



**Unaudited Interim Report and Condensed Consolidated Interim Financial Statements
For the six-month period ended 31 August 2024**

Bradda Head Lithium Limited

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Bradda Head Lithium Limited

Chair's statement

Introduction

I am pleased to present the unaudited Interim Results for Bradda Head Lithium Limited (the “Company” or “Bradda Head”) for the six-month period ended 31 August 2024.

Operational review

The six-month period to 31 August 2024 has been both challenging and extremely busy for the Company, focussing on our key projects to ensure the Company is ready to advance quickly when the market changes whilst continuing to maintain financial prudence.

Basin Project

The lithium-in-clay resource-expansion drilling programme, which commenced during March 2024, concluded in June 2024 with the completion of eight drill holes on the Basin North target portion of the Basin project. Results from all eight drill holes contained excellent lithium mineralization, with extensive amounts being newly discovered in the Lower Clay.

Highlights include:

- Upper Clay unit thickness at 103m in the center of the drill pattern discovered in hole BND24-19, encountering nearly 100m (99.82m) at 839 ppm Li with a higher-grade interval of 32.52m at 1,030 ppm Li;
- Five out of the eight holes contain abundant lithium in the Lower Clay, significant as the Company are now able to connect the Lower Clay in Basin North with holes drilled at Basin East, 2km to the south;
- Drill hole BND24-22 encountered 24.05m at 845 ppm Li in the lower clay, ending in 822 ppm Li;
- Additional surface geological mapping and surface sampling further predict the expansion of clays (Upper and Lower) towards the west onto Basin West, to the East onto a State of Arizona Mineral Exploration Permit (MEP), and to the north where clays have been discovered 1.8km north of hole BND24-20;
- New surface sampling detects up to 1,241 ppm Li in clays 1.8km to the north of hole BND24-20, interpreted to represent the Upper Clay; and
- Programme completed without any environmental or safety incidents.

Rock chip samples were also collected in Basin North around the north margin of the sedimentary basin, detecting up to 1,241 ppm Li on the surface, proving the exceptional expansion opportunities towards the north, along with what the Company knows about the extensive potential at Basin West.

Bradda Head Lithium Limited

Chair's statement (continued)

2024 Drill Hole Intercepts

Drill Hole	From m	To m	Interval m	Li in ppm	Clay Sequence	Comments
BND24-15	164.44	254.20	88.44	811	Upper Clay	1.52m of cave material, not included
Inc.	221.89	234.70	12.81	1,250	Upper Clay_High Grade	
	282.82	311.54	*27.75	737	Lower Clay	* 0.97m Interval lost at 307.18 due to re-drill
Inc.	296.91	311.54	*12.29	1,024	Lower Clay_High Grade	* 0.97m Interval lost at 307.18 due to re-drill
BND24-16	76.5	156.67	80.17	694	Upper Clay	
	120.52	130	9.48	938	Upper Clay	
BND24-17						*Hole Lost at 76.2m
BND24-18	153.19	216.10	62.91	711	Upper Clay	
	188.61	196.90	8.29	1,024	Upper Clay	
BND24-19	213.21	313.03	99.82	841	Upper Clay	
Inc.	251.46	283.98	32.52	1,030	Upper Clay_High Grade	
	347.32	362.41	15.09	635	Lower Clay	
BND24-20	198.39	275.2	76.81	749	Upper Clay	
	244.24	257.83	13.59	946	Upper Clay	
BND24-21	80.41	163.98	83.57	871	Upper Clay	
Inc.	107.05	127.19	20.14	1,114	Upper Clay_High Grade	
	173.31	213.57	40.26	695	Lower Clay	
	206.36	211.53	4.88	1,123	Lower Clay_High Grade	
BND24-22	217.81	241.86	24.05	845	Lower Clay	Upper Clay not analyzed, twin of BES23-11
BND24-23	98.82	168.25	69.80	976	Upper Clay	
Inc.	136.43	148.07	11.74	1,584	Upper Clay_High Grade	
	197.51	208.94	11.43	864	Lower Clay_High Grade	

* Drill hole BND24-17 was lost at a depth of 76.2 meters. A new site was permitted 100m to the south as a replacement and drilled hole BND24-20. All holes were drilled vertical.

Following the drill programme, an updated Mineral Resource Estimate (“MRE”) was completed by ABH Engineering Inc (“ABH”), the QP. The new contained LCE Tonnage, detailed below, surpassed the contracted threshold of 2.5Mt and enabled the Company to trigger the final payment of US\$3.0 million from the Lithium Royalty Company to Bradda Head, with funds being received during July 2024.

The total new resource amounts to 2.8 million tons contained LCE, with 20 million tonnes of 929ppm lithium for 99 thousand tons of LCE in the Measured category, the first ever in this category at the Basin Project.

ABH applied basic technical and economic assumptions for open pit mining (mining and selling costs, mining recovery and dilution, pit slope angles) and processing factors (Li recovery, processing costs), to determine which portion of the block model has reasonable prospects for eventual economic extraction as required by CIM (Canadian Institute of Mining, Metallurgy, and Petroleum). To achieve this, the Mineral Resource has been subject to a pit optimisation study and cut-off grade analysis.

Bradda Head Lithium Limited

Chair's statement (continued)

Mineral Resource Statement for Basin East, Basin East Extension and Basin North

Classification	Domain	Tonnes	Mean Grade	Contained Metal
		Mt	Li (ppm)	LCE (kt)
Measured	Upper Clay	13	720	48
	Upper Clay HG	7	1,316	49
	Lower Clay	1	687	2
	SubTotal	20	929	99
Indicated	Upper Clay	90	794	382
	Upper Clay HG	18	1,302	126
	Lower Clay	14	712	52
	SubTotal	122	860	560
Inferred	Upper Clay	318	740	1,254
	Upper Clay HG	90	1,154	555
	Lower Clay	97	709	366
	SubTotal	506	808	2,175

- Mineral Resource statement has an effective date of 11th June 2024.
- The Mineral Resource is reported using a cut-off grade of 550 ppm Li and is constrained to an optimised open pit shell, which was generated using the following assumptions: lithium carbonate metal prices of \$17,200 USD/t LCE; State of Arizona royalty (selling cost) of 6%; operating costs of \$35 USD/ tonne; Li recovery of 72%; mining dilution and recovery of 0% and 100%; and pit slope angle of 45°.
- Tonnages are reported in metric units.
- Rounding as required by reporting guidelines may result in apparent summation differences between tonnes, grade and contained metal content which are not considered material.
- Conversion factor of Li metal to lithium carbonate equivalent (LCE) = 5.323
- The figures above are reported on a gross basis given Bradda's 100% interest in the property
- Bradda is the Operator at Basin and 100% owner

Over 115 million tonnes of the contained LCE is in a High-Grade zone within the Upper Clay zone with an average grade of some 1,190 ppm Li. This High-Grade zone gives Bradda Head further optionality and could have important economic implications for a potential future mining operation. The shallow nature of the High-Grade zone, which crops out in Basin East, would likely result in a low strip ratio, enabling High-Grade ore to be scheduled early in a possible mine plan as it sits in the upper part of the deposit.

It is important to note that the total drilled area at Basin East/Basin East Extension/Basin North covers only 5km² of our 19.7km² license area at the Basin Project. The Upper Clay, Upper Higher-Grade and Lower Clay horizons show remarkable extent and continuity throughout the drilled parts of the Basin Project and remain open to the north, west, and east indicating significant exploration potential in the overall Basin property.

Geological mapping, surface samples assayed for lithium and geophysical (Ground Penetrating Radar) survey work completed also indicates similar clay layers are likely present throughout the majority of the Basin West license area. Recent surface mapping over Basin West identified substantial Upper and Lower Clay horizons, separated by tuff and basalt layers, providing stratigraphic context. Both tuff and basalt layers are found above the Upper and Lower Clays, indicating strong optimism in discovering additional clays in the northwest quadrant of Basin West. As such, with further wide-spaced drilling Bradda Head sees excellent potential to increase the resource base substantially.

Next steps

The Company continues to work with the Kingman BLM District office and advance the Basin West Exploration Plan of Operations ("EPO"). A scaled back drill plan was recommended by the BLM, suggesting a smaller program could potentially expedite the Environmental Assessment ("EA") process and quicker approval. The Company has also engaged with a Canadian based Metallurgical Process Consultancy to consider beneficiation opportunities related to the treatment of clay deposits.

Bradda Head Lithium Limited

Chair's statement (continued)

Wickieup Project

The Company will commence surface reconnaissance over clay exposures on the new land acquired in the claim exchange with Arizona Lithium. The new lands have what appear to be clay horizons potentially equivalent to the Big Sandy lithium resource owned by Arizona Lithium. These clay horizons and stratigraphic profiles provide significant opportunities for Bradda Head to develop the property.

San Domingo Project

During the summer, the Company commenced a channel and grab sampling programme at the pegmatite project. Assay results were received post period end during September and October 2024.

Highlights include:

- 8.80m @ 0.97% Li₂O with 174 ppm Cs at Dragon South
- 10.40m @ 0.68% Li₂O with 341 ppm Cs at Dragon South
- 4.80m @ 0.41% Li₂O with 336 ppm Cs at Dragon North
- 9.00m @ 0.29% Li₂O with 325 ppm Cs at Dragon North
- 4.70m @ 0.28% Li₂O with 176 ppm Cs at Dragon North
- 1.90m @ 0.29% Li₂O with 609 ppm Cs at Dragon South
- 8.40m @ 1.17% Li₂O with 623 ppm Cs and 625 Ta₂O₅ at Midnight Owl
- Seven grab rock samples ranging from 0.25% to 3.57% Li₂O on newly discovered Ruby Soho Pegmatite
- Grab sampling identifies 3.97% Li₂O on spodumene-bearing pegmatite outcrop at the Thunder target
- The abundance of Cs and Ta present in the Midnight Owl Samples holds potential for excellent by-products (Ta₂O₅ at \$300/kg, CsCO₃ at \$142/kg)
- Both Ruby Soho and Thunder are accessible by road, with clear drill targets emerging.

Elevated cesium ("Cs") was also noted across the Dragon targets, with channel samples running as high as 994 ppm and grab samples up to 1,317 ppm. This is an important find as the US Department of Energy considers Cs a strategic and critical metal and is actively seeking it.

The identification of exceptional lithium values on new and older targets illustrates the ever-present and shallow potential for discovery of lithium mineralization at San Domingo.

The programme included the discovery of a new target called Ruby Soho, located 350 meters east of Lone Giant, consisting of 250 meters of exposed pegmatite. The seven samples collected along the 250-meter stretch have a lithium oxide range from 0.25% to 3.57% Li₂O on a pegmatite that ranges in widths of 1.5 to 5.0 meters on the surface. This target has never been drill-tested and has road access to the highest-grade samples.

Next steps

Bradda Head has submitted a Notice of Intent ("NOI") with the BLM to drill up to 39 holes at Dragon South and North and awaits approval. Once further mapping and surface sampling at the new Ruby Soho target is completed, further new drill sites will be designed, and the existing Midnight Owl NOI will be amended to include new sites both at Ruby Soho and Lone Giant, plus newly discovered shallow opportunities adjacent to the Midnight Owl mine. Additional drill sites are planned in the Central target at White Ridge, Jumbo/Lower Jumbo, Bee Hive, and Sunrise. Similar to the Midnight Owl NOI, the Central NOI can be easily amended to include more drill sites as the Company has not exceeded the overall 5.0-acre footprint.

The Company has also collected mica (muscovite) samples over the numerous pegmatites throughout the property for specific Libs analysis, an XRF device designed to analyse the lithium, rubidium, and potassium content of the micas and ideally identify pegmatites that are interpreted to be fertile or barren. Results are pending and will guide the next phase of exploration.

Nevada Brines

Reconnaissance field trips are planned to both Eureka and Wilson during the fourth quarter with a focus on expanding the surface sampling footprint and locate all nearby hot springs and water wells for potential sampling.

Bradda Head Lithium Limited

Chair's statement (continued)

Pennsylvania Brines

The Company maintains its position within the Pennsylvania brine space and monitoring activity and emerging research on lithium brines in this region of the USA.

Texas Brines

The Company closely follows progress in eastern Texas and Southwest Arkansas where numerous companies are developing and advancing DLE research and lithium extraction pilot plants. The Company is also encouraged by the scientific community illuminating the importance of lithium content and future contribution to expanding the USA's emerging EV presence on the world's stage.

Financial Review

During the six-month period ended 31 August 2024, the Company recorded a profit for the period of US\$ 1,176,472 (period ended 31 August 2023: loss of US\$ 2,229,852). The profit recognised during the period is a result of the receipt of the final royalty payment from LRC, with the amount being recognised as a gain on sale in profit and loss. As at period end, cash and cash deposit balances stood at US\$ 1,114,593 (29 February 2024: US\$ 1,664,662), capitalised deferred mining, exploration, licence and permit costs stood at US\$ 15,365,484 (29 February 2024: US\$ 13,807,158), and total assets were US\$ 16,878,549 at 31 August 2024 (29 February 2024: US\$ 15,848,063).

Approach to Risk and Corporate Governance

The Company's general risk appetite is a moderate, balanced one that allows it to maintain appropriate growth, profitability and scalability, whilst ensuring full corporate compliance. Bradda Head's risk appetite has been classified as high under an "impact" matrix defined as Zero, Low, Medium and High. Appropriate steps have been taken and adequate controls implemented to monitor the risks of the Company, and the appropriate committees and reporting structures have been established, which under the leadership of the Chair, will monitor risks facing the Company.

The Board of Bradda Head is committed to best practice in corporate governance throughout the Company. The Directors have agreed to comply with the provisions of the Quoted Companies Alliance ("QCA") Corporate Governance Code for Small and Mid-Size Quoted Companies (2018) to the extent which is appropriate to its nature and scale of operations. Details of the Company's compliance with the QCA code can be found in the audited financial statements for the year ended 29 February 2024.

Corporate

Post period end, the Company commenced the process of voluntarily delisting from the TSX-V, with the delisting completing on 24 October 2024. Bradda Head determined to voluntarily delist from the TSX-V on the basis that the costs of maintaining the TSX-V listing exceed the benefits, given the low trading volumes of the Bradda Head ordinary shares on the TSX-V. The delisting will not affect Bradda Head's listing on AIM and its ordinary shares will continue to be listed on AIM under the symbol "BHL".

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Chair's statement (continued)

Strategy and Outlook

Lithium and the production of EV's continue to be a global story as China is emerging as a significant producer of EV cars and Tesla is aggressively marketing their presence as a world leader in the industry. The Biden Administration will be succeeded by the incoming Trump Administration early 2025 which calls into question how the EV market and specifically the development of lithium in the USA will be administered. Even though Trump will have control of the House and Senate, up to 92% of the IRA investments directly impact "Republican-Run Red States" such as Texas and Arkansas, thus, he could meet resistance in overturning IRA incentives or changing the law. However, Trump has voiced his support for domestic mining, which indirectly contributes to the IRA and elevates the mining industry as a whole. The new alliance between Elon Musk and Donald Trump should be viewed as a positive towards the advancement of EV development in the US and abroad, although no direct statements have been made to support the relationship. The longer term effects will be better known once Trump starts his second term in 2025.

Rio Tinto is "all in" on lithium with the acquisition of Arcadium, a major lithium producer with operations across the world, most in Argentina. The markets reacted positively with the news, providing a boost in sentiment. Many lithium producers and explorers saw an immediate boost in share prices following the announcement, essentially validating the long term lithium outlook.

While the lithium prices have bottomed and incurred pressure on both explorers and suppliers, the demand for electrification across all industries has not diminished and steady growth will resume. This is also a time for M&A, which should filter-out lower quality projects and companies without capital, which places Bradda Head in a key position as we have conserved our treasury by trimming back expenditures while maintaining a strong and experienced team.

John 'Ian' Stalker

Chair

15 November 2024

Bradda Head Lithium Limited

Condensed Interim Consolidated Statement of Comprehensive Income

for the period ended 31 August 2024

		Six-month period ended 31 August 2024 (unaudited)	Six-month period ended 31 August 2023 (unaudited)
	Notes	US\$	US\$
Expenses			
General and administrative	2	(1,198,521)	(2,593,928)
Share based payment write-back/(expense)	10	103,539	(180,622)
Foreign exchange gain/(loss)		(5,978)	195,791
Operating loss		(1,100,960)	(2,578,759)
Other income			
Gain on sale	11	2,974,938	-
Other income		230,000	
Warrant fair value re-measurement		-	210,061
Unrealised gain/(loss) on investment		61,142	47,974
Finance income		11,352	90,872
Profit/(loss) before income tax		2,176,472	(2,229,852)
Income tax expense		-	-
Profit/(loss) for the period		2,176,472	(2,229,852)
Other comprehensive income - foreign currency translation reserve		-	-
Total comprehensive profit/(loss) for the period		2,176,472	(2,229,852)
Basic profit/(loss) per share (US cents)	12	0.30	(0.57)
Diluted profit/(loss) per share (US cents)	12	0.27	(0.57)

The notes on pages 12 to 19 form an integral part of these condensed consolidated interim financial statements.

Bradda Head Lithium Limited

Condensed Interim Consolidated Statement of Financial Position

as at 31 August 2024

	Notes	31 August 2024 (unaudited) US\$	28 February 2024 (audited) US\$
Non-Current assets			
Deferred mining and exploration costs	3	12,252,049	11,025,423
Exploration permits and licences	4	3,113,435	2,781,735
Plant and equipment	8	51,574	78,972
Advances and deposits	6	110,412	106,812
Investment		128,332	67,191
Total non-current assets		15,655,802	14,060,133
Current assets			
Cash and cash equivalents		1,114,593	1,664,662
Trade and other receivables	6	1,108,154	123,268
Total current assets		2,222,747	1,787,930
Total assets		17,878,549	15,848,063
Equity			
Share premium	9	30,616,373	30,616,373
Retained deficit		(12,881,736)	(14,954,669)
Total equity		17,734,637	15,661,704
Current liabilities			
Trade and other payables	7	143,912	186,359
Total current liabilities		143,912	186,359
Total equity and liabilities		17,878,549	15,848,063

The notes on pages 12 to 19 form an integral part of these condensed consolidated interim financial statements.

These financial statements were approved by the Board of Directors on 15 November 2024 and were signed on their behalf by:

Denham Eke

Director

Bradda Head Lithium Limited

Condensed Interim Consolidated Statement of Changes in Equity

for the period ended 31 August 2024

	Share premium US\$	Retained deficit US\$	Total US\$
Balance at 1 March 2024 (audited)	30,616,373	(14,954,669)	15,661,704
Total comprehensive loss for the period			
Profit/(loss) for the period	-	2,176,472	2,176,472
Total comprehensive loss for the period	-	2,176,472	2,176,472
Transactions with owners of the Company			
Equity settled share-based payments (note 10)	-	(103,539)	(103,539)
Total transactions with owners of the Company	-	(103,539)	(103,539)
Balance at 31 August 2024 (unaudited)	30,616,373	(12,881,736)	17,734,637

The notes on pages 12 to 19 form an integral part of these condensed consolidated interim financial statements.

Bradda Head Lithium Limited

Condensed Interim Consolidated Statement of Changes in Equity

for the period ended 31 August 2024 (continued)

	Share premium US\$	Retained deficit US\$	Total US\$
Balance at 1 March 2023 (audited)	30,616,373	(13,631,433)	16,984,940
Total comprehensive loss for the period			
Loss for the period	-	(2,229,852)	(2,229,852)
Total comprehensive loss for the period	-	(2,229,852)	(2,229,852)
Transactions with owners of the Company			
Equity settled share-based payments (note 10)	-	180,622	180,622
Total transactions with owners of the Company	-	180,622	180,622
Balance at 31 August 2023 (unaudited)	30,616,373	(15,680,663)	14,935,710

The notes on pages 12 to 19 form an integral part of these condensed consolidated interim financial statements.

Bradda Head Lithium Limited

Condensed Interim Consolidated Statement of Cash Flows

for the period ended 31 August 2024

		Six-month period ended 31 August 2024 (unaudited)	Six-month period ended 31 August 2023 (unaudited)
	Notes	US\$	US\$
Cash flows from operating activities			
Profit/(loss) before income tax		2,176,472	(2,229,852)
<i>Adjusted for non-cash and non-operating items:</i>			
Depreciation	8	27,398	24,620
Unrealised fair value gain on investment		(61,142)	(47,974)
Equity settled share based payments expense	10	(103,539)	180,622
Warrant fair value re-measurement		-	(210,061)
Cash interest income		(11,352)	(90,872)
		<u>2,027,837</u>	<u>(2,373,517)</u>
Change in trade and other receivables		40,765	57,525
Change in trade and other payables		<u>(1,068,097)</u>	<u>(471,756)</u>
Net cash flows used by operating activities		1,000,505	(2,787,748)
Cash flows from investing activities			
Amounts paid for deferred mining and exploration costs	3	(1,226,626)	(1,701,028)
Amounts paid for licences and permits	4	(331,700)	(605,839)
Cash (paid)/received for bonding deposit		(3,600)	237,954
Equipment purchased	8	-	(50,000)
Net cash flows used by investing activities		<u>(1,561,926)</u>	<u>(2,118,913)</u>
Cash flows from financing activities			
Cash interest income		11,352	90,872
Net cash flows from financing activities		<u>11,352</u>	<u>90,872</u>
Increase/(decrease) in cash and cash equivalents		(550,069)	(4,815,789)
Cash and cash equivalents at beginning of period		1,664,662	7,746,519
Effect of foreign exchange on cash balances		-	-
Cash and cash equivalents at end of period		<u>1,114,593</u>	<u>2,930,730</u>

The notes on pages 12 to 19 form an integral part of these condensed consolidated interim financial statements.

Bradda Head Lithium Limited

Notes to the condensed interim consolidated financial statements for the period ended 31 August 2024

1 Reporting Entity

Bradda Head Lithium Limited (the "Company") is a company domiciled in the British Virgin Islands. The address of the Company's registered office is Craigmuir Chambers, Road Town, Tortola, British Virgin Islands. The Company and its subsidiaries together are referred to as the "Group".

The Company is a lithium exploration Group focused on developing its projects in the USA.

These interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting and should be read in conjunction with the last annual consolidated financial statements as at and for the year ended 28 February 2024 ("last annual financial statements"). They do not include all of the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

The financial information in this report has been prepared in accordance with the Company's accounting policies and in consistency with the last annual financial statements. Full details of the accounting policies adopted by the Company are contained in the financial statements included in the Company's annual report for the year ended 28 February 2024, which is available on the Group's website: www.braddheadltd.com. These unaudited condensed consolidated interim financial statements should be read in conjunction with the audited Consolidated Financial Statements for the year ended 28 February 2024.

Going concern

The unaudited interim financial statements have been prepared on a going concern basis, taking into consideration the level of cash held by the Company. The Directors have a reasonable expectation that the Company will have adequate resources for its continuing existence and projected activities for the foreseeable future, and for these reasons, continue to adopt the going concern basis in preparing the financial statements for the six-month period ended 31 August 2024.

2 General and administrative

The Group's general and administrative expenses include the following:

	Six-month period ended 31 August 2024 (unaudited) US\$	Six-month period ended 31 August 2023 (unaudited) US\$
Auditors' fees	39,200	16,440
Directors and management fees and salaries	231,983	291,157
Legal and accounting	28,090	201,584
Contractor costs	275,960	1,213,978
Professional and marketing costs	169,381	404,552
Other administrative costs	453,907	466,217
Total	1,198,521	2,593,928

Bradda Head Lithium Limited

Notes to the condensed interim consolidated financial statements for the period ended 31 August 2024
(continued)

3 Deferred mine exploration costs

The schedule below details the exploration costs capitalised to date:

	Total US\$
Cost and net book value	
At 28 February 2023 (audited)	7,461,851
Capitalised during the year	3,668,845
Disposal under royalty agreement *	(105,273)
At 29 February 2024	11,025,423
Capitalised during the period	1,251,365
Disposal under royalty agreement *	(24,739)
At 31 August 2024 (unaudited)	12,252,049
Cost and net book value	
At 31 August 2024 (unaudited)	12,252,049
At 29 February 2024 (audited)	11,025,423

The recoverability of the carrying amounts of exploration and evaluation assets is dependent on the successful development and commercial exploitation or sale of the respective area of interest, as well as maintaining the assets in good standing. The Group assessed the DMEC relating to areas for which licenses and permits are held, for impairment as at 31 August 2024. The Board concluded that no facts and circumstances have been identified which suggest the recoverable amount of these assets would not exceed the carrying amount and, as such, no impairment was recognised during the period.

During the year ended 28 February 2024, an impairment charge of US\$ Nil was recognised.

4 Exploration permits and licences

The schedule below details the exploration permit and licence costs capitalised to date:

	Total US\$
Cost and net book value	
At 28 February 2023 (audited)	2,112,415
Capitalised during the year	693,920
Disposal under royalty agreement *	(24,600)
At 29 February 2024	2,781,735
Capitalised during the period	332,023
Disposal under royalty agreement *	(323)
At 31 August 2024 (unaudited)	3,113,435
Cost and net book value	
At 31 August 2024 (unaudited)	3,113,435
At 29 February 2024 (audited)	2,781,735

Bradda Head Lithium Limited

Notes to the condensed interim consolidated financial statements for the period ended 31 August 2024
(continued)

4 Exploration permits and licences

The Group assessed the carrying amount of the licences and permits held for impairment as at 31 August 2024. The Board concluded that no facts and circumstances have been identified which suggest the recoverable amount of these assets would not exceed the carrying amount and, as such, no impairment was recognised during the period.

During the year ended 28 February 2024, an impairment charge of US\$ Nil was recognised as a result of project licences and permits that were not renewed.

5 Investment in subsidiary undertakings

As at 31 August 2024 and 29 February 2024, the Group had the following subsidiaries:

Name of company	Place of incorporation	Ownership interest	Principal activity
Bradda Head Limited*	BVI	100%	Holding company of entities below
Zenolith (USA) LLC	USA	100%	Holds USA lithium licences and permits
Verde Grande LLC	USA	100%	Holds USA lithium licences and permits
Gray Wash LLC	USA	100%	Holds USA lithium licences and permits
San Domingo LLC	USA	100%	Holds USA lithium licences and permits

* Held directly by the Company. All other holdings are indirectly held through Bradda Head Limited

The condensed interim consolidated financial statements include the results of the subsidiaries for the full interim period from 1 March 2024 to 31 August 2024, and up to the date that control ceases.

6 Trade and other receivables and advances and deposits

Non-current

	31 August 2024 (unaudited) US\$	28 February 2024 (audited) US\$
Advances and deposits	110,412	106,812

Current

	US\$	US\$
Prepayments	108,154	123,268
Advances and deposits	-	-
Royalty funds receivable	1,000,000	-
	1,108,154	123,268

7 Trade and other payables

	31 August 2024 (unaudited) US\$	28 February 2024 (audited) US\$
Trade payables	137,345	161,648
Accrued expenses and other payables	6,567	24,711
	143,912	186,359

Bradda Head Lithium Limited

Notes to the condensed interim consolidated financial statements for the period ended 31 August 2024
(continued)

8 Plant and equipment

	Motor vehicle US\$	Other equipment US\$	Total US\$
<i>Cost</i>			
As at 28 February 2023 (audited)	114,390	-	114,390
Additions during the period	-	50,000	50,000
	<u>114,390</u>	<u>50,000</u>	<u>164,390</u>
As at 29 February 2024 (audited)	-	-	-
Additions during the period	-	-	-
	<u>114,390</u>	<u>50,000</u>	<u>164,390</u>
As at 31 August 2024 (unaudited)	<u>114,390</u>	<u>50,000</u>	<u>164,390</u>
<i>Accumulated depreciation</i>			
As at 28 February 2023 (audited)	(34,788)	-	(34,788)
Depreciation charge for the period	(38,130)	(12,500)	(50,630)
	<u>(72,918)</u>	<u>(12,500)</u>	<u>(85,418)</u>
As at 29 February 2024 (audited)	(19,065)	(8,333)	(27,398)
Charge for the period	(19,065)	(8,333)	(27,398)
	<u>(91,983)</u>	<u>(20,833)</u>	<u>(112,816)</u>
As at 31 August 2024 (unaudited)	<u>(91,983)</u>	<u>(20,833)</u>	<u>(112,816)</u>
Carrying amount			
As at 31 August 2024 (unaudited)	22,407	29,167	51,574
As at 28 February 2024 (audited)	41,472	37,500	78,972
	<u>22,407</u>	<u>29,167</u>	<u>51,574</u>

9 Share premium

Authorised

The Company is authorised to issue an unlimited number of nil par value shares of a single class.

	Shares	Share capital US\$	Share premium US\$
Issued ordinary shares of US\$0.00 each			
At 29 February 2024 (audited) and at 31 August 2024 (unaudited)	390,609,439	-	30,616,373
	<u>390,609,439</u>	<u>-</u>	<u>30,616,373</u>

Bradda Head Lithium Limited

Notes to the condensed interim consolidated financial statements for the period ended 31 August 2024 (continued)

10 Equity settled share based payments

The cost of equity settled transactions with certain Directors of the Company and other participants ("Participants") is measured by reference to the fair value at the date on which they are granted. The fair value is determined based on the Black-Scholes option pricing model.

Options and warrants

The total number of share options and warrants in issue as at the period end is set out below.

<i>Recipient</i>	<i>Grant Date</i>	<i>Term in years</i>	<i>Exercise Price</i>	<i>Number at 1 March 2024 (audited)</i>	<i>Number Issued</i>	<i>Number Lapsed/ cancelled/expired</i>	<i>Number Exercised</i>	<i>Number at 31 August 2024 (unaudited)</i>	<i>Fair value</i>
<i>Options</i>									US\$
Directors and Participants	April 2018	5	US\$ 0.15668	146,052	-	-	-	146,052	24,028
Directors and Participants	June 2021	5	US\$ 0.048	18,000,000	-	-	-	18,000,000	1,110,556
Directors and Participants	September 2021	5	£0.09	3,000,000	-	-	-	3,000,000	314,962
Directors and Participants	April 2022	5	£0.18	7,725,000	-	(725,000)	-	7,000,000	1,000,825
Directors and Participants	December 2022	5	£0.105	1,000,000	-	-	-	1,000,000	273,727
Directors and Participants	April 2023	5	£0.06	4,250,000	-	(400,000)	-	3,850,000	165,570
Directors and Participants	February 2024	5	£0.00867	2,850,000	-	-	-	2,850,000	71,231
				<u>36,971,052</u>	<u>-</u>	<u>(1,125,000)</u>	<u>-</u>	<u>35,846,052</u>	<u>2,960,899</u>
<i>Warrants</i>									
Supplier warrants	July 2021	5	£0.0550	1,818,182	-	-	-	1,818,182	124,482
Supplier warrants	July 2021	3	£0.0825	2,254,545	-	(2,254,545)	-	-	-
Shareholder warrants	December 2021	2	£0.0885	1,185,687	-	(1,185,687)	-	-	-
Supplier warrants	April 2022	2	£0.1350	3,244,331	-	(3,244,331)	-	-	-
				<u>45,473,797</u>	<u>-</u>	<u>(7,809,563)</u>	<u>-</u>	<u>37,664,234</u>	<u>3,085,381</u>

Bradda Head Lithium Limited

Notes to the condensed consolidated interim financial statements for the period ended 31 August 2024 (continued)

10 Equity settled share based payments (continued)

The amount expensed in the income statement has been calculated by reference to the fair value at grant date of the equity instrument and the estimated number of equity instruments to vest after the vesting period.

	Six-month period ended 31 August 2024 (unaudited) US\$	Six-month period ended 31 August 2023 (unaudited) US\$
Share based payment write-back/(expense)	<u>103,539</u>	<u>(180,622)</u>

During the period ended 31 August 2024, no new options were granted.

During the period ended 31 August 2024, total unexercised supplier warrants of 6,684,563 expired.

Bradda Head Lithium Limited

Notes to the condensed consolidated interim financial statements for the period ended 31 August 2024
(continued)

11 Gain on sale

On 21 December 2021, the Company completed a royalty agreement with the Lithium Royalty Corporation ("LRC"). Key terms of the royalty agreement are:

- LRC has been granted a 2% gross overriding royalty (GOR) over Bradda Head's sedimentary lithium claims in Arizona (Wikieup project and Basin project) leaving the Company's pegmatite and brine projects unencumbered;
- LRC has paid to the Company upon closing the sum of US\$2.5 million for granting of the Royalty;
- LRC has paid to the Company an additional US\$2.5 million upon the Company publicly reporting a 1 million tonne lithium carbonate equivalent (LCE) Mineral Resource with a minimum lithium grade of 800 parts per million (ppm);
- LRC will pay to the Company an additional US\$3 million upon the Company publicly reporting a 2.5 million tonne LCE Mineral Resource with a minimum lithium grade of 800ppm.

In addition, LRC has also subscribed for US\$2 million of new ordinary shares (along with US\$0.5 million via a further subscription from a LRC director) alongside the royalty closing. See note 14 for details.

During the period, the Company hit the final milestone of a 2.5 million tonne lithium carbonate equivalent (LCE) Mineral Resource with a minimum lithium grade of 800 parts per million (ppm), thereby triggering the final royalty payment from LRC. This has been recognised as a gain on sale in the consolidated statement of comprehensive income.

Reconciliation of gain on sale

Year ended 29 February 2024

US\$

Initial proceeds received from royalty receipt	3,000,000
Less: Deferred mine exploration costs disposal (note 7)	(24,739)
Less: Exploration permits and licences disposal (note 8)	(323)
	<hr/>
	2,974,938
	<hr/>

12 Basic and diluted loss per share

The calculation of the basic earnings per share is based on the earnings attributable to ordinary shareholders divided by the weighted average number of shares in issue during the period.

The calculation of diluted earnings per share is based on the basic earnings per share, adjusted to allow for the issue of shares, on the assumed conversion of all dilutive share options.

Bradda Head Lithium Limited

Notes to the condensed consolidated interim financial statements for the period ended 31 August 2024
(continued)

12 Basic and diluted loss per share (continued)

	Six-month period ended 31 August 2024 (unaudited) US\$	Six-month period ended 31 August 2023 (unaudited) US\$
Profit/(loss) for the period	1,176,472	(2,229,852)
Weighted average number of ordinary shares in issue	390,609,439	390,609,439
Dilutive effect of shares to be issued (Note 10)	37,664,234	-
Diluted number of ordinary shares	428,273,673	390,609,439
Basic earnings/(loss) per share (pence)	0.30	(0.57)
Diluted earnings/(loss) per share (pence)	0.27	(0.57)

13 Related party transactions and balances

Edgewater Associates Limited ("Edgewater")

During the six-month period ended 31 August 2024, Directors and Officers insurance was obtained through Edgewater, which is a 100% subsidiary of Manx Financial Group ("MFG"). James Mellon and Denham Eke are Directors of MFG and Denham Eke is a Director of Edgewater.

During the period, the premium payable on the policy was US\$ 42,566 (six-month period to 31 August 2023: US\$ 96,724), of which US\$ 31,443 was prepaid as at the period end (29 February 2024: US\$ 11,560).

14 Commitments and contingent liabilities

The Group has certain obligations to expend minimum amounts on exploration works on mining tenements in order to retain an interest in them, which would be approximately US\$ 357,000 during the next 12 months. This includes annual fees in respect of licence renewals. These obligations may be varied from time to time, subject to approval and are expected to be filled in the normal course of exploration and development activities of the Company.

15 Events after the reporting date

Post period end, the Company commenced the process of voluntarily delisting from the TSX-V, with the delisting completing on 24 October 2024.