



Europa Metals Ltd
A.C.N. 097 532 137

Financial Report
For the Half-Year Ended 31 December 2024

Contents

	Pages
Directors' Report	3
Auditor's Declaration of Independence	5
Consolidated Statement of Profit or Loss and Other Comprehensive Income	6
Consolidated Statement of Financial Position	7
Consolidated Statement of Changes in Equity	8
Consolidated Statement of Cash Flows	9
Notes to the Consolidated Financial Statements	10
Directors' Declaration	16
Independent Auditor's Review Report to the Members	17

Europa Metals Ltd

A.C.N. 097 532 137

Directors' Report

Your Directors present the unaudited report and results of Europa Metals Ltd ("Europa Metals", the "Company" or, together with its controlled entities, the "Group") for the half-year period ended 31 December 2024.

Directors

The names of the Company's Directors in office during the period ended 31 December 2024 to/at the date of this report are set out below. Such directors were in office for the entire period unless otherwise stated.

Myles Campion	Executive Chairman and Interim-CEO
Evan Kirby	Non-executive Director
Daniel Smith	Non-executive Director

Review and results of operations

Europa Metals is a mineral exploration company and currently classified as an 'AIM Rule 15 cash shell'.

Operating Results

For the half-year period ended 31 December 2024, the Group recorded a net profit after tax of \$4,834,803 (31 December 2023: net loss of \$248,761).

Toral Lead-Zinc-Silver Project, Spain ("Toral" or the "Toral Project")

The Toral Project is situated in northwest Spain in a world class mining jurisdiction which provides the opportunity to create new mines within well-established environmental and mining frameworks and with access to first class power and transport infrastructure.

On 13 November 2024, the Company announced that it had completed its previously announced disposal of 100% of the issued and outstanding shares of Europa Metals Iberia S.L. ("EMI"), the Spanish subsidiary holding the Toral Zn-Pb-Ag Project (the "Toral Project") in the Leon Province, Northern Spain to Denarius Metals Corp. (Cboe CA: DMET) (OTCQX: DNRSF) ("Denarius Metals").

In accordance with the agreement with Denarius Metals, as announced on 17 September 2024, Europa was issued 7,000,000 common shares in Denarius Metals, which are subject to a hold period ending on March 13, 2025. The former Option and Loan Agreements dated 22 November 2022 between Europa and the Denarius Metals were terminated on closing of the transaction.

As advised following completion of the disposal, the Company is now classified as an 'AIM Rule 15 cash shell'. In accordance with AIM Rule 15, the Company has six months to complete an acquisition or acquisitions that constitute a reverse takeover under AIM Rule 14. If the Company does not complete such a transaction within this period, trading in its AIM securities will be suspended.

Corporate

Viridian Metals Limited

On 17 September 2024, the Company announced the signing of a conditional term sheet regarding the proposed acquisition of Viridian Metals Ireland Limited, ("Viridian Metals"), and its 100% owned Tynagh brownfield Pb/Zn/Cu/Ag project in the Republic of Ireland. Subsequent to the end of the reporting period, the Company announced that Europa had decided not to extend the exclusivity period under the term sheet.

The Company will continue to pursue other opportunities.

Shareholder Meetings

On 25 October 2024, the Company held a General Meeting for Shareholders to consider the proposed disposal of the Company's 100% interest in EMI to Denarius Metals. Shareholders voted overwhelmingly in favour of the transaction.

On 29 November 2024, the Company held its Annual General Meeting, whereby all resolutions were duly approved by Shareholders by way of a poll.

Europa Metals Ltd

A.C.N. 097 532 137

Directors' Report

Events subsequent to the reporting date

On 17 February 2025, the Company announced that it had decided not to proceed with the proposed acquisition of Viridian Metals, and accordingly, its shares resumed trading on the AIM on that day.

No other matters or circumstances have arisen since the reporting date that may significantly affect the operations of the Company, the results of those operations, or the Company's state of affairs in future financial years.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 5.

Dated in Perth on 28 March 2025.

Signed in accordance with a resolution of the Directors.



Daniel Smith

Director



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DECLARATION OF INDEPENDENCE BY ASHLEIGH WOODLEY TO THE DIRECTORS OF EUROPA METALS LTD

As lead auditor for the review of Europa Metals Ltd for the half-year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Europa Metals Ltd and the entity it controlled during the period.

A handwritten signature in black ink, appearing to read 'Ashleigh Woodley'. The signature is stylized and cursive.

Ashleigh Woodley
Director

BDO Audit Pty Ltd

Perth

28 March 2025

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Note	6 months to 31 December 2024 \$	6 months to 31 December 2023 \$
Other Income	2	-	277,071
Other gains	2	5,575,725	-
		5,575,725	277,071
Fair value loss on financial assets		(264,279)	-
Exploration expenditure		-	(9,315)
Foreign exchange (loss)/gain		(7,436)	(10,097)
Other expenses	2	(469,207)	(506,420)
Profit /(loss) before income tax		4,834,803	(248,761)
Income tax (expense)/benefit		-	-
Net profit/(loss) after income tax		4,834,803	(248,761)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Net exchange (loss)/gain on translation of foreign operation		-	-
Other comprehensive (loss)/profit for the period, net of tax		-	-
Total comprehensive income/(loss) for the period		4,834,803	(248,761)
Net profit/(loss) for the period attributable to shareholders of the Company:		4,834,803	(248,761)
		4,834,803	(248,761)
Total comprehensive income/(loss) for the period attributable to shareholders of the Company:		4,834,803	(248,761)
		4,834,803	(248,761)
Profit/(loss) per share attributable to the ordinary equity holders of the Company		Cents per share	Cents per share
Profit/(loss) per share			
- basic profit/(loss) per share	8	4.95	(0.26)
- diluted profit/(loss) per share	8	4.85	(0.26)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

As at 31 December 2024

		31 December 2024	30 June 2024
	Note	\$	\$
Current Assets			
Cash and short-term deposits		303,310	252,075
Trade and other receivables		17,077	64,673
Financial assets at FVTPL	3	5,311,446	-
Total Current Assets		5,631,833	316,748
Total Assets			
		5,631,833	316,748
Current Liabilities			
Trade and other payables	5	566,894	310,773
Borrowings	6	224,161	-
Total Current Liabilities		791,055	310,773
Total Liabilities			
		791,055	310,773
NET ASSETS			
		4,840,778	5,975
Equity			
Contributed equity	7	49,562,236	49,562,236
Accumulated losses		(44,764,087)	(52,856,850)
Reserves		42,629	3,300,589
TOTAL EQUITY		4,840,778	5,975

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Europa Metals Ltd

A.C.N. 097 532 137

Consolidated Statement of Changes in Equity

For the half-year from 1 July 2024 to 31 December 2024

	Issued Capital \$	Accumulated Losses \$	Employee Share Incentive Reserve \$	Option Reserve \$	Total Equity \$
At 1 July 2023	49,391,945	(52,224,070)	595,010	2,795,382	558,267
(Loss) for the period	-	(248,761)	-	-	(248,761)
Other comprehensive income (net of tax)	-	-	-	-	-
Total comprehensive loss (net of tax)	-	(248,761)	-	-	(248,761)
Transaction with owners in their capacity as owners					
Performance shares issued	-	-	66,859	-	66,859
Conversion of performance rights	170,291	-	(170,291)	-	-
Options issued to directors and management	-	-	-	13,629	13,629
At 31 December 2023	49,562,236	(52,472,831)	491,578	2,809,011	389,994
At 1 July 2024	49,562,236	(52,856,850)	491,578	2,809,011	5,975
Profit/(Loss) for the period	-	4,834,803	-	-	4,834,803
Other comprehensive income (net of tax)	-	-	-	-	-
Total comprehensive income/(loss) (net of tax)	-	4,834,803	-	-	4,834,803
Transaction with owners in their capacity as owners					
Expiry of options	-	3,257,960	(491,578)	(2,766,382)	-
At 31 December 2024	49,562,236	(44,764,087)	-	42,629	4,840,778

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

For the period 1 July 2024 to 31 December 2024

	6 months to 31 December 2024	6 months to 31 December 2023
	\$	\$
Cash flows from operating activities		
Receipts from associate	-	277,071
Payments to suppliers and employees	(183,680)	(323,677)
Payment for exploration and evaluation costs	-	(107,254)
Net cash flows used in operating activities	(183,680)	(153,860)
Cash flows from financing activities		
Proceeds from borrowings	224,161	-
Net cash flows from financing activities	224,161	-
Net increase / (decrease) in cash and cash equivalents	40,481	(153,860)
Cash and cash equivalents at beginning of period	252,075	653,990
Effect of foreign exchange on cash and cash equivalents	10,754	(11,166)
Cash and cash equivalents at end of the period	303,310	488,964

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements

NOTE 1: GENERAL INFORMATION, BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

Corporate information

The financial report of Europa Metals Ltd and its subsidiary (collectively, the “Group”) for the half-year ended 31 December 2024 was authorised for issue in accordance with a resolution of the directors on 28 March 2025. Europa Metals Ltd is a company incorporated in Australia and limited by shares, which are publicly traded on the AIM market of the London Stock Exchange (primary listing) and the AltX of the Johannesburg Stock Exchange (secondary listing).

The nature of operations and principal activities of the Group are as described in the Directors’ Report.

Basis of preparation

The unaudited half-year financial report is a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001 and AASB 134: Interim Financial Reporting. Compliance with AASB 134 ensures compliance with IAS 34 ‘Interim Financial Reporting’.

This half-year financial report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Company as in a full annual financial report.

It is recommended that this half-year financial report be read in conjunction with the annual financial report for the year ended 30 June 2024 and any public announcements made by Europa Metals Ltd during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the AIM Rules for Companies.

The half-year report has been prepared on an historical cost basis. The Company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise stated.

Financial assets

The Group has an equity investment which is held for trading. The investment is classified as a financial asset at fair value through profit or loss (FVTPL). Changes in the fair value of financial assets at FVTPL are recognised in fair value gains/(losses) in the statement of profit or loss as applicable.

The fair value of these financial assets are determined by reference to active market transactions.

Borrowings – convertible notes

The Group entered into convertible note agreements during the half-year. The convertible note instruments are hybrid financial instruments which includes a combination of debt financial liability and a derivative financial liability that represents the conversion feature to convert the debt instrument into a variable number of equity instruments.

On initial recognition, the embedded derivatives are recognised at fair value and the debt host liability is initially recognised based on the residual value from deducting the fair value of the embedded derivatives from the amount of consideration received from issuing the instruments.

The debt component is subsequently recognised as a financial liability at amortised cost, net of transaction costs. The difference between the fair value of the debt component on initial recognition and the redemption amount, is recognised in profit or loss over the period of the instrument using the effective interest method.

The derivative liability is subsequently measured at fair value through profit or loss, with all gains or losses in relation to the movement of fair value being recognised in the profit or loss.

Financial liabilities are removed when the obligation specified in the contract is discharged, cancelled, or expired. The difference between the carrying amount of a financial liability that has been extinguished and the consideration paid is recognised in profit or loss as other income or finance costs.

Notes to the Consolidated Financial Statements

NOTE 1: GENERAL INFORMATION, BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (continued)

Adoption of new and revised Accounting Standards

For the half-year ended 31 December 2024, the Group has reviewed all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (“AASB”) that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2024. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Early adoption of accounting standards

The Group has not elected to apply any pronouncements before their operative date in the annual reporting year beginning 1 July 2024.

Going Concern

As at 31 December 2024, the Group had working capital of A\$4,840,778 (current assets less current liabilities) with cash on hand of A\$303,310 and a net profit of A\$4,834,803. The Directors are of the opinion that the Group is a going concern.

The consolidated financial statements have been prepared on the basis that the Group will continue to meet its commitments and can therefore continue normal business activities and realise its assets and settle liabilities in the normal course of business.

NOTE 2: REVENUE AND EXPENSES

The profit/(loss) for the half-year includes the following items:

	31 Dec 2024	31 Dec 2023
	\$	\$
(a) Other Income		
Gain on disposal of Europa Metals Iberia S.L. (i)	5,575,725	-
Income from Associate (expense reimbursements)	-	277,071
	5,575,725	277,071
Other expenses		
Other expenses include the following:		
- Consulting services	120,194	47,738
- Employment related services	168,807	165,498
- Share based payments	-	80,488
- Corporate	69,970	114,268
- Other	110,236	98,428
	469,207	506,420

(i) On 12 November 2024 the Group disposed of 100% of the issued and outstanding shares of Europa Metals Iberia S.L. (“EMI”), the Spanish subsidiary holding the Toral Zn-Pb-Ag Project (the “Toral Project”) for 7,000,000 common shares in Denarius Metals Corp valued at \$5,575,725¹.

¹ Share price at 12 November 2024 CAD\$0.73, CAD:AUD 1.09114.

EMI was deconsolidated from the Europa Metals Limited financial statements from 1 January 2023.

Notes to the Consolidated Financial Statements

NOTE 3: FINANCIAL ASSETS

	31 Dec 2024	30 Jun 2024
	\$	\$
Opening balance	-	-
Additions (see note 2)	5,575,725	-
Fair value movement	(264,279)	-
Closing balance	<u>5,311,446</u>	<u>-</u>

Fair Value Measurement

The Group's equity investments in listed companies are grouped into level 1 of the fair value hierarchy. These equity investments are valued using quoted prices in an active market.

NOTE 4: INVESTMENT IN ASSOCIATE

In accordance with AASB 128 Investments in Associates Europa Metals Iberia S.L. ("EMI") was accounted for as an Investment in Associate until its disposal on 12 November 2024. EMI's country of incorporation and principal place of business is Spain.

Name of Associate: Europa Metals Iberia S.L.

Place of business: TRVA La Fragua 2, Almazcara, Congosto 24398, Leon, Spain.

	31 Dec 2024	30 June 2024
Ownership Interest	-	100%
Carrying amount (i)	-	-

(i) The carrying amount of the investment in associate is nil due to its net liability position as at the date of disposal on 12 November 2024 (30 June 2024: Nil).

NOTE 5: TRADE AND OTHER PAYABLES

		31 Dec 2024	30 Jun 2024
Current		\$	\$
Trade payables	(i)	550,394	258,599
Other payables		16,500	52,174
		<u>566,894</u>	<u>310,773</u>

(i) Includes deferred directors fees of \$459,113.

NOTE 6: BORROWINGS

	31 Dec 2024	30 Jun 2024
	\$	\$
Current liability		
<i>Convertible notes payable</i>		
Financial liability	132,211	-
Derivative liability	91,950	-
	<u>224,161</u>	<u>-</u>

Notes to the Consolidated Financial Statements

NOTE 6: BORROWINGS (continued)

On 26 November 2024 the Group raised a total of £115,000 (\$224,161) via the issue of a convertible loan note to sophisticated investors. The convertible loan notes are unsecured, have a face value of £1 each, are convertible into Ordinary Shares in the Company at the lower of either 2.4p or at a 20% discount to the share price, and carry an annual coupon of 8% accrued and payable in shares in the Company.

The Convertible Notes shall automatically convert to shares in the Company at the Conversion Price upon the Conversion Event¹ occurring, calculated at the Conversion Price:

The Conversion Price is the greater of:

- a) The Australian dollar equivalent of £0.024 (2.4 pence);
- b) That price which is a 20% discount to the capital raising price².

¹ Conversion event means the Company receiving a conditional admission letter to the Australian Securities Exchange on terms satisfactory to the Company's directors.

² Capital raising price means the issue price of shares issued under a public offer in conjunction with the Company causing a Conversion Event.

If convertible notes are not converted by the redemption date of 27 November 2025, any amounts outstanding, including interest, are repayable in cash.

NOTE 7: CONTRIBUTED EQUITY

	31 Dec 2024	30 June 2024	31 Dec 2024	30 June 2024
	No. of Shares	No. of Shares	\$	\$
Share Capital summary				
Ordinary Shares				
Ordinary Shares fully paid	97,671,790	97,671,790	49,562,236	49,562,236
Less: Employee share plan shares	(4,600)	(4,600)	-	
	97,667,190	97,667,190	49,562,236	49,562,236

Movements in ordinary share capital

		Number	\$
1 July 2023	Opening balance	94,171,790	49,391,945
11 December 2023	Conversion of performance rights	3,500,000	170,291
30 June 2024	Closing Balance	97,671,790	49,562,236
1 July 2024	Opening balance	97,671,790	49,562,236
31 December 2024	Closing balance	97,671,790	49,562,236
Less:	Employee share plan shares on issue	(4,600)	-
		97,667,190	49,562,236

Options

The following table illustrates the movements in share options during the period:

Notes to the Consolidated Financial Statements

NOTE 7: CONTRIBUTED EQUITY (continued)

	31 December 2024	30 June 2024
	Number	Number
Outstanding at beginning of the period	3,500,000	8,931,764
Issued during the period	-	-
Expired/exercised during the period	(1,500,000)	(5,431,764)
Outstanding at the end of the period	<u>2,000,000</u>	<u>3,500,000</u>
Exercisable at the end of the period	2,000,000	3,500,000

NOTE 8: PROFIT/(LOSS) PER SHARE

	31 December 2024	31 December 2023
	\$	\$
Basic profit/(loss) per share (cents per share)	4.95	(0.26)
Diluted profit/(loss) per share (cents per share)	4.85	(0.26)
Profit/(loss) used in calculating basic loss per share	4,834,803	(248,761)
Adjustments to basic profit/(loss) used to calculate dilutive loss per share	-	-
Profit/(loss) used in calculating dilutive profit/(loss) per share	4,834,803	(248,761)
	Number	Number
Weighted average number of ordinary shares used in the calculation of basic profit/(loss) per share	97,667,190	94,547,625
Weighted average number of ordinary shares used in the calculation of diluted profit/(loss) per share	99,667,190¹	94,547,625

¹2,000,000 share options outstanding as at 31 December 2024 have been included in the calculation of dilutive profit per share.

NOTE 9: CONTINGENCIES AND COMMITMENTS

The Group has had no material changes in relation to any contingencies and commitments since 30 June 2024.

NOTE 10: RELATED PARTY TRANSACTIONS

There have been no other related party transactions with Directors, key management personnel or related parties in the current reporting period.

Notes to the Consolidated Financial Statements

NOTE 11: EVENTS OCCURRING SUBSEQUENT TO THE REPORTING DATE

On 17 February 2025, the Company announced that it had decided not to proceed with the proposed acquisition of Viridian Metals, and accordingly, its shares resumed trading on the AIM on that day.

No other matters or circumstances have arisen since the reporting date that may significantly affect the operations of the Company, the results of these operations, or the Company's state of affairs in future financial years.

Directors' Declaration

In accordance with a resolution of the directors of Europa Metals Ltd, I state that:

In the opinion of the directors:

- (a) the financial statements and notes of the Company are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position as at 31 December 2024 and the performance for the period 1 July 2024 to 31 December 2024; and
 - (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; other mandatory professional reporting requirements; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the board



Daniel Smith
Director
Perth
28 March 2025

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Europa Metals Ltd

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Europa Metals Ltd (the Company) and its subsidiary (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, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, material accounting policy information 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 accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- i. 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 ended on that date; and
- ii. Complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

Basis for conclusion

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

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the directors for the 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 is true and fair and is free from material misstatement, whether due to fraud or error.



Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the 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.

BDO Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'Ashleigh Woodley'. Above the signature, the letters 'BDO' are written in a simple, blocky font.

Ashleigh Woodley

Director

Perth, 28 March 2025