



PARABELLUM RESOURCES LIMITED

ACN: 645 149 211

**Financial Report
For The Half Year Ended
31 December 2024**

PARABELLUM RESOURCES LIMITED

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PARABELLUM RESOURCES LIMITED AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT

The directors present their report on the consolidated group for the half-year ended 31 December 2024.

Directors

The names of the directors in office at any time during, or since the end of, the period are as follows. Directors have been in office for the entire period unless otherwise stated.

Peter Ruse (Non-Executive Chairman)
Fabio Vergara (Non-Executive Director) (appointed 31 October 2024)
Shaun Menezes (Non-Executive Director, Company Secretary and CFO)
Mark Hohnen (Non-Executive Chairman) (resigned 31 October 2024)
Peter Secker (Executive Director) (resigned 31 October 2024)

Principal Activities

The principal activity of the Company during the period was the exploration for minerals.

Review of Operations

The consolidated loss of the consolidated group for the financial period after providing for income tax amounted to \$1,255,724 (2023: \$4,294,780).

NSW Nickel Copper Gold Cobalt Projects

The Company's NSW Projects comprise the Redlands/Whitbarrow, Recovery and Lunns Dam Projects in the Tottenham-Girilambone district - four granted exploration licenses covering approx. 690km² - and the Obley Project in the Yeoval district - one granted exploration license covering approx. 180km² (Map 1).



Map 1: PBL Project Location (Source PBL 4th October 2021)

The Company has identified the Miandetta/Redlands Cu prospect in the Redlands Project area as being the next area to continue exploration. A review of previous exploration of the Redlands Project (EL9188) highlighted the Miandetta/Redlands Cu prospect as having excellent potential for hosting Ni/Co/Cu mineralisation. Limited historic drilling identified that anomalous Ni-Cu mineralisation is hosted in the oxide profile above ultramafic rocks. The ultramafic rocks have a distinct strong magnetic signature (Figure 1) and a systematic drilling program was developed in order to test the magnitude of this target.

Preliminary metallurgical testwork

Six bulk samples from the 2024 Redlands/Miandetta aircore drilling program were submitted to ALS Metallurgical laboratories for preliminary metallurgical testwork. The testwork involved atmospheric acid leach testing of Ni-Co laterite mineralisation from Redlands and Miandetta. Sample locations are shown on Figure 1.

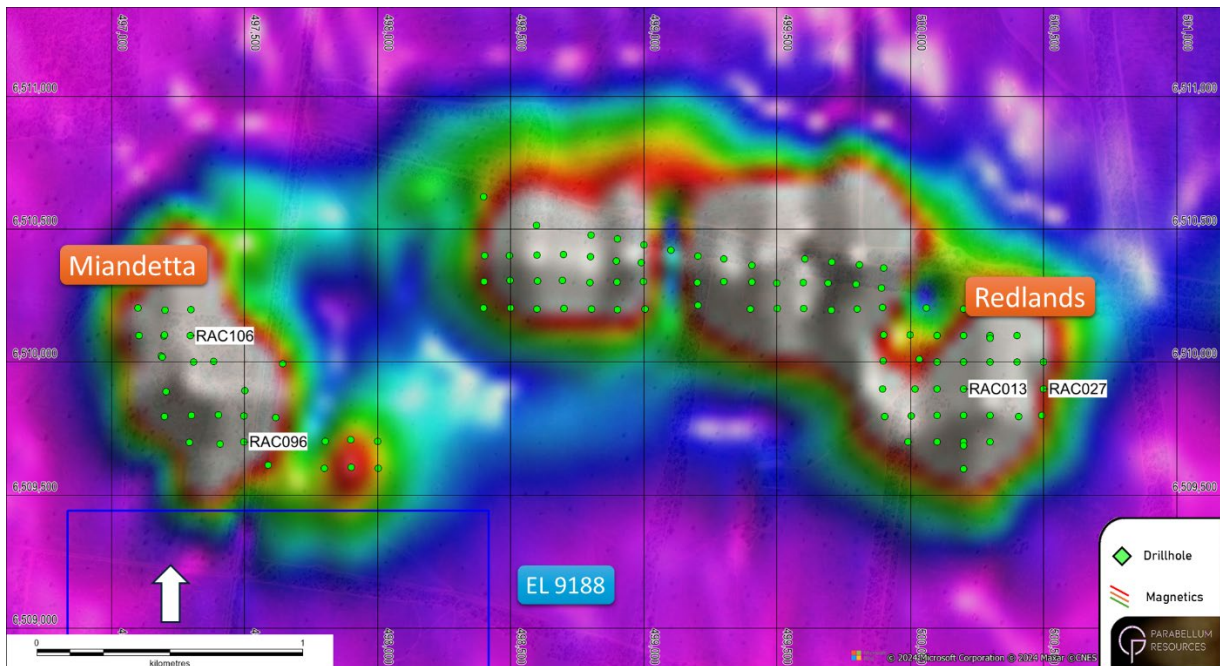


Figure 1 Redlands Prospect – Parabellum aircore/RC drillholes on airborne magnetics (analytical signal).

Overall, nickel cobalt recoveries for the saprolite samples are considered very encouraging at this stage of the testwork program.

Corporate

In October 2024, the Company received \$324,828 as a return of capital from the Temarise investment.

Significant Changes in the State of Affairs

There have been no significant changes in the Company's state of affairs occurred during the financial period.

Events Subsequent to the End of the Reporting Period

No matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial periods.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is included within this financial report.

Signed in accordance with a resolution of the Directors.

On behalf of the Directors

Shaun Menezes
Non-Executive Director
21 February 2025



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DECLARATION OF INDEPENDENCE BY GLYN O'BRIEN TO THE DIRECTORS OF PARABELLUM RESOURCES LIMITED

As lead auditor for the review of Parabellum Resources Limited 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 Parabellum Resources Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'Glyn O'Brien', with a long, sweeping horizontal stroke extending to the right.

Glyn O'Brien

Director

BDO Audit Pty Ltd

Perth

21 February 2025

PARABELLUM RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Note	31 December 2024 \$	31 December 2023 \$
Interest income		37,122	45,576
Other		-	750
Expenses			
Corporate		(244,665)	(359,706)
Share of loss of associates accounted for using equity method	5	-	(1,014,218)
Impairment of investment in associate	5	324,828	(2,885,782)
Impairment of exploration	4	(1,373,009)	-
Foreign exchange loss		-	(81,400)
Loss before tax		(1,255,724)	(4,294,780)
Income tax expense		-	-
Loss for the period		(1,255,724)	(4,294,780)
Other comprehensive income		-	-
Total comprehensive loss for the period attributable to the members		(1,255,724)	(4,294,780)
		Cents	Cents
Basic and diluted loss per share (cents per share)	2	(2.02)	(6.89)

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

PARABELLUM RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Note	31 December 2024 \$	30 June 2024 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	1,633,707	1,634,931
Other assets		50,000	50,000
Trade and other receivables		16,501	30,071
Prepayments		38,270	15,290
TOTAL CURRENT ASSETS		<u>1,738,478</u>	<u>1,730,292</u>
NON-CURRENT ASSETS			
Exploration and evaluation expenditure	4	1,185,950	2,545,410
TOTAL NON-CURRENT ASSETS		<u>1,185,950</u>	<u>2,545,410</u>
TOTAL ASSETS		<u>2,924,428</u>	<u>4,275,702</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade creditors and other accruals		53,107	148,657
TOTAL CURRENT LIABILITIES		<u>53,107</u>	<u>148,657</u>
TOTAL LIABILITIES		<u>53,107</u>	<u>148,657</u>
NET ASSETS		<u>2,871,321</u>	<u>4,127,045</u>
EQUITY			
Issued capital	6	9,976,233	9,976,233
Reserves	7	2,533,187	2,533,187
Accumulated losses		(9,638,099)	(8,382,375)
TOTAL EQUITY		<u>2,871,321</u>	<u>4,127,045</u>

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

PARABELLUM RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Issued Capital \$	Performance Shares \$	Reserves \$	Accumulated Losses \$	Total \$
Balance at 1 July 2024	9,976,233	-	2,533,187	(8,382,375)	4,127,045
Loss for the period	-	-	-	(1,255,724)	(1,255,724)
Total comprehensive loss for the period	-	-	-	(1,255,724)	(1,255,724)
Balance at 31 December 2024	9,976,233	-	2,533,187	(9,638,099)	2,871,321

	Issued Capital \$	Performance Shares \$	Reserves \$	Accumulated Losses \$	Total \$
Balance at 1 July 2023	9,976,233	240,000	2,533,187	(4,124,220)	8,625,200
Loss for the period	-	-	-	(4,294,780)	(4,294,780)
Total comprehensive loss for the period	-	-	-	(4,294,780)	(4,294,780)
Balance at 31 December 2023	9,976,233	240,000	2,533,187	(8,419,000)	4,330,420

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

PARABELLUM RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

		31 December 2024	31 December 2023
		\$	\$
	Note		
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest received		37,122	45,576
Payments to suppliers and employees		(254,075)	(363,699)
Net cash used in operating activities		<u>(216,953)</u>	<u>(318,123)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from return of capital on investments		324,828	-
Payments for exploration and evaluation expenditure		(109,099)	(363,700)
Net cash provided by/(used in) investing activities		<u>215,729</u>	<u>(363,700)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of loans		-	(2,127,629)
Net cash used in financing activities		<u>-</u>	<u>(2,127,629)</u>
Net decrease in cash held		(1,224)	(2,809,452)
Cash and cash equivalents at beginning of period		1,634,931	4,975,840
Foreign exchange		-	(81,400)
Cash and cash equivalents at the end of the period	3	<u>1,633,707</u>	<u>2,084,988</u>

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

PARABELLUM RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2024

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES

(a) Basis of preparation

The interim consolidated financial report is a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001 and Accounting Standard AASB 134: Interim Financial Reporting. Compliance with AASB 134 ensures that the financial report and notes also comply with International Financial Reporting Standards IAS 34: Interim Financial Reporting.

It is recommended that this consolidated interim financial report be read in conjunction with the annual financial report for the year ended 30 June 2024 and any public announcements made by Parabellum Resources Limited and its controlled entities (the "Group") during the half-year in accordance with the continuous disclosure requirements arising under the Corporations Act 2001 and ASX Listing Rules.

The interim consolidated financial report does not include full disclosures of the type normally included in annual financial reports.

The interim consolidated financial 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.

(b) Statement of compliance

The interim financial statements were authorised for issue on 21 February 2025.

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial statements and notes comply with International Financial Reporting Standards (IFRS).

(c) New accounting standards and interpretations

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

PARABELLUM RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2024

2. LOSS PER SHARE

The following reflects the income and data used in the calculations of basic and diluted loss per share:

	2024	2023
	\$	\$
Loss per share (cents)	(2.02)	(6.89)
Loss used in calculating basic and diluted loss per share	(1,255,724)	(4,294,780)
	# shares	# shares
Weighted average number of ordinary shares used in calculating basic loss per share:	62,300,001	62,300,001

3. CASH AND CASH EQUIVALENTS

	31 December 2024	30 June 2024
	\$	\$
Cash at bank and on hand	1,633,707	1,634,931

4. EXPLORATION AND EVALUATION EXPENDITURE

	31 December 2024	30 June 2024
	\$	\$
Balance at the beginning of the period	2,545,410	2,041,210
Exploration and evaluation expenditure incurred during the period	13,549	504,200
Exploration expenditure impaired	(1,373,009)	-
Balance at the end of the period	1,185,950	2,545,410

The Company has no planned future exploration expenditure on the Obley, Lunns Dam and Recovery projects and has therefore impaired the carrying value of exploration expenditure capitalised up to 31 December 2024.

The value of the exploration tenements carried forward is dependent upon:

- (a) The continuance of the Consolidated Entity's rights to tenure of the area of interest;
- (b) The results of future exploration; and
- (c) The recoupment of costs through successful development and exploitation of the areas of interest or alternatively by their sale.

5. INVESTMENT IN TEMARISE

	31 December 2024	30 June 2024
	\$	\$
Investment in Temarise Limited	-	-

The Company has discontinued accounting for its investment in Temarise using the equity method as the Company no longer has the ability to exercise significant influence.

During the period, the Company received \$324,828 in cash from Temarise as a capital return which has been recognised in the profit and loss statement as a reversal of impairment.

PARABELLUM RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2024

6. ISSUED CAPITAL

(a) Issued Capital

	31 December 2024	30 June 2024
	\$	\$
Fully paid ordinary shares	10,960,001	10,960,001
Performance shares	-	-
Less: capital raising costs	(983,768)	(983,768)
	<u>9,976,233</u>	<u>9,976,233</u>

(b) Movement in ordinary share capital of the Company:

Date	Details	No. of Shares	Issue Price	\$
01/07/2023	Opening balance	62,300,001		9,976,233
30/06/2024	Closing balance	62,300,001		9,976,233
31/12/2024	Closing balance	62,300,001		9,976,233

(c) Movement in performance shares of the Company:

Date	Details	No. of Performance Shares	Fair Value	\$
1/7/2023	Opening balance	3,700,000		-
	Cancellation – Class A Performance Shares (Note 9)	(1,200,000)	\$0.20	(240,000)
30/06/2024	Closing balance	2,500,000		-
29/11/2024	Cancellation – Class B Performance Shares (Note 9)	(2,500,000)	-	-
31/12/2024	Closing balance	-		-

7. RESERVES

(a) Share based payments and option reserve

	31 December 2024	30 June 2024
	\$	\$
Share based payments reserve	2,532,519	2,532,519
Options reserve	668	668
Total	<u>2,533,187</u>	<u>2,533,187</u>

(b) Movement in options

Date	Details	No. of Unlisted Options	Fair Value of Options Granted	Exercise Price	Expiry Date
01/07/2023	Opening balance	19,800,000			
30/06/2024		19,800,000			
12/11/2024	Founder options	(5,000,000)	N/A	\$0.25	12/11/2024
19/11/2024	Lead Manager options	(1,800,000)	N/A	\$0.30	19/11/2024
29/11/2024	Director options	(875,000)	N/A	\$0.25	29/11/2024
29/11/2024	Director options	(1,125,000)	N/A	\$0.30	29/11/2024
13/12/2024	Corporate Advisor options	(6,000,000)	N/A	\$0.50	13/12/2024
31/12/2024	Closing balance	<u>5,000,000</u>			

PARABELLUM RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2024

(c) Nature and purpose of reserves

Share based payments reserve

The share based payments reserve is the value of equity benefits provided to directors, employees and consultants by the Company as part of their remuneration.

Option reserve

The option reserve is the value paid for the options that were issued to founders of the company for cash consideration and the Lead Manager as part of the capital raising fee for the IPO.

8. SHARE BASED PAYMENTS

The number and weighted average exercise prices of share options are as follows:

	Weighted average exercise price 31 December 2024	Number of Options	Weighted average exercise price 30 June 2024	Number of Options
Outstanding at beginning of the period	\$0.384	19,800,000	\$0.384	19,800,000
Expired during the period	\$0.36	(14,800,000)	-	-
Outstanding at end of the period			\$0.384	19,800,000
Exercisable at end of the period	\$0.50	5,000,000	\$0.384	19,800,000

The options outstanding at 31 December 2024 have an exercise price of \$0.50 and a weighted average remaining contractual life of approximately 0.9 years.

9. CONTINGENT LIABILITIES, LEASE COMMITMENTS AND CONTINGENT ASSETS

On 29 November 2024, the Company cancelled 2,500,000 Performance Shares issued as part of the acquisition of Lachlan Minerals, as the performance conditions were not met.

Other than as stated above, there have been no significant changes in commitments and contingencies since the release of the 30 June 2024 financial statements.

10. FINANCIAL RISK MANAGEMENT

The Group's financial instruments consist mainly of deposits with banks and accounts receivable and payables.

The carrying amounts of the current receivables, current payables and other liabilities are considered to be a reasonable approximation of their fair value.

11. EVENTS AFTER THE REPORTING PERIOD

There have been no events subsequent to the financial period end that will affect the results as disclosed in this report.

12. RELATED PARTY TRANSACTION

On 31 October 2024, Mr Fabio Vergara was appointed as a non-executive director of the Company with remuneration of \$50,000 per annum exclusive of statutory superannuation contributions.

PARABELLUM RESOURCES LIMITED AND ITS CONTROLLED ENTITIES

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Parabellum Resources Limited, the directors of the Company declare that:

1. In the opinion of the directors:
 - (a) the interim financial statements and notes of the Consolidated Group are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Consolidated Group's financial positions as at 31 December 2024 and of their performance for the half year ended on that date; and
 - (ii) complying with Australian Accounting Standards, the Corporations Regulations 2001, professional reporting requirements and other mandatory requirements;
 - (b) there are reasonable grounds to believe that the Company and the consolidated group will be able to pay its debts as and when they become due and payable.
2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 303(5) of the Corporations Act 2001 for the half-year ended 31 December 2024.

On behalf of the Board



Shaun Menezes
Non-Executive Director
21 February 2025

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Parabellum Resources Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Parabellum Resources Limited (the Company) and its subsidiaries (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 gives a true and fair view and is free from material misstatement, whether due to fraud or error.



Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its financial 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 'Glyn O'Brien', is written over a faint, stylized 'BDO' logo.

Glyn O'Brien

Director

Perth, 21 February 2025