



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

**Half-Year Financial Report**  
for the period  
**1 July 2023 - 31 December 2023**

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# 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 from 1 July 2023 to 31 December 2023.

### Directors

The names of the Company's Directors in office during the half-year and up 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 European focused lead, zinc and silver developer.

### Operating Results

For the half-year from 1 July 2023 to 31 December 2023, the Group recorded a net loss after tax of A\$248,761 (1 July 2022 to 31 December 2022: net loss of A\$1,220,449).

### **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. Toral represents a limestone hosted, structurally controlled deposit with the Pb, Zn, Ag mineralisation situated within the limestone close to the boundary between footwall slates and hanging wall limestones and dolomites. The mineralisation occurs as semi-massive vein, breccia and carbonate replacement styles of mineralisation.

The Toral deposit currently has a JORC (2012) compliant indicated mineral resource estimate of approximately **7Mt @ 8.1% Zn Equivalent** (including Pb credits), 5% Zn, 3.7% Pb and 29g/t Ag, containing approximately 349,000 tonnes of zinc, 260,000 tonnes of lead and 6.6 million ounces of silver. This is contained within a total mineral resource of **20Mt @ 6.8% Zn Equivalent** (including Pb credits), 4.4% Zn, 2.8% Pb and 23 g/t Ag.

On November 23 2022, Europa Metals Ltd entered into a definitive option agreement (the "Toral Definitive Agreement") with Denarius Metals Corp. ("Denarius") pursuant to which Europa has granted two options to Denarius to acquire up to an 80% ownership interest in Europa Metals Iberia S.L. ("EMI"), a wholly-owned Spanish subsidiary of Europa which holds the Toral Zn-Pb-Ag Project.

Pursuant to the Toral Definitive Agreement, Denarius has been granted a First Option, exercisable until November 22, 2025 (subject to a 90-day extension in certain circumstances), to subscribe for a 51% equity interest in EMI by:

- (i) spending, as operator, a total of USD\$4,000,000 on the Toral Project over the three-year period,
- (ii) completing a preliminary economic assessment, and
- (iii) completing and submitting a mining license application in respect of the Toral Project to the local mining authority by July 31, 2023.

### **Mining Licence Application**

Formal application for a mining licence has been completed in October 2023 over the Toral Pb, Zn & Ag project. All necessary studies have now been completed and lodged with the relevant authorities and departments within the Castille and Leon regional government.

### **Highlights:**

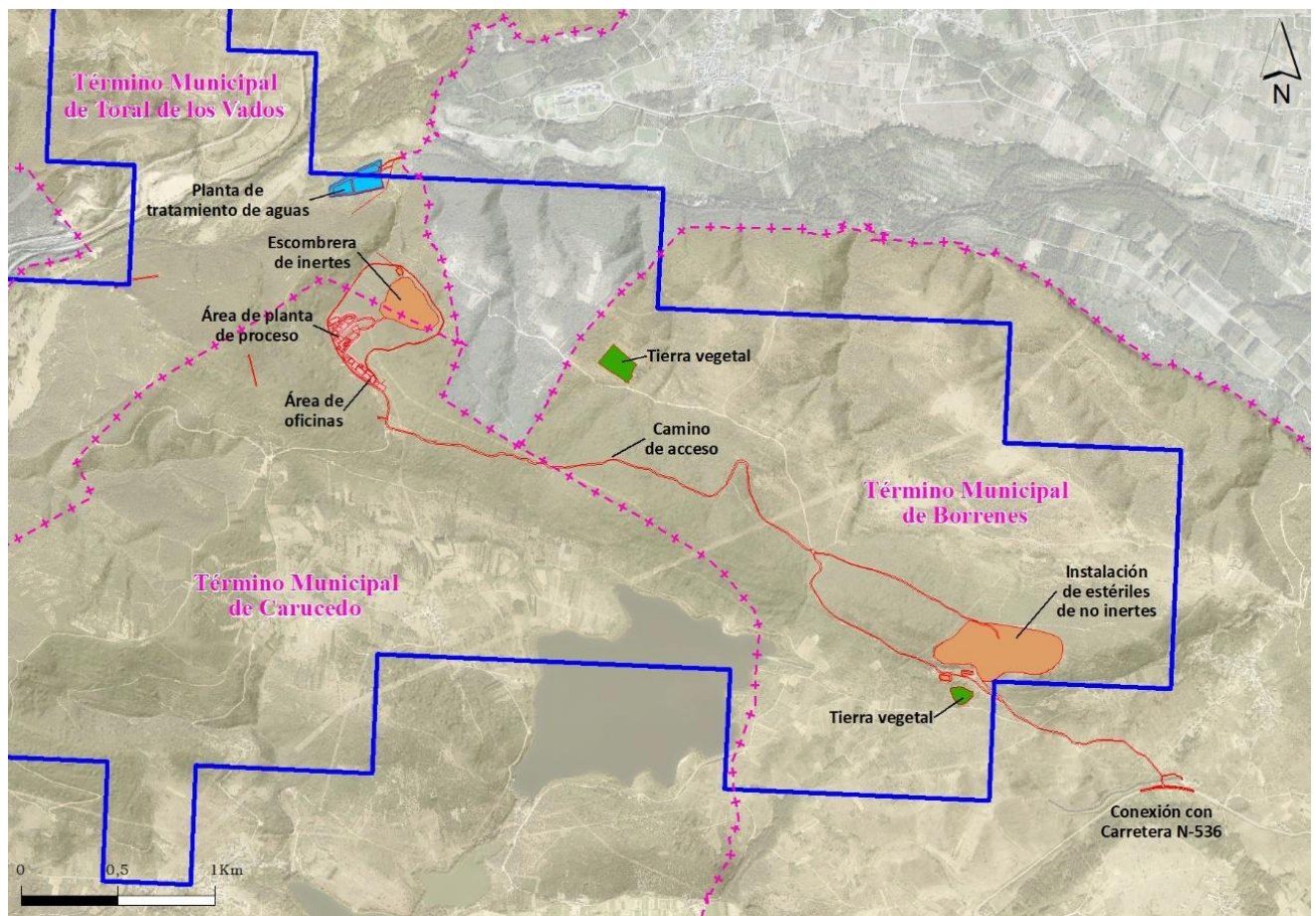
- Submission to the "Junta of Castilla and Leon" completed.
- All necessary documentation covering the exploitation, restoration and environmental impact study was submitted.
- The submission envisages a life of mine of 15 years, mining on average 700,000t of ore per year from

underground.

- Including pre-production and closure plans, Toral's 18 year operations will create over 360 direct local employment opportunities and approximately 1,400 indirect jobs in the region.
- This submission has been based on the deposit whose technical, economic and environmental feasibility is in accordance with the laws and regulations of the region of Castilla y Leon.
- Such project assessment will be formally reported on in the expected preliminary economic assessment in accordance with the Canadian Institute of Mining Metallurgy and Petroleum ("CIM") Definition Standards incorporated by reference in National Instrument 43-101 expected to be prepared in 2024.

### Exploitation Plan

Due to the subvertical geometry of the Toral deposit and its combination of depth and thickness, underground mining is considered to be the most technically, economically, and environmentally viable development option.



*Figure 1 General on surface facilities layout distribution*

The basis for the development plan utilised the existing JORC resource from November 2022; since the beginning of 2023 the Company's Spanish engineering group, Mining Sense, has applied many factors to this Resource such as commodity pricing, base load power costs, dilution factors and trade-off studies with the objective of reviewing various development scenarios. Based on the work carried out, it was determined that the extension, volume and ore grades have been duly estimated to define a mineable deposit whose technical, economic and environmental feasibility is supported by the documentation and in accordance with the laws and regulations of the region of Castilla y Leon. Such project assessment will be formally reported on in the expected preliminary economic assessment to national Instrument standards 43-101 expected to be published in 2024.

# Europa Metals Ltd

A.C.N. 097 532 137

## Directors' Report

### Drilling

On the 4<sup>th</sup> August 2023, Europa Metals was pleased to announce the latest assay results from its ongoing validation and infill diamond drilling programme, being conducted by Explomin Perforaciones UE S.L. ("Explomin"), at the Company's 100% owned Toral Pb, Zn & Ag project ("Toral" or the "Toral Project") in northwest Spain. This drilling programme forms part of the 2023 exploration campaign agreed between the Company and Denarius Metals Corp (TSXV:DSLVS; OTCQX: DNSRF) ("Denarius") pursuant to the definitive option agreement dated 22 November 2022, further details of which are set out in the Company's announcement of 23 November 2022.

In addition, detailed environmental studies are now nearing completion which are required to finalise the formal submission of the Company's mining licence application to the Mines Department of Castilla y León.

### Highlights:

- Assays received in respect of seven drill holes at Toral each reporting significant mineralisation
- Significant intersection from drillhole TOD-044 of **7.95m@4.46%** ZnEq(PbAg)\*, including:
  - **4.25m@6.17%** ZnEq(PbAg)\*; and
  - **1.55m@11.40%** ZnEq(PbAg)\*
- Significant intersection from drillhole TOD-045 of **4.95m@22.71%** ZnEq(PbAg)\*
- Significant intersection from drillhole TOD-046 of **1.50m@11.64%** ZnEq(PbAg)\*, including:
  - **1.00m@15.84%** ZnEq(PbAg)\*
- Two significant intersections from drillhole TOD-047 of **0.6m@18.34%** ZnEq(PbAg)\* and **2.4m@3.72%** ZnEq(PbAg)\*
- Significant intersections from drillhole TOD-048 of **4.7m@6.68%** ZnEq(PbAg)\*, including:
  - **1.65m@14.41%** ZnEq(PbAg)\*
- A further significant intersection from drillhole TOD-048 of **6.65m@8.12%** ZnEq(PbAg)\*, including:
  - **3.80m@12.58%** ZnEq(PbAg)\*
- Significant intersection from drillhole TOD-049 of **5.00m@6.91%** ZnEq(PbAg)\*, including:
  - **1.25m@20.93%** ZnEq(PbAg)\*
- Significant intersections from drillhole TOD-050 of **3.90m@10.30%** ZnEq(PbAg)\*, including:
  - **1.45m@20.69%** ZnEq(PbAg)\*
- A further significant intersection from drillhole TOD-050 of **2.4m@4.98%** ZnEq(PbAg)\*
- Holes TOD-045 and TOD-046 have both been completed and reliability of the assay results received re-confirmed:
  - High values of silver were identified in one of the holes and in line with the Company's standard operating procedures (SOP), we re-submitted the sample for re-testing to confirm its veracity and also confirmed the accuracy of results for control samples
- All holes to date have been successful in intersecting mineralisation adjacent to an existing, previously reported, high grade intersection within the project's Indicated Resource block
- Hole TOD-051 is currently nearing completion and comprises the final drillhole for this campaign
- Detailed environmental work is nearing completion in connection with the Company's forthcoming mining licence application ("MLA") for Toral.

### Additional information

The current drilling campaign for a total of up to 7,000m, is focused on a combination of confirmatory and infill drilling within the project's known indicated resource area outlined to date, of approximately 7Mt @ 8.1% Zn Equivalent (including Pb credits), 5% Zn, 3.7% Pb and 29g/t Ag.

## Europa Metals Ltd

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### Directors' Report

#### Drilling results

The drilling parameters for the assay results reported for each hole are presented in the table below:

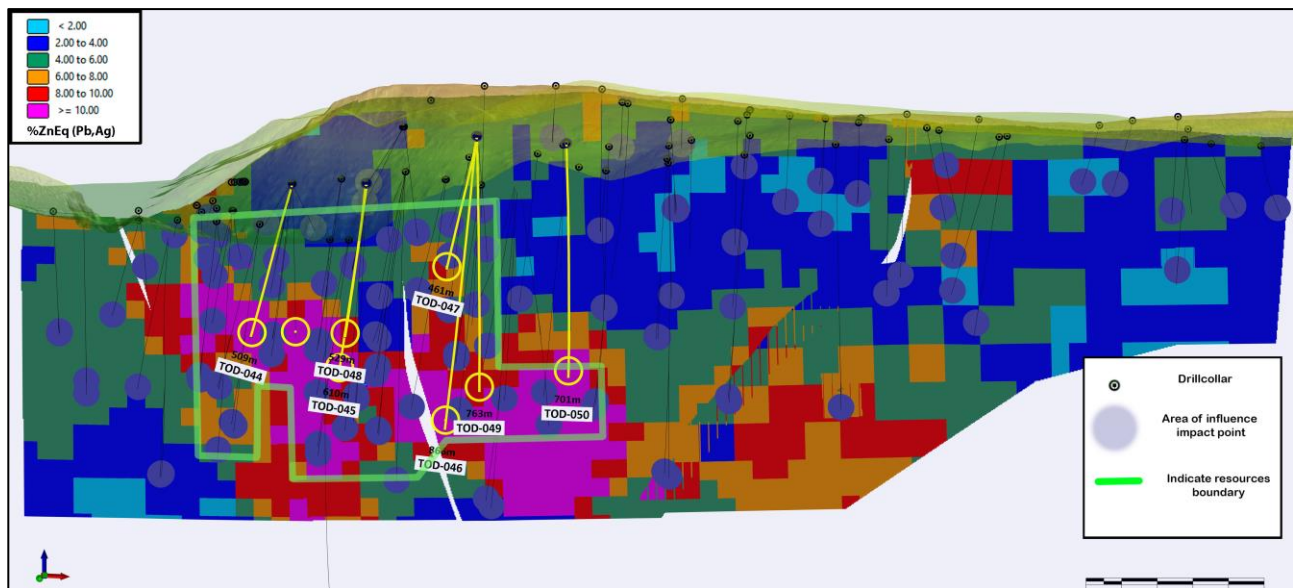
HOLE_ID	EASTING	NORTHING	ELEVATION (m)	LENGTH (m)	COOR_SYS
TOD-044	681197	4710037	531.65	509	ETRS89utm29
TOD-045	681412	4710025	542.29	610.3	ETRS89utm29
TOD-046	681684	4709858	660.80	866.5	ETRS89utm29
TOD-047	681686	4709856	660.88	460.6	ETRS89utm29
TOD-048	681408	4710024	542.29	529	ETRS89utm29
TOD-049	681685	4709857	660.80	763	ETRS89utm29
TOD-050	681916	4709571	634.10	701.3	ETRS89utm29

All holes were drilled to PQ-HQ-NQ diameter, with half of the core being sent for independent analysis at ALS Laboratories. The assay results received are set out in the table below:

Hole ID	From	To	Interval (m)	Zn_%	Pb_%	Ag_ppm	Cu_%	ZnEq(PbAg)%*
TOD-044	490.85	498.80	7.95	2.56	1.73	14.65	0.04	4.46
<i>TOD-044 (including)</i>	<i>490.85</i>	<i>495.10</i>	<i>4.25</i>	<i>3.93</i>	<i>2.06</i>	<i>16.79</i>	<i>0.04</i>	<i>6.17</i>
<i>TOD-044 (including)</i>	<i>492.65</i>	<i>494.20</i>	<i>1.55</i>	<i>8.35</i>	<i>2.76</i>	<i>24.31</i>	<i>0.05</i>	<i>11.40</i>
TOD-045	592.00	596.95	4.95	7.31	12.77	160.52	0.10	22.71
TOD-046	845.50	847.00	1.50	8.30	3.45	12.80	0.04	11.64
<i>TOD-046 (including)</i>	<i>845.50</i>	<i>846.50</i>	<i>1.00</i>	<i>11.08</i>	<i>4.91</i>	<i>18.75</i>	<i>0.06</i>	<i>15.84</i>
TOD-047	442.00	442.60	0.60	15.20	3.30	10.50	0.17	18.34
TOD-047	453.10	455.50	2.40	1.61	1.57	27.69	0.20	3.72
TOD-048	505.25	509.95	4.70	3.53	2.81	26.34	0.31	6.68
<i>TOD-048 (including)</i>	<i>508.30</i>	<i>509.95</i>	<i>1.65</i>	<i>7.94</i>	<i>5.78</i>	<i>53.95</i>	<i>0.51</i>	<i>14.41</i>
TOD-048	513.05	519.70	6.65	4.01	2.75	63.60	0.31	8.12
<i>TOD-048 (including)</i>	<i>515.90</i>	<i>519.70</i>	<i>3.80</i>	<i>6.35</i>	<i>4.14</i>	<i>97.92</i>	<i>0.44</i>	<i>12.58</i>
TOD-049	745.00	750.00	5.00	1.17	6.14	15.63	0.07	6.91
<i>TOD-049 (including)</i>	<i>745.85</i>	<i>747.10</i>	<i>1.25</i>	<i>2.01</i>	<i>20.45</i>	<i>43.96</i>	<i>0.23</i>	<i>20.93</i>
TOD-050	675.00	678.90	3.90	2.24	8.05	40.24	0.03	10.30
<i>TOD-050 (including)</i>	<i>677.45</i>	<i>678.9</i>	<i>1.45</i>	<i>5.76</i>	<i>14.39</i>	<i>91.04</i>	<i>0.07</i>	<i>20.69</i>
TOD-050	680.10	682.50	2.40	1.71	2.67	35.44	0.01	4.98

\* - ZnEq(PbAg)% is the calculated Zn equivalent incorporating lead and silver credits;  $(ZnEq(PbAg)\% = Zn + Pb*0.926 + Ag*0.019)$ . Zn equivalent calculations were based on 3-year trailing average price statistics obtained from the London Metal Exchange and London Bullion Market Association giving an average Zn price of US\$2,680/t, Pb price of US\$2,100/t and Ag price of US\$16.2/oz. Significant ZnEq intercepts were generated using a 1% ZnEq trigger value, minimum width of 1m, maximum consecutive waste interval of 1m and minimum average ZnEq grade of >1%.

*Image 1: Hole positions*



Drilling operations remain ongoing, in line with the Company's objective set out above, and further assay results will be announced once processed and received.

The Company had been awaiting re-assays and re-confirmation of the results for several samples, sent to the laboratory over the past several months, prior to releasing this announcement. In particular, one of the holes reported an abnormally high silver value (hole TOD-045, average grade of 160.52 Ag g/t) and as part of the Company's standard operating procedures (SOP) when we receive abnormally high results for either zinc, lead or silver, we re-submit the relevant sample for re-testing in order to confirm its veracity. We have now confirmed this value.

In addition, as part of our SOP we regularly insert control samples into the batches that are submitted to the laboratory, the results of which form part of our statistical analysis to confirm the reliability and consistency of the results received. We have now received confirmation of these results over several holes and can confirm their accuracy.

## **Corporate**

### ***Issue of shares to directors***

In December 2023, the Company issued 3,500,000 new Ordinary Shares to two directors of the Company following the conversion of performance rights. The relevant performance milestone conditions for the performance rights were achieved during the course of the year. Refer to the RNS of 24 January 2023 for further details.

### ***Change of Nomad and Broker***

On 9 October 2023, the Company advised of the appointment of Beaumont Cornish Limited as Nomad and Broker.

### ***Shareholder Meetings***

On 30 November 2023, 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**

No 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 9.

Dated in Perth on 28 March 2024.

Signed in accordance with a resolution of the Directors.

A handwritten signature in black ink, appearing to read 'Daniel Smith', with a horizontal line underneath it.

**Daniel Smith**

*Director*



## DECLARATION OF INDEPENDENCE BY ASHLEIGH WOODLEY TO THE DIRECTORS OF EUROPA METALS LIMITED

As lead auditor for the review of Europa Metals Limited for the half-year ended 31 December 2023, 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 Limited and the entity it controlled during the period.



**Ashleigh Woodley**

**Director**

**BDO Audit (WA) Pty Ltd**

Perth

28 March 2024

**Consolidated Statement of Profit or Loss and Other Comprehensive Income**

	Note	6 months to 31 December 2023 \$	6 months to 31 December 2022 \$
<b>Revenue from continuing operations</b>			
Other Income	2	277,071	177,279
		<b>277,071</b>	<b>177,279</b>
Exploration expenditure		(9,315)	(853,355)
Foreign exchange (loss)/gain		(10,097)	(7,553)
Other expenses	2	(506,420)	(536,820)
<b>Loss before income tax</b>		<b>(248,761)</b>	<b>(1,220,449)</b>
Income tax (expense)/benefit		-	-
<b>Net loss after income tax</b>		<b>(248,761)</b>	<b>(1,220,449)</b>
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Net exchange (loss)/gain on translation of foreign operation		-	34,859
<b>Other comprehensive (loss)/profit for the period, net of tax</b>		<b>-</b>	<b>34,859</b>
<b>Total comprehensive loss for the period</b>		<b>(248,761)</b>	<b>(1,185,590)</b>
Net (loss) for the period attributable to shareholders of the Company:			
		(248,761)	(1,220,449)
		<b>(248,761)</b>	<b>(1,220,449)</b>
Total comprehensive (loss) for the period attributable to shareholders of the Company:			
		(248,761)	(1,185,590)
		<b>(248,761)</b>	<b>(1,185,590)</b>
<b>(Loss) per share attributable to the ordinary equity holders of the Company</b>			
<b>Loss per share</b>		<b>Cents per share</b>	<b>Cents per share</b>
- basic (loss) per share		<b>(0.26)</b>	(1.48)
- diluted (loss) per share		<b>(0.26)</b>	(1.48)

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

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

**Consolidated Statement of Financial Position**

As at 31 December 2023

	Note	31 December 2023 \$	30 June 2023 \$
<b>Current Assets</b>			
Cash and short-term deposits		488,964	653,990
Trade and other receivables	3	13,481	23,179
<b>Total Current Assets</b>		<b>502,445</b>	<b>677,169</b>
<b>Total Assets</b>		<b>502,445</b>	<b>677,169</b>
<b>Current Liabilities</b>			
Trade and other payables		112,451	118,902
<b>Total Current Liabilities</b>		<b>112,451</b>	<b>118,902</b>
<b>Total Liabilities</b>		<b>112,451</b>	<b>118,902</b>
<b>NET ASSETS</b>		<b>389,994</b>	<b>558,267</b>
<b>Equity</b>			
Contributed equity	6	49,562,236	49,391,945
Accumulated losses		(52,472,831)	(52,224,070)
Reserves		3,300,589	3,390,392
<b>TOTAL EQUITY</b>		<b>389,994</b>	<b>558,267</b>

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

**Consolidated Statement of Changes in Equity**

For the half-year from 1 July 2023 to 31 December 2023

	Issued Capital \$	Accumulated Losses \$	Employee Share Incentive Reserve \$	Option Reserve \$	Foreign Exchange Reserve \$	Total Equity \$
<b>At 1 July 2022</b>	48,227,649	(48,843,673)	567,997	2,720,044	62,558	2,734,575
(Loss) for the period	-	(1,220,449)	-	-	-	(1,220,449)
Other comprehensive income (net of tax)	-	-	-	-	34,859	34,859
<b>Total comprehensive loss (net of tax)</b>	-	(1,220,449)	-	-	34,859	(1,185,590)
<b>Transaction with owners in their capacity as owners</b>						
Shares issued net of transaction costs	1,033,155	-	-	-	-	1,033,155
Shares issued to management	55,351	-	(76,420)	-	-	(21,069)
Shares to be issued	-	-	62,702	-	-	62,702
Options issued to directors and management	-	-	-	16,355	-	16,355
<b>At 31 December 2022</b>	<b>49,316,155</b>	<b>(50,064,122)</b>	<b>554,279</b>	<b>2,736,399</b>	<b>97,417</b>	<b>2,640,128</b>
<b>At 1 July 2023</b>	<b>49,391,945</b>	<b>(52,224,070)</b>	<b>595,010</b>	<b>2,795,382</b>	<b>-</b>	<b>558,267</b>
(Loss) for the period	-	(248,761)	-	-	-	(248,761)
Other comprehensive income (net of tax)	-	-	-	-	-	-
<b>Total comprehensive loss (net of tax)</b>	-	(248,761)	-	-	-	(248,761)
<b>Transaction with owners in their capacity as owners</b>						
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
<b>At 31 December 2023</b>	<b>49,562,236</b>	<b>(52,472,831)</b>	<b>491,578</b>	<b>2,809,011</b>	<b>-</b>	<b>389,994</b>

*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 2023 to 31 December 2023

	<b>6 months to 31 December 2023</b>	<b>6 months to 31 December 2022</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>		
Receipts from associate	277,071	-
Payments to suppliers and employees	(323,677)	(399,487)
Payment for exploration and evaluation costs	(107,254)	(822,588)
<b>Net cash flows used in operating activities</b>	<b>(153,860)</b>	<b>(1,222,075)</b>
<b>Cash flows from financing activities</b>		
Lease principal repayments	-	(16,601)
Proceeds from issue of shares	-	1,033,155
<b>Net cash flows from financing activities</b>	<b>-</b>	<b>1,016,554</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(153,860)</b>	<b>(205,521)</b>
Cash and cash equivalents at beginning of period	653,990	1,650,056
Effect of foreign exchange on cash and cash equivalents	(11,166)	6,777
<b>Cash and cash equivalents at end of the period</b>	<b>488,964</b>	<b>1,451,312</b>

*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 ACCOUNTING POLICIES**

#### **Corporate information**

The financial report of Europa Metals Ltd for the half-year ended 31 December 2023 was authorised for issue in accordance with a resolution of the directors on 28 March 2024. 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 and the AltX of the Johannesburg Stock Exchange.

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 2023 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.

#### **Adoption of new and revised Accounting Standards**

For the half-year ended 31 December 2023, 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 2023. 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 2023.

**Notes to the Consolidated Financial Statements**

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

**Going Concern**

As at 31 December 2023, the Group had working capital of A\$389,994 (current assets less current liabilities) with cash on hand of A\$488,964 and a net loss of A\$248,761. The operating commitments of the Group will require further funding in the next twelve months.

The ability of the Group to continue as a going concern is principally dependent upon its ability to raise further funds as required from the issue of equity. These conditions indicate a material uncertainty that may cast significant doubt about the ability of the Group to continue as a going concern and, therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business.

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.

In arriving at this position, the Directors are confident of the ability of the Group to raise capital and are reviewing other funding alternatives including:

- managing the Company's working capital requirements; and
- raising additional funds via debt if required.

The Directors have reasonable grounds to believe that they will be able to complete any required future capital raising and/or achieve any of the above funding alternatives.

Should the Group not be able to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the consolidated financial statements. The consolidated financial report does not include any adjustments relating to the recoverability or classification of recorded asset amounts, nor the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

**NOTE 2: REVENUE AND EXPENSES**

The loss for the half-year includes the following items:

	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>
	<b>\$</b>	<b>\$</b>
(a) Revenue		
Interest received	-	-
(a) Other Income		
Grants received	-	30,054
Option income received	-	147,225
Income from Associate (expense reimbursements)	277,071	-
	<b>277,071</b>	<b>177,279</b>
<b>Other expenses</b>		
Other expenses include the following:		
- Depreciation	-	6,506
- Consulting services	47,738	151,740
- Employment related services	165,498	82,967
- Share based payments	80,488	79,057
- Corporate	114,268	111,873
- Other	98,428	104,677
	<b>506,420</b>	<b>536,820</b>

**Notes to the Consolidated Financial Statements**

**NOTE 3: TRADE AND OTHER RECEIVABLES**

	<b>31 Dec 2023</b>	<b>30 Jun 2023</b>
	<b>\$</b>	<b>\$</b>
GST/VAT	8,426	5,244
Prepayments	5,055	17,935
	<b>13,481</b>	<b>23,179</b>

**NOTE 4: CAPITALISED EXPLORATION AND EVALUATION EXPENDITURE**

	<b>31 Dec 2023</b>	<b>30 Jun 2023</b>
	<b>\$</b>	<b>\$</b>
Opening Balance	-	1,229,196
Foreign exchange movement	-	39,767
Balance on deconsolidation	-	(1,268,963)
Closing balance	-	-

**Deconsolidation of subsidiary**

On November 23 2022, Europa Metals Ltd entered into a definitive option agreement (the “Toral Definitive Agreement”) with Denarius Metals Corp. (“Denarius”) pursuant to which Europa has granted two options to Denarius to acquire up to an 80% ownership interest in Europa Metals Iberia S.L. (“EMI”), a wholly-owned Spanish subsidiary of Europa which holds the Toral Zn-Pb-Ag Project (the “Toral Project”), Leon Province, Northern Spain.

Pursuant to the Toral Definitive Agreement, Denarius has been granted a First Option, exercisable until November 22, 2025 (subject to a 90-day extension in certain circumstances), to subscribe for a 51% equity interest in EMI by:

- (i) spending, as operator, a total of USD\$4,000,000 on the Toral Project over the three-year period,
- (ii) completing a preliminary economic assessment, and
- (iii) completing and submitting a mining license application in respect of the Toral Project to the local mining authority. This was completed in October 2023.

**Control**

During the First Option period, Denarius has the right to appoint three of the four members of an operating committee that will direct the work programs carried out by the Company. This gave rise to a loss of control of EMI as defined in AASB 10 Consolidated Financial Statements and the deconsolidation of EMI from the Europa Metals Limited financial statements from 1 January 2023.

**NOTE 5: INVESTMENT IN ASSOCIATE**

In accordance with AASB 128 Investments in Associates Europa Metals Iberia S.L. (EMI) is accounted for as an Investment in Associate. EMI 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.

	<b>31 Dec 2023</b>	<b>30 June 2023</b>
Ownership Interest	100%	100%
Carrying amount	-	-

The investment in associate is nil due to the net liability position at 31 December 2023 (30 June 2023: nil).



**Notes to the Consolidated Financial Statements**

**NOTE 6: CONTRIBUTED EQUITY**

	<b>31 Dec 2023</b>	<b>30 June 2023</b>	<b>31 Dec 2023</b>	<b>30 June 2023</b>
	<b>No. of Shares</b>	<b>No. of Shares</b>	<b>\$</b>	<b>\$</b>
<b>Share Capital summary</b>				
<b>Ordinary Shares</b>				
Ordinary Shares fully paid	97,671,790	94,171,790	49,562,236	49,391,945
Less: Employee share plan shares	(4,600)	(4,600)	-	
	<u>97,667,190</u>	<u>94,167,190</u>	<u>49,562,236</u>	<u>49,391,945</u>

<b>Movements in ordinary share capital</b>		<b>Half-Year</b>	
		<b>31 December 2023</b>	
		<b>Number</b>	<b>\$</b>
<b>30 June 2022</b>	<b>Closing Balance</b>	<b>79,130,649</b>	<b>48,227,649</b>
8 August 2022	Shares issued - Conversion of directors fees	906,265	55,351
23 November 2022	Placement	12,888,888	1,033,155
24 January 2023	Shares issued - Conversion of directors fees	1,245,988	75,790
30 June 2023	Closing Balance	<u><b>94,171,790</b></u>	<u><b>49,391,945</b></u>
11 December 2023	Conversion of performance rights	3,500,000	170,291
		<u><b>97,671,790</b></u>	<u><b>49,562,236</b></u>
Less:	Employee share plan shares on issue	(4,600)	-
		<u><b>97,667,190</b></u>	<u><b>49,562,236</b></u>

**Options**

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

	<b>31 December</b>	<b>30 June 2023</b>
	<b>2023</b>	
	<b>Number</b>	<b>Number</b>
Outstanding at 1 July	8,931,764	8,086,764
	<u>8,931,764</u>	<u>8,086,764</u>
Issued during the period	-	2,000,000
Expired/exercised during the period	(5,431,764)	(1,155,000)
Outstanding at 31 December 2023	<u>3,500,000</u>	<u>8,931,764</u>
Exercisable at 31 December 2023	3,500,000	7,531,764

**Notes to the Consolidated Financial Statements**

**NOTE 7: LOSS PER SHARE**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Basic loss per share (cents per share)	(0.26)	(1.48)
Diluted loss per share (cents per share)	(0.26)	(1.48)
Loss used in calculating basic loss per share	(248,761)	(1,220,449)
Adjustments to basic loss used to calculate dilutive loss per share	-	-
Loss used in calculating dilutive loss per share	(248,761)	(1,220,449)
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in the calculation of basic loss per share	94,547,625	82,506,661
Weighted average number of ordinary shares used in the calculation of diluted loss per share	94,547,625	82,506,661

3,500,000 share options outstanding as at 31 December 2023 have not been included in the calculation of dilutive loss per share as they are anti-dilutive.

**NOTE 8: SHARE BASED PAYMENTS**

**Expenses arising from share-based payment transactions**

Total costs arising from share-based payment transactions recognised during the period were as follows:

	<b>31 December 2023</b>	<b>30 December 2022</b>
	<b>\$</b>	<b>\$</b>
Options issued to directors/management - December 2020	13,629	16,355
Performance Rights issued to directors – January 2023	66,859	-
Shares issued to directors	-	62,702
	<b>80,488</b>	<b>79,057</b>

**Fair value of options granted**

The value of the above services was unable to be reliably measured such that the fair value of the options issued was used.

The fair value at the grant date of options issued is determined using the Black Scholes model that takes into account the exercise price, the term of the option, the impact of dilution, the non-tradable nature of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

**Notes to the Consolidated Financial Statements**

**NOTE 9: CONTINGENCIES AND COMMITMENTS**

The Group has had no material changes in relation to any contingencies and commitments since 30 June 2023.

**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.

**NOTE 11: EVENTS OCCURRING SUBSEQUENT TO THE REPORTING DATE**

No 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.

**Europa Metals Ltd**

A.C.N. 097 532 137


**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 2023 and the performance for the period 1 July 2022 to 31 December 2023; 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 2024

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Europa Metals Limited

### Report on the Half-Year Financial Report

#### Conclusion

We have reviewed the half-year financial report of Europa Metals Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2023, 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 2023 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.

#### Material uncertainty relating to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.



### **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 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 2023 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 (WA) Pty Ltd**

A handwritten signature in black ink. The signature starts with the letters 'BDO' in a stylized, cursive font. Below this, there is a large, flowing signature that appears to be 'Ashleigh Woodley'.

**Ashleigh Woodley**

**Director**

Perth, 28 March 2024