (note 6)	**(9,527,578)**	-
Impairment of assets – mine properties (note 7)	**(2,488,023)**	-
Loan modification gain (note 10)	**938,475**	-
Share based payments expense – employees	**-**	(14,918)

NOTE 6 EXPLORATION AND EVALUATION EXPENDITURE

	31 December 2024 A$	30 June 2024 A$
Movement during the period		
Carrying value – beginning of the period	**11,291,705**	11,281,486
Impairment of capitalised acquisition costs [1]	**(9,527,578)**	-
Effect of movement in foreign currency exchange rates	**122,949**	10,219
Carrying value – end of the period	**1,887,076**	11,291,705

[1] During the period, the Group resolved to provide notice to MMV to not exercise its option to extend the ownership of mineral rights over certain claims within the Oracle Ridge Mine area and as such provided notice to MMV to terminate the surface lease agreement. As the Group will no longer hold tenure to certain mineral rights upon which the mineral resource estimate is located, an impairment charge for the total acquisition cost of the Oracle Ridge Mine has been recognised at 31 December 2024.

Carried forward exploration and evaluation expenditure represents the exploration asset acquisition costs recognised on the acquisition of Silver Mountain Mining Pty Ltd and the remaining Wedgetail Project.

The recoverability of the carrying amount of the exploration and evaluation assets is dependent upon successful development and commercial exploitation, the successful renegotiation of the Vincere loan (refer to note 1 Going Concern), or alternatively, sale of the respective areas of interest.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the Half Year Ended 31 December 2024

NOTE 7 PROPERTY, PLANT AND EQUIPMENT

	31 December 2024 A$	30 June 2024 A$
Net book value of plant and equipment	**1,234,225**	3,360,631

	Leasehold improve-ments A$	Office equipment furniture A$	Field equipment & vehicles A$	Mine plant & equip-ment A$	Mine Properties[1] $A	Land[2] $A	Total A$
Opening net book value	32,362	69,275	114,779	521,417	2,622,798	-	3,360,631
Cost of additions	-	-	-	-	-	527,117	527,117
Depreciation charge	(5,397)	(8,434)	(14,719)	(56,304)	(136,705)	-	(221,559)
Impairment charge	-	-	-	-	(2,488,023)	-	(2,488,023)
Foreign exchange movement	1,769	523	6,966	44,871	1,930	-	56,059
Closing net book value	**28,734**	**61,364**	**107,026**	**509,984**	**-**	**527,117**	**1,234,225**

[1] Refurbishment of the underground infrastructure. The refurbishment was fully impaired during the reporting period as the Company had provided notice to MMV of its intention to terminate the surface lease agreement under which the Company had ownership of the mineral rights over certain claims within the Oracle Ridge Mine area.

[2] During the reporting period, the Company acquired the Cochise land package at the Wedgetail Project. The land was acquired for US$325,000 which comprised a cash payment of US$200,000 and a secured seller's loan of US$125,000 (refer to note 10 for more detail on the seller's loan).

NOTE 8 RIGHT-OF-USE ASSETS

	31 December 2024 A$	30 June 2024 A$
Opening balance	**117,237**	346,516
Right-of-use asset reductions[1]	**(81,427)**	(43,039)
Depreciation expense	**(35,810)**	(187,408)
Foreign exchange movement	**-**	1,168
	-	117,237

The Group leases land and buildings for its offices in Perth, Australia and Arizona, USA under agreements with original terms of up to five years and which may contain options to extend the lease term.

[1] During the current reporting period, the Australian office lease was terminated prior to the end of the lease term through mutual agreement of both parties. In the previous financial year, the Arizona office lease agreement was terminated prior to the end of the lease term through mutual agreement of both parties.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the Half Year Ended 31 December 2024

NOTE 9 LEASE LIABILITIES

	31 December 2024 A$	30 June 2024 A$
Current liability	-	92,507
Non-current liability	-	48,554
	-	141,061
Movement in lease liabilities		
Opening balance	**141,062**	391,381
Reduction in liability [1]	**(99,830)**	(48,713)
Principal repayments	**(41,232)**	(201,092)
Foreign exchange movement	-	(515)
Balance at the end of the period	-	141,061

[1] In the previous financial year, the Arizona office lease agreement was terminated prior to the end of the lease term through mutual agreement of both parties. The new office lease agreement is for a period of 12 months and as such was not accounted for under *AASB16 Leases*.

NOTE 10 BORROWINGS

	31 December 2024 A$	30 June 2024 A$
Current		
Loan – debt liability[1]	**2,412,739**	2,264,493
Loan from related party – derivative liability[2]	**321,016**	4,168
Loan from related party – debt liability[2]	**2,451,518**	3,288,097
Loan from related party – other[3]	**500,000**	-
Other loans[4]	**35,756**	-
Total current borrowings	**5,721,029**	5,556,758
Non-current		
Loan – derivative liability[1]	-	165,511
Loan – debt liability[1]	**8,378,565**	8,582,734
Other loans[4]	**161,849**	-
Total non-current borrowings	**8,540,414**	8,748,245
Total borrowings	**14,261,443**	8,748,245

NOTE 10 BORROWINGS (continued)

[1] Vincere Loan

Under the terms of the purchase agreement of the Oracle Ridge Copper Project, Wedgetail Operations LLC, a subsidiary in which the Company holds a 100% interest, entered into a US$6,423,000 secured loan with Vincere. The loan commenced in November 2019 and following a strategic review of the Oracle Ridge Copper Project in November 2024, Wedgetail Operations LLC agreed with Vincere to modify the terms of the loan agreement as follows:

- Reduce the first loan repayment due in November 2024 from US$1.5 million to US$0.25 million (approximately A$0.38 million);
- Annual repayments, due each November from 2025 to 2028, of US$1.5 million (approximately A$2.4 million as at 31 December 2024 exchange rate);
- a final loan repayment of US$1.25 million due in November 2029 (approximately A$2 million as at 31 December 2024 exchange rate); and
- Remove the conversion amount of US$3 million from the loan value. Under the original terms of the loan, Vincere had the right to convert a total of US$3 million (three equal tranches of US$1 million) into ordinary shares of the Company upon the realisation of certain trigger events. Refer to the June 2024 financial statements for details of the conversion triggers.

The fair value of the conversion right on the original loan had previously been recognised as a derivative liability in the statement of financial position. The amendment to the terms of the loan agreement has resulted in the derecognition of the derivative liability and the recognition of a modification gain of US$446,282 (A$674,230) in the condensed consolidated statement of profit or loss and other comprehensive income in the current reporting period. The debt liability component of the secured loan is amortised at each reporting period using the effective interest method.

[2] Loan from Related Party - Silver Mountain Mining Nominee Pty Ltd

During the current reporting period, the Company entered into a Deed of Assignment, Assumption and Variation (the Deed) in relation to the $3 million unsecured loan facility with Metech Super Pty Ltd as trustee for the Metech No2 Super Fund (Lender), an entity associated with Director, Mr Charles Bass. The loan was assigned on 30 September 2024 to Silver Mountain Mining Nominee Pty Ltd, an entity that is also related to Mr Bass.

The key terms of the Deed are as follows:

- The Loan's maturity date has been deferred by 12 months to 31 December 2025;
- Interest accrued to 30 September 2024 is to be satisfied through the issue of fully paid ordinary shares in the Company, and the loan is interest free beyond 30 September 2024. Following shareholder approval in November 2024, this condition was satisfied by the issue of 7,782,854 ordinary shares as payment for accrued interest amounting to $396,926;
- The Lender may elect for the balance of the loan to be converted into ordinary shares at any time prior to 90 days before the maturity date, at a price equal to 90% of the 30 day VWAP, subject to shareholder approval and regulatory approvals if required; and
- The Company may elect to repay the loan in cash at any time prior to the maturity date and may elect for the balance of the loan to be converted into ordinary shares, if no such election has been made by the Lender prior to 90 days before the maturity date. The issue price of ordinary shares will be equal to 90% of the 30 day VWAP, subject to shareholder approval and regulatory approvals if required.

Refer to the Company's audited financial statements for the year ended 30 June 2024 for the terms of the original loan and the terms for conversion.

As the terms of the amended loan are considered to be substantially different to the terms of the original loan, in accordance with *AASB 9 Financial Instruments* the original financial liability has been extinguished and a new financial liability has been recognised resulting in a gain on modification amounting to $264,245 which has been recognised in the condensed consolidated statement of profit or loss and other comprehensive income.

The face value of the new financial liability comprises the sum of the value of the derivative liability (or conversion right), and the debt liability component at inception. The debt liability component of the loan is amortised at each reporting period using the effective interest method. The fair value of the derivative liability component is revalued at each reporting date over the life of the loan.

NOTE 10 BORROWINGS (continued)

[2] Loan from Related Party - Silver Mountain Mining Nominee Pty Ltd (continued)

Fair Value Measurement

The derivative liability component of the loan is measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement. The derivative liability has been categorised as Level 3 in the fair value hierarchy with a fair value of $318,972 being recognised at modification date and subsequently revalued to $321,016 at 31 December 2024.

There were no transfers between levels during the financial year.

Valuation Model Assumptions

An independent valuation of the derivative liability has been undertaken at loan modification date, and subsequently revalued at 31 December 2024, using a Monte Carlo simulation model with the following assumptions:

Assumptions	At 30 September 2024 (Modification Date)	At 31 December 2024
Valuation date	30 September 2024	31 December 2024
Spot price ($) [1]	$0.050	$0.009
Conversion price ($) [2]	$0.047	$0.008
Risk free rate	3.58%	3.84%
Expected future volatility	80%	95%
Expiry date[3]	31 December 2025	31 December 2025

[1] The last traded price of the Company's shares on the ASX on 30 September 2024 and 31 December 2024 respectively.

[2] Fair value of the Conversion Right assessed on the basis of the 30 day VWAP at 90 days prior to the maturity date, and subsequently applying a 10% discount.

[3] The expiry date is the maturity date of the loan and it is assumed that conversion would occur on this date.

Based on the above assumptions, the revaluation of the derivative liability resulted in a fair value loss of $2,044 which has been recognised in the condensed consolidated statement of profit or loss and other comprehensive income.

Reconciliation of movement in Level 3 derivative liability	**31 December 2024 A$**	**30 June 2024 A$**
Movement during the year		
Balance at the start of the period/financial year	**4,168**	48,702
Fair value on initial drawdown date	**-**	13,832
Extinguishment of derivative liability on original loan	**(4,168)**	-
Fair value on modification date of amended loan	**318,972**	-
Loss/(gain) recognised in profit or loss	**2,044**	(58,366)
Balance at the end of the period/financial year	**321,016**	4,168

Subsequent to the end of the reporting period, the $3 million unsecured loan owing to Silver Mountain Mining Nominee Pty Ltd was repaid in full through the issue of shares (refer note 13).

NOTE 10 BORROWINGS (continued)

[3] Loan from Related Party - Quartz Mountain Mining Pty Ltd

During the current reporting period, the Company entered into a loan agreement with Quartz Mountain Mining Pty Ltd, an entity associated with Managing Director, Mr Charles Bass. The loan is unsecured and interest free, unless the loan is not repaid in full by the maturity date, in which case interest will accrue at 10% per annum on any outstanding amounts from the maturity date to the date of repayment. The loan matures on 30 June 2025.

Subsequent to the end of the reporting period, the loan owing to Quartz Mountain Mining Pty Ltd was repaid in full (refer note 13).

[4] Other Loans

As part of the acquisition of the Cochise land package (refer note 7), Wedgetail Operations LLC entered into a seller's loan of US$125,000. The loan attracts interest at 6% per annum with payments of interest and principal occurring in monthly instalments based on a five year amortisation. The loan is secured over the property and matures on 1 December 2029.

NOTE 11 SHARE BASED PAYMENTS

Options

During the reporting period, 8,600,000 incentive options (previously issued to directors and employees) expired. No options were issued or exercised during the reporting period.

Subsequent to the end of the reporting period, 10,000,000 incentive options were issued and a further 81,858,499 options were issued to the underwriters of the February 2025 Entitlement Offer and 180,295,972 options were issued to participants of the Offer. Each option is exercisable at $0.016 and expires on 31 July 2027. No options were exercised or cancelled subsequent to 31 December 2024.

Performance Rights

During the reporting period, no performance rights were granted, issued, vested, exercised or cancelled.

Subsequent to the end of the reporting period, 300,000 performance rights were exercised. No performance rights were granted, issued, vested or cancelled subsequent to 31 December 2024.

Ordinary Shares

During the reporting period, 7,782,854 ordinary shares were issued in lieu of loan interest payments (refer note 10).

NOTE 12 ISSUED CAPITAL

	6 Months to 31 December 2024		6 Months to 31 December 2023	
	Shares	**A$**	**Shares**	**A$**
Balance at 1 July	**392,874,922**	**89,552,447**	304,966,863	84,482,468
Shares issued in lieu of loan interest payable[1]	**7,782,854**	**101,177**	-	-
Less: share issue costs	**-**	**(19,483)**	-	-
Balance at 31 December	**400,657,776**	**89,634,141**	304,966,863	84,482,468

[1] Following shareholder approval in November 2024, 7,782,854 ordinary shares were issued to Metech Super Pty Ltd as trustee for the Metech No 2 Super Fund Pty Ltd in satisfaction of payment of accrued interest amounting to $396,926. At issue date, the fair value of the shares was $101,177 resulting in a fair value gain on the interest payment of $295,748.

NOTE 13 SUBSEQUENT EVENTS

Subsequent to the end of the reporting period, the Company:

- Closed a Renounceable Entitlement Issue aiming to raise $6.4 million (the Offer). Applications and commitments from underwriters raised approximately $5.9 million before costs (comprising $2.9 million in cash and $3 million in satisfaction of a $3 million loan facility with Silver Mountain Mining Nominee Pty Ltd). The Company issued 734,079,513 ordinary shares and 265,378,350 free attaching options pursuant to the terms of the Offer. The options are exercisable at $0.016 each and expire on 31 July 2027. Approximately $0.54 million of shortfall remains to be placed;
- Repaid the $0.5 million unsecured loan owing to Quartz Mountain Mining Pty Ltd, an entity associated with Director, Mr Charles Bass;
- Relinquished its rights to the mineral rights of certain patented claims for the Oracle Ridge Mine to the landowner MMV; and
- Appointed Fabio Vergara as Executive Director effective 24 February 2025, and accepted the resignation of CEO, Tim Mason, effective 28 February 2025. Prior to joining the Board, Mr Vergara was granted 10 million incentive options which will vest on 31 January 2026 and are exercisable on or before 31 July 2027 by payment of $0.016 each.

Other than as stated above, there has not arisen in the interval between the end of the reporting period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect substantially the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

NOTE 14 CONTINGENT ASSETS AND LIABILITIES

There has been no material change to the contingent assets or liabilities of the Group since 30 June 2024.

NOTE 15 CONTRACTUAL COMMITMENTS

Exploration Expenditure

In order to maintain the current tenure status of its exploration assets, the Group has certain obligations and minimum expenditure requirements with respect to unpatented claims and Arizona state exploration permits located in Arizona, USA, as shown below.

	31 December 2024 A$	30 June 2024 A$
Within 1 year	**610,341**	591,559
After 1 year but not more than 5 years	**2,552,236**	2,481,997
Total	**3,162,577**	3,073,556

Included in the commitments at 31 December 2024 is an amount of approximately $2.4 million which relates to the claims that were relinquished to MMV in February 2025 (refer note 6).

Operating Leases

The Group has entered into a low value operating lease to rent storage space and a short term lease for office space in Arizona. The Group has availed itself of the recognition exemptions under *AASB16 Leases*. At 31 December 2024, the total commitments under the lease agreements are as follows:

	31 December 2024 A$	30 June 2024 A$
Within 1 year	**10,716**	38,700
After 1 year but not more than 5 years	**-**	-
Total	**10,716**	38,700

NOTE 15 CONTRACTUAL COMMITMENTS (continued)

Other Commitments

A Reversionary Interest in the Mineral Rights is held by MMV over certain of the Patented Claims covering the Oracle Ridge mine. Reversion had been set to occur on 18 February 2025 unless an extension option payment of approximately US$4.5 million was made to MMV. The Company has provided notice to MMV to not exercise the extension option and to terminate its surface lease agreement with MMV. Consequently, the extension payment has not been incurred and any other commitments under the agreements were extinguished in February 2025.

EAGLE MOUNTAIN MINING

DIRECTORS' DECLARATION

The Directors of Eagle Mountain Mining Limited declare that:

(a) the attached interim financial statements and notes thereto are in accordance with the Corporations Act 2001, including:

    (i) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001; and

    (ii) give a true and fair view of the financial position as at 31 December 2024 and of the performance for the period ended on that date of the Group.

(b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

The Directors have been given the declaration required by Section 295A of the Corporations Act 2001 for the period ended 31 December 2024.

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

Signed at Perth this 14th day of March 2025.

Rick Crabb
Chairman

Independent auditor's review report to the members of Eagle Mountain Mining Limited

Report on the half-year financial report

Our conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Eagle Mountain Mining Limited (the Company), and its subsidiaries (the Group) does not comply with the *Corporations Act 2001*, including:

— giving a true and fair view of the Group's financial position as at 31 December 2024 and of its financial performance for the half-year then ended; and

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

What was reviewed?

We have reviewed the accompanying half-year financial report of the Group, which comprises:

— the condensed consolidated statement of financial position as at 31 December 2024,

— the condensed consolidated statement of profit or loss and other comprehensive income for the half-year then ended,

— the condensed consolidated statement of changes in equity for the half-year then ended,

— the condensed consolidated statement of cash flows for the half-year then ended,

— notes to the condensed financial statements, including material accounting policy information, and

— the directors' declaration.

Basis for conclusion

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

Material uncertainty related to going concern

We draw attention to Note 1 in the half-year financial report, which indicates that the Group incurred a net loss after income tax of $13,366,808 and a net operating cash outflow of $2,396,196 during the half-year ended 31 December 2024. Cash assets at 31 December 2024 were $477,286 and current liabilities at that date were $5,990,208. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Responsibilities of the directors for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

William Buck

William Buck Audit (WA) Pty Ltd
ABN 67 125 012 124

Amar Nathwani

Amar Nathwani
Director

Dated this 14th day of March 2025