



**RESOURCE
BASE**

Resource Base Limited

Financial Report

For the Half Year Ended 31 December 2023

For personal use only

DIRECTORS

Mr Maurice Feilich	Non-Executive Chairman
Mr Brent Palmer	Executive Director
Mr Paul Hissey	Non-Executive Director

COMPANY SECRETARY

Mr Daniel Smith

REGISTERED AND PRINCIPAL OFFICE

Level 8, 99 St Georges Terrace
Perth WA 6000
Telephone (08) 9486 4036
Website www.resourcebase.com.au

POSTAL ADDRESS

Level 8, 99 St Georges Terrace
Perth WA 6000

AUDITORS

Moore Australia Audit (WA)
Exchange Plaza, 2 The Esplanade
Perth WA 6000

SHARE REGISTER

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

Resource Base Limited shares are listed on the Australian Securities Exchange (ASX code: RBX)

ACN	113 385 425
ABN	57 113 385 425
ASX Code	RBX

In this report, the following definitions apply:

“Board” means the Board of Directors of Resource Base Limited

“Resource Base” or the **“Company”** means Resource Base Limited ABN 57 113 385 425

CONTENTS

Directors' Report	4
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	11
Condensed Consolidated Statement of Financial Position	12
Condensed Consolidated Statement of Cashflows	13
Condensed Consolidated Statement of Changes in Equity	14
Notes to the Condensed Consolidated Financial Statements	15
Directors' Declaration	21
Auditor's Independence Declaration	22
Independent Auditor's Review Report	23

Your Directors submit the interim financial report of Resource Base Limited (referred to hereafter as the 'company') and its controlled entities (referred to hereafter as the 'consolidated entity') 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 following persons were directors of Resource Base Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Director	Position	Appointed
Maurice Feilich	Non-Executive Chairman	29 September 2022
Brent Palmer	Executive Director Non-Executive Director	1 May 2023 29 September 2022
Paul Hissey	Non-Executive Director	5 July 2021

PRINCIPAL ACTIVITIES

During the half-year ended 31 December 2023 the Company's primary focus was to advance development of its Mitre Hill REE Project, and the Wali and Ernst Lake Lithium Projects in Quebec.

REVIEW OF OPERATIONS

James Bay Lithium Projects

On 1 May 2023, the Company announced that it has completed the acquisition of the Wali and Ernst Lake Lithium Projects, located in the prolific James Bay Lithium District in northern west-central Québec, Canada (**Acquisition**) (**James Bay Projects**). Details of the Acquisition are set out in the announcement dated 24 February 2023.

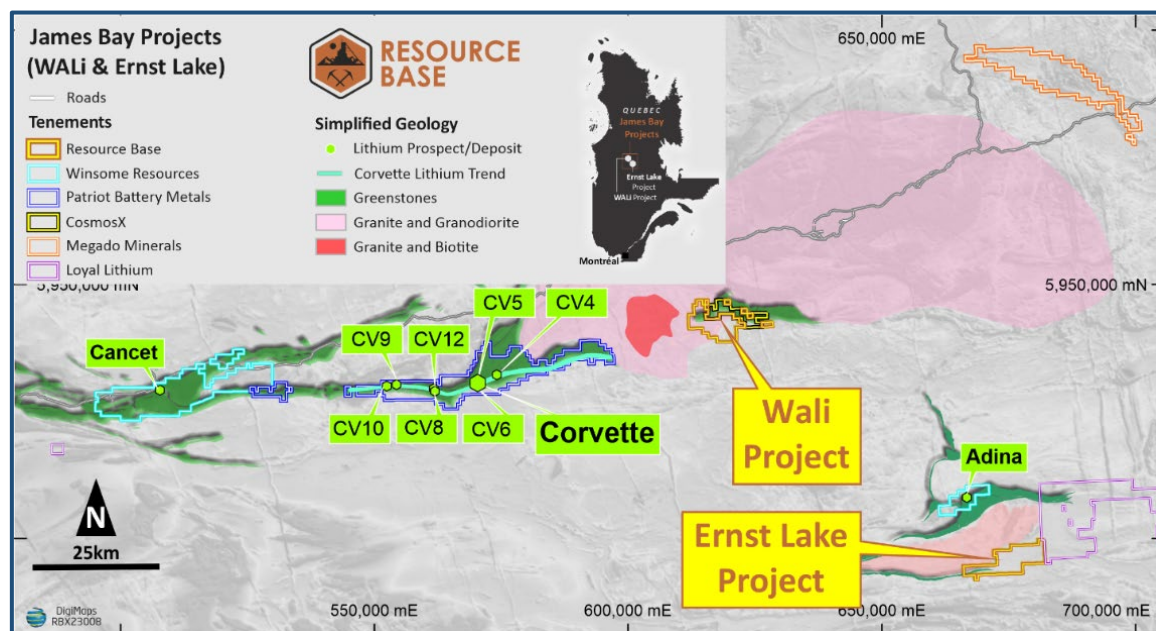


Figure 1: Location of the Wali and Ernst Lake Lithium projects James Bay Lithium Region over simplified geology

Wali Lithium Project Overview

The Wali Lithium Project comprises 100 mineral claims totalling 5,112 hectares (51.12 Km²) located in the James Bay Region of northern west-central Québec. The Wali Project is located in the LaGrande sub-province of the Superior Province, ~16km east of Patriot Battery Metals (ASX:PMT) Corvette prospect. The Property sits along the volcanic belt and encompasses various intrusive suites including the lithium pegmatite prospective source rocks of the Vieux Comptoir Granitic Suite which have been mapped on the property.

Regionally, the Vieux Comptoir Granitic Suite is known to host K-feldspar granite phases in pegmatite form which may host an abundance of spodumene. Wali is underlain by the source rock (Vieux Comptoir suite) which would have injected pegmatite dykes into those greenstone rocks in the region.

Geologically, the greenstone within the Wali Project is interpreted to be a 'dismembered' section of the same greenstone belt that hosts Patriot's CV5 discovery.

Ernst Lake Lithium Project Overview

The Ernst Lake Lithium Project comprises 109 mineral claims totaling 5,631.72 hectares (56.31 Km²), located in the James Bay Region of northern west-central Québec.

The Ernst Lake Project is located directly along the Trieste formation like recent lithium discoveries made by Winsome Resources Limited (ASX: WR1) on its Adina project. The Project is located just 13km south of the Adina Project partly within the same greenstone belt which is prospective for lithium with over 10km of strike.

Summer Field Work Program

During the reporting period, the Company provided an update regarding the on ground field activities at the James Bay Lithium projects. Field work identified an abundant number of outcropping pegmatites and boulders over both projects. One of the significant finds within the first pass on-ground exploration is a topographic high with encouraging potassium to rubidium ratios returned from a handheld XRF, indicating lithium bearing pegmatites may be present. 141 rock-chip samples collected during the field program were sent to ALS Laboratories Val-d'Or, Quebec for analysis, with results received following quarter end (refer ASX announcement dated 25 January 2024).

Wali Project sampling

The first pass exploration has revealed a prospective zone of approximately 1.2 km² with multiple pegmatitic outcrops that returned anomalous Lithium results in weathered rock-chip samples. The zone of discovered outcrops matches regional trends and strikes seen elsewhere, within the James Bay region.

From the 87 samples submitted to ALS from the Wali project, 25 returned elevated lithium results, 22 of which are isolated in the identified 1.2 km² area of interest (highlighting its regional statistical significance) with a peak Lithium grade of 89 ppm.

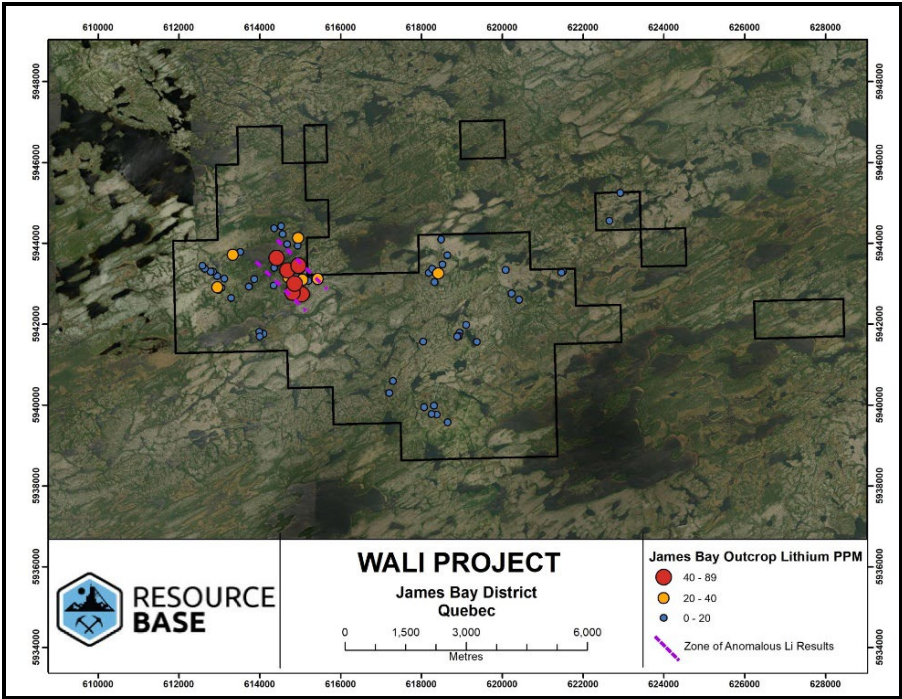


Figure 2: Wali Project with locations of Lithium samples

Ernst Lake Project sampling

The Ernst Lake project has exposed numerous pegmatites and outcrop-boulders. Of the 54 samples submitted for assaying, 13 of the samples returned anomalous lithium results with a peak of 71 ppm Lithium.

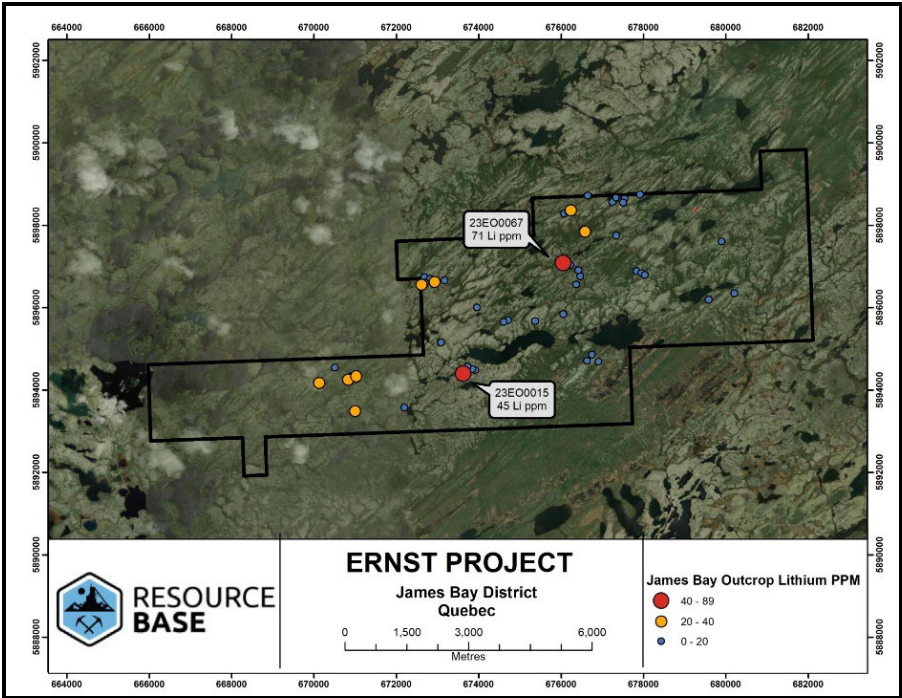


Figure 3: Ernst Lake Project with locations of Lithium samples

Mitre Hill Project

The Mitre Hill Project tenements account for 7,022km² including granted tenements and tenements under application that are highly prospective for clay hosted Rare Earth Elements (REE) within the southern margin of the Murray Basin on the South Australia / Victoria border. During the reporting period the Company released positive assay results from aircore drilling at the 100% owned Mitre Hill Project tenements EL007646 and EL007647 located in Victoria.

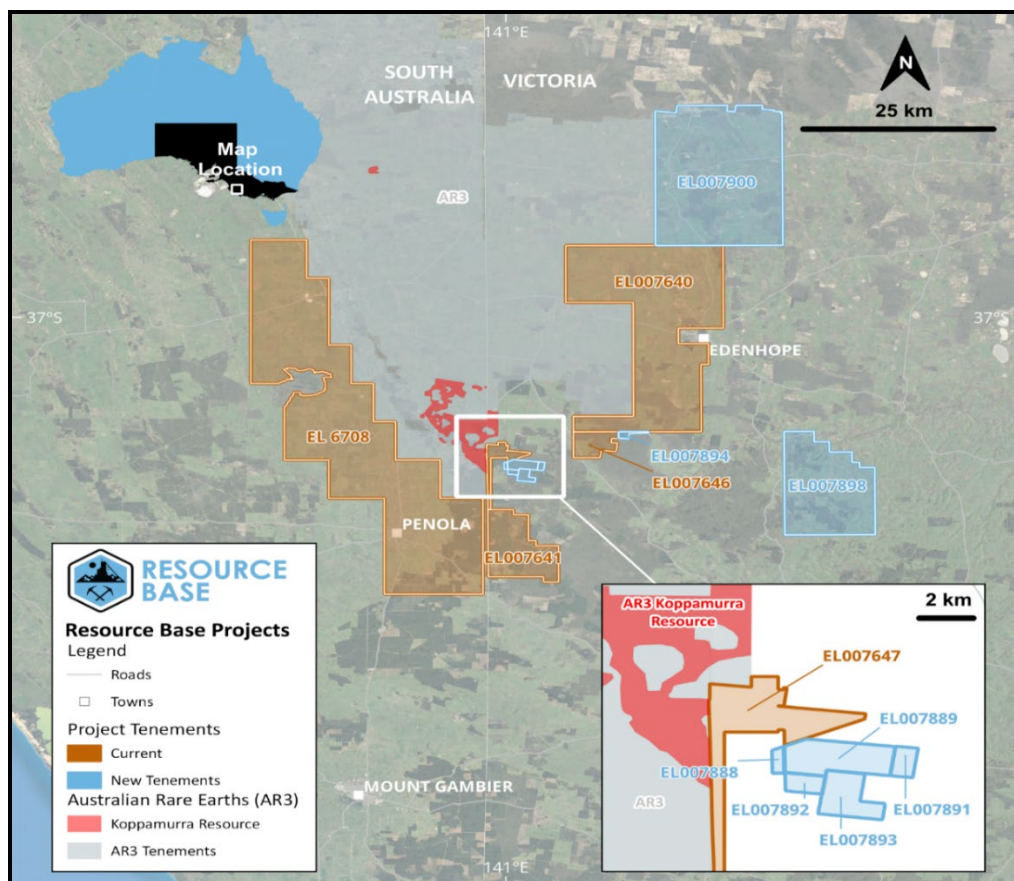


Figure 4: Mitre Hill REE Project tenement location.

Maiden JORC Resource

In 2023 the Company announced a maiden JORC Inferred Mineral Resource estimate of 21 Mt @ 767 ppm TREO consists of thick zones of near-surface mineralisation. Significantly, the existing resource has the potential to substantially grow in size and scale as the Mineral Resource estimate only incorporates 38-62% of the identified Exploration Target drilled to date. The Company has also completed significant aircore drilling in Exploration Lease EL 7646 located approximately six (6) km east of EL 7647 however is not included in this Mineral Resource estimate. Resource Base also estimated an Exploration Target at EL007647 of 13 Mt – 34 Mt at 630-830 ppm TREO.

Following completion of the maiden Mineral Resource estimate, the Company is evaluating a follow-up aircore program to convert a portion of the Exploration Target to a JORC resource, and to test further extensions of REE mineralisation the Mitre Hill REE project.

The Mineral Resource estimate and Exploration Target is set out in the Table below.

Table. Mitre Hill project (EL007647) Mineral Resources estimate and Exploration Target.

Resource Classification JORC	Tonnes (Mt)	TREO (ppm)	TREO – CeO ₂ (ppm)	CREO (ppm)	HREO (ppm)	LREO (ppm)	U ₃ O ₈ (ppm)	ThO ₂ (ppm)
Inferred	21	767	502	278	226	541	2	18
Total⁽¹⁾	21	767	502	278	226	541	2	18
Exploration Target ⁽²⁾	13 - 34	630-830	420-550	230-300	190-250	440-580	2	17- 19

Notes:

- (1) Mineral Resources reported at a cut-off grade of 325 ppm TREO minus CeO₂ (TREO-CeO₂)
- (2) The Exploration Target is reported at a cut-off grade range of 225 ppm TREO-CeO₂ to 425 ppm TREO minus CeO₂ (TREO-CeO₂). The potential quantity and grade of the Exploration Target is conceptual in nature and is therefore an approximation. There has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource. The Exploration Target, being conceptual in nature, takes no account of geological complexity, possible mining method or metallurgical recovery factors. The Exploration Target was estimated in order to provide an assessment of the potential scale of exploration for the Mitre Hill project.

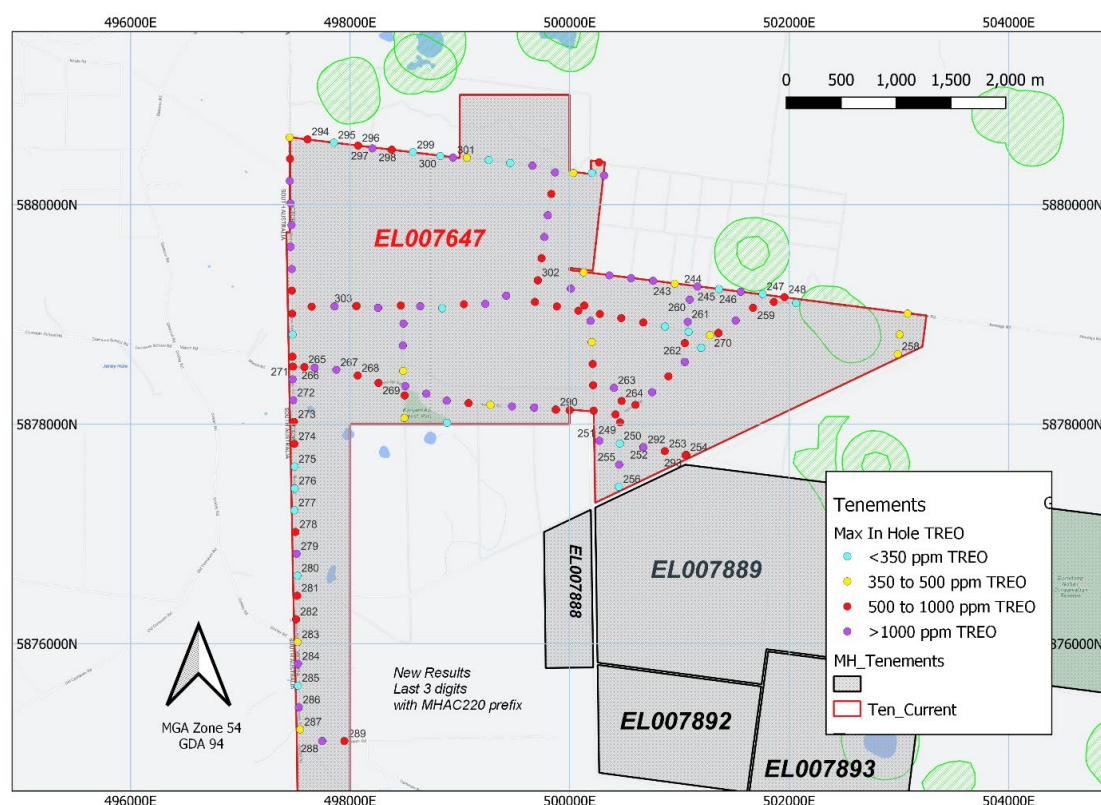


Figure 5: Plan view showing location of mineralised drill holes on EL007647, coloured by maximum TREO grade intercepted. Resource Base, 14 December 2022.

Metallurgical Testwork

On 5 July 2023, the Company announced the results of its preliminary metallurgical testwork for the Mitre Hill REE Project to confirm the ionic nature of the deposit and therefore potential for conventional separation.

Two (2) assayed holes were randomly selected from within the mineralised envelope and test-work supervised and conducted by Strategic Metallurgy laboratories in Perth, Western Australia. The aim of this initial phase of testwork was to broadly understand the metallurgical and processing requirements to recover rare earths from the Mitre Hill project. Simple bottle-roll leaching tests were undertaken under standard desorption conditions of 1.25 M (166gpl lixiviant concentration) using ammonium sulfate as the lixiviant, at pH 3.0, adjusted by addition of sulfuric acid, and left overnight for circa 16 hours.

Clay-hosted REE deposits have advantages over hard rock deposits as they typically contain a higher proportion of magnet earth elements, within generally, shallow hosted deposits. Processing of ionic deposits is a more simplistic process, as the acid separates the minerals with the rare earths remaining within the adsorbed segment, creating superior mining economics.

Maximum recoveries of magnet REEs were as follows:

- Nd – 71.7%
- Pr – 71.1%
- Dy – 59.8%
- Tb – 59.0%

Drill Program Planning

The Company is currently in the process of engagement with landowners and DEECA (Department of Energy, Environment and Climate Action) to obtain approvals for the next phase of drilling at Mitre Hill, which seeks to expand and upgrade the current JORC inferred mineral resource estimate of 21 Mt @ 767 ppm TREO.

Resource Base is aligned with environmental consulting group Rivertech and geological resource consultants IHC mining to maximise the progression of the project in line with environmental best practice and state legislative requirements.

Drilling is dependent on the Victorian state government approval process.

Black Range Project

During the reporting period, the Company advised that while the Company had consulted extensively with the Victorian Regulators and its tenement manager, the Company has been unable to satisfy the necessary geological evidence required to allow the granting of a RL over the Black Range tenement in an outcome which was flagged as a key risk in the prospectus at the time of re-admission. While there are avenues to explore opportunities to reapply for the tenements, this lengthy process is not in-line with the Company's current corporate focus.

FINANCIAL POSITION

The consolidated entity made a loss for the half year of \$349,629 (31 December 2022, loss of \$808,774). Cash reserves were \$784,310 (30 June 2023: \$1,554,652).

CORPORATE ACTIVITIES

The Company's AGM was held on 23 November 2023 with all resolutions passing by way of a poll.

During the period, the Company announced that 14,614,655 ordinary shares were released from escrow.

EVENTS SUBSEQUENT TO REPORTING DATE

There have been no other transactions or events of a material and unusual nature likely, in the opinion of the Directors of the Company, to significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

ENVIRONMENTAL REGULATION

The economic entity holds participating interests in a number of mining and exploration tenements. The various authorities granting such tenements require the tenement holder to comply with the terms of the grant of the tenement and all directions given to it under those terms of the tenement. There were no breaches of these regulations during the half year to 31 December 2023.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* forms part of the Directors' Report and is included on page 22.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

On behalf of the Directors,



Maurice Feilich | Non-Executive Chairman

8 March 2024

FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2023

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME

	31 Dec 2023	31 Dec 2022
Notes	\$	\$
Revenue		
Interest revenue	8,895	1,570
Other income	3,971	-
Expenses		
Compliance and regulatory costs	(67,310)	(68,565)
Consulting and professional fees	(51,132)	(12,784)
Employee benefits	(145,703)	(398,971)
Depreciation expenses	(24,297)	(8,673)
Other expenses	(69,903)	(168,493)
Finance costs	-	(6,462)
Share based payments	-	(146,396)
Exploration expenses	(4,150)	-
Loss before income tax expense	(349,629)	(808,774)
Income tax expense	-	-
Loss after income tax expense for the period attributable to the owners of Resource Base Limited	(349,629)	(808,774)
Other comprehensive income for the period, net of tax	34,431	-
Total comprehensive loss for the period attributable to the owners of Resource Base Limited	(315,198)	(808,774)
<i>Earnings per share for loss from operations attributable to the owners of Resource Base Limited</i>		
Basic earnings / (loss) per share (cents per share)	(0.42)	(1.39)
Diluted earnings / (loss) per share (cents per share)	(0.42)	(1.39)

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

FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2023

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		31 Dec 2023	30 Jun 2023
	Notes	\$	\$
Assets			
Current assets			
Cash and cash equivalents		784,310	1,554,652
Term deposits		31,828	31,828
Assets classified as held for sale	4	121,814	-
Prepayment		27,379	51,457
Total current assets		965,331	1,637,937
Non-current assets			
Plant and equipment		7,616	194,755
Exploration and evaluation	5	4,583,114	4,067,550
Other assets		30,600	30,600
Total non-current assets		4,621,330	4,292,905
Total assets		5,586,661	5,930,842
Liabilities			
Current liabilities			
Trade and other payables	6	34,022	64,408
Provisions	7	1,856	453
Total current liabilities		35,878	64,861
Non-current liabilities			
Total non-current liabilities		-	-
Total liabilities		35,878	64,861
Net assets		5,550,783	5,865,981
Equity			
Issued capital	8	29,766,069	29,766,069
Reserves	9	1,558,993	1,524,562
Accumulated losses		(25,774,279)	(25,424,650)
Total surplus / deficiency		5,550,783	5,865,981

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

FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	31 Dec 2023	31 Dec 2022
Notes	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees	(342,190)	(639,278)
Interest received	8,895	1,570
Interest and other finance costs paid	-	(6,462)
Payments for exploration expenditure	(4,150)	-
Net cash flows used in operating activities	(337,445)	(644,170)
Cash flows from investing activities		
Payments for exploration expenditure	(512,593)	(684,063)
Payments for plant and equipment	-	(94,191)
Proceeds from sale of plant and equipment	45,000	1,955
Net cash flows used in investing activities	(467,593)	(776,299)
Cash flows from financing activities		
Proceeds from share issue	-	704,500
Repayment of borrowings	-	(37,516)
Share issue costs	-	(41,533)
Net cash flows from financing activities	-	625,451
Net decrease in cash and cash equivalents	(805,038)	(795,018)
Foreign exchange movement on cash	34,696	-
Cash and cash equivalents at beginning of period	1,554,652	2,143,967
Cash and cash equivalents at end of period	784,310	1,348,949

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

FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Issued Capital	Reserve	Accumulated losses	Total equity
	\$	\$	\$	\$
Balance at 1 July 2022	26,821,292	1,616,075	(21,388,845)	7,048,522
Loss for the period	-	-	(808,774)	(808,774)
Total comprehensive loss for the period	-	-	(808,774)	(808,774)
<i>Transactions with owners in their capacity as owners</i>				
Share issued	1,084,500	(380,000)	-	704,500
Cost of shares issued	(41,533)	-	-	(41,533)
Options issued	-	146,395	-	146,395
Balance at 31 December 2022	27,864,259	1,382,470	(22,197,619)	7,049,110
Balance at 1 July 2023	29,766,069	1,524,562	(25,424,650)	5,865,981
Loss for the period	-	-	(349,629)	(349,629)
Exchange difference on translating foreign operations	-	34,431	-	34,431
Total comprehensive loss for the period	-	34,431	(349,629)	(315,198)
Balance at 31 December 2023	27,766,069	1,558,993	(25,774,279)	5,550,783

The above statement of changes in equity is to be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

1. CORPORATE INFORMATION

Resource Base Limited ("Resource Base" or the "company") is a company domiciled in Australia. The address of the Company's registered office is Level 8, 99 St Georges Terrace, Perth, Western Australia.

The Company is a for-profit entity and is primarily involved in identifying and investing in mineral exploration assets and conducting exploration activities on those assets.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are general-purpose financial statements prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standards ("AASBs") adopted by the Australian Accounting Standards Board ("AASB").

The financial statements comply with International Financial Reporting Standards (IFRSs) adopted by the International Accounting Standards Board (IASB).

2.1. Basis of Preparation

These general-purpose financial statements for the half-year reporting period ended 31 December 2023 have been prepared in accordance with Australian Accounting Standard 134: *Interim Financial Reporting* and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with IAS 34 *Interim Financial Reporting*.

These half-year financial statements do not include all the notes of the type normally included in annual financial statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the full financial statements. Accordingly, these half-year financial statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2023 and any public announcements made by the Company during the half-year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and the ASX Listing Rules.

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

For the purpose to preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

The accounting policies and methods of computation are the same as those adopted in the most recent annual financial statements. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

2.2. New or Amended Accounting Standards and Interpretations Adopted

The consolidated entity has adopted all of the new, revised or amending Australian Accounting Standards (AASs) and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

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

2.3. Going Concern Basis

The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. For the six months ended 31 December 2023, the consolidated entity incurred a loss after tax of \$349,629 (31 December

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

2022: \$808,774) and had net cash outflows from operating and exploration activities of \$850,038 (31 December 2022: \$1,328,233). At 31 December 2023, the consolidated entity had \$784,310 of available cash.

In considering the appropriateness of this basis of preparation, the directors have reviewed the consolidated entity's working capital forecasts for a minimum of 12 months from the date of the approval of this financial statement.

The directors have prepared a detailed cash flow forecast through to 31 March 2025 and based on the budgeted expenditure, the consolidated entity will be required to raise additional funds to facilitate its ongoing exploration and operating commitments. The consolidated entity currently does not have any production income and in order to continue as a going concern is reliant on achieving capital raising over the 12 months to 31 March 2025.

Based on the current management plan, management believes that these funds will be sufficient for the expenditure to date as well as the planned forecast expenditure for the forthcoming twelve months. As a result of that review, the Directors consider that it is appropriate to adopt the going concern basis of preparation.

In the event that the consolidated entity is unsuccessful in the matters set out above, there is material uncertainty whether the consolidated entity will continue as a going concern and therefore whether it will realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the financial report. This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the consolidated entity not continue as a going concern.

3. OPERATING SEGMENTS

Identification of reportable operating segments

The consolidated entity is organised into one operating segment, being the exploration of minerals in Australia. This operating segment is based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

4. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For non-current assets to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write down of the non-current assets to fair value less costs of disposal. A gain is recognised for any subsequent increases in fair value less costs of disposal of non-current assets, but not in excess of any cumulative impairment loss previously recognised.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interests and others expenses attributable to the liabilities of assets held for sale continue to be recognised.

Non-current assets classified as held for sale are presented on the face of the statement of financial position under current assets.

	31 Dec 2023	30 Jun 2023
	\$	\$
Held for Sale Asset - equipment	121,814	-
	121,814	-

The fair value of the equipment was determined based on the market comparable approach that reflects current transaction prices for similar properties.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

5. EXPLORATION AND EVALUATION

	31 Dec 2023	30 Jun 2023
	\$	\$
<i>Black Range Project</i>		
Acquisition cost	-	1,638,000
Exploration and evaluation phases - at cost	-	1,079,213
Impairment provision	-	(2,717,213)
Net carrying amount Black Range Project	-	-
<i>Mitre Hill Project</i>		
Acquisition cost	1,707,114	1,707,114
Exploration and evaluation phases - at cost	1,171,872	1,144,809
Net carrying amount Mitre Hill Project	2,878,986	2,851,923
<i>Wali and Ernst Lake Project</i>		
Acquisition cost	1,063,763	1,063,763
Exploration and evaluation phases – at cost	640,365	151,865
Net carrying amount Wali and Ernst Lake Project	1,704,128	1,215,628
Total Exploration and Evaluation	4,583,114	4,067,551

*: In light of the decision to focus exclusively on the Company's priority targets in Quebec and at Mitre Hill, the Company decided not to continue the retention licence submission for Black Range Project and therefore fully wrote off the project costs of during the period. Full impairment provision of the project carrying amount had been provided during the year ended 30 June 2023.

6. TRADE AND OTHER PAYABLES

	31 Dec 2023	30 Jun 2023
	\$	\$
Trade payables	15,755	26,167
Other payables and accruals	18,267	38,241
Total trade and other payables	34,022	64,408

Trade payables are unsecured and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are assumed to be the same as their fair values, due to their short-term nature.

7. PROVISIONS

	31 Dec 2022	30 Jun 2023
	\$	\$
<i>Current</i>		
Employee provisions	1,856	453
	1,856	453

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

8. ISSUED CAPITAL

	31 Dec 2023	30 Jun 2023	31 Dec 2023	30 Jun 2023
	No. shares	No shares	\$	\$
Share capital				
Opening 1 July	82,684,485	54,291,152	29,766,069	26,821,292
Conversion of performance rights	-	2,000,000	-	380,000
Placement 8 December 2022	-	8,060,000	-	604,500
Placement shares issued to directors	-	1,333,333	-	100,000
Shares issued as consideration for the acquisition of Wali and Ernst Lake Lithium Project	-	6,000,000	-	663,000
Placement 18 May 2023	-	11,000,000	-	1,319,990
Share issue costs	-	-	-	(122,713)
Ordinary shares fully paid	82,684,485	82,684,485	29,766,069	29,766,069

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Capital risk management

The consolidated entity's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the consolidated entity may issue new shares in order to meet its financing requirements.

The consolidated entity is subject to certain financing arrangements and meeting these are given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged from the 30 June 2023 Annual Report.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

9. RESERVES

	31 Dec 2023	30 Jun 2023
	\$	\$
Options reserve	1,524,562	1,524,562
Foreign currency translation reserve	34,431	-
	1,558,993	1,524,562

Nature and purpose of reserves:

The options reserve is used to recognise the fair value of options issued but not exercised.

The foreign currency reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign subsidiary to Australian dollars.

Movement of options on issue:

	31 Dec 2023	31 Dec 2023
Note	Number	\$
Options on issue at start of period and end of the period	20,185,640	1,524,562

There were no movements of options on issue during the period.

10. RELATED PARTY TRANSACTIONS

Remuneration arrangements of key management personnel are disclosed in the annual financial report.

11. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Contingent Consideration – Mitre Hill Project

Pursuant to the Mitre Hill Pty Ltd Acquisition Agreement, as set out in section 4.2.2 of the Short form Prospectus dated 1 October 2021, on completion of the Acquisition the Company issued on 23 December 2021, 4,000,000 Performance Shares to the Vendors pro rata, each to convert into one (1) Share upon the satisfaction of the following milestones:

- (Tranche 1): 2,000,000 Performance Rights shall vest upon the Purchaser achieving, at ten (10) contiguous drill holes at least 50 metres apart on the ELs, intercept grades of a minimum of 600ppm total rare earth oxides (TREO) over at least one (1) metre, within fifteen (15) months of the Drop-Dead Date; and
- (Tranche 2): 2,000,000 Performance Rights shall vest upon the announcement by the Purchaser of a of a JORC compliant Inferred Mineral Resource (as defined in the JORC Code 2012 Edition) on the ELs of 30 million tonnes or greater, grading a minimum of 700ppm TREO or greater, within two (2) years from the Drop-Dead Date.

Pursuant to the Mitre Hill Pty Ltd Acquisition Agreement the Company agreed pay to the Vendors a royalty of 1% of the net smelter return on all minerals (on a pro-rata basis), mineral products and concentrates, produced and sold from the ELs (or any tenement(s) which may be granted in lieu of or relate to the same ground as the ELs); On 23 August 2022, the Company announced the vesting of the Tranche 1 performance rights, the rights were valued and included as consideration in the accounts at 30 June 2022.

The Tranche 2 performance rights have been assessed by management as future obligations whose existence will be confirmed by uncertain future events that are not wholly within the control of the entity.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

Contingent Consideration – Wali & Ernst Lake Project

Pursuant to the Wali & Ernst Lake Project Acquisition Agreement, as announced to the market on 24 February 2023, on completion of the Acquisition the Company issued 8,000,000 performance rights convertible to fully paid ordinary shares, upon the achievement of diamond drill results with at least 20m intercept at 1% lithium at either of the Projects on or before 31 December 2024.

The fair value of the performance rights that were issued under the arrangements of the project acquisition was deemed to be nil as the probability of conditions being met was assessed at 0% on acquisition date.

There are no contingent assets at the reporting date.

12. COMMITMENTS

	31 Dec 2023	30 Jun 2023
	\$	\$
<i>Exploration expenditure</i>		
Within 1 year	666,000	759,050
One year or later but no later than 5 years	1,730,500	992,626
	2,146,500	1,751,676

In order to maintain current rights of tenure to the exploration lease the Company was required to meet minimum expenditure requirements of the State Mines Departments. These obligations are not recorded in the financial statements.

13. EVENTS SUBSEQUENT TO REPORTING DATE

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the options of the Directors, to affect significantly the operations, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

DIRECTORS' DECLARATION
FOR THE HALF YEAR ENDED 31 DECEMBER 2023

In accordance with a resolution of the Directors of Resource Base Limited, I state that:

- (1) In the opinion of the Directors:
- (a) the financial statements and notes set out on pages 11 to 20 and the Directors' Report are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the half year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and
 - (b) there are reasonable grounds to believe that the consolidated entity will be able to pay its debts as and when they become due and payable.
- (2) The Directors draw attention to Note 2 to the financial statements, which includes a statement of compliance with International Financial Reporting Standards.
- (3) The Directors have been given the declarations by the chief executive officer and chief financial officer for the half year ended 31 December 2023 required by section 295A of the *Corporations Act 2001*.

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



Maurice Feilich | Non-Executive Chairman

8 March 2024

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF RESOURCE BASE LIMITED**

As auditor for the review of Resource Base Limited for the half-year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been:

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



SUAN-LEE TAN
PARTNER



MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 8th day of March 2024.

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF RESOURCE BASE LIMITED****Report on the Half-Year Financial Report****Conclusion**

We have reviewed the accompanying half-year financial report of Resource Base Limited (the company) and its controlled entities (the group or consolidated entity), 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, the consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of material 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 makes us believe that the half-year financial report of the company is not in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the consolidated entity's financial position as at 31 December 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*.

Emphasis of Matter - Material Uncertainty Related to Going Concern

Without modifying our conclusion on the half-year financial report, we have considered the adequacy of the disclosure made in Note 2.3 to the financial report concerning the Company's ability to continue as a going concern. The conditions explained in Note 2.3 to the financial report indicate the existence of a material uncertainty which casts significant doubt about the Company's ability to continue as a going concern. The Company's half-year financial report does not include any adjustments that would result if the Company were unable to continue as a going concern.

Basis for Conclusion

We conducted our review in accordance with Auditing Standards on Review Engagements *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 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.

Responsibility of the Directors for the Half-Year Financial Report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) 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 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 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 financial report is not in accordance with the *Corporations Act 2001* including:

- a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 and 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*.

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 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.



SUAN-LEE TAN
PARTNER



MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 8th day of March 2024.