# SunMirror Group

Interim Report 2024/25 consisting of

Group Management Report and

Condensed Interim Consolidated Financial Statements for the six months ended 31 December 2024

# SunMirror Group

## Group Management Report for the six months ended 31 December 2024

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# 1 Economic environment

### Summary

- The outlook for the global economy in 2025 and 2026 is stable, with inflation continuing to moderate in most advanced economies.
- Global industrial production growth has slowed in recent months. Forward indicators of global manufacturing activity point to weakness as 2025 begins.
- China's economic growth has been subdued in recent quarters, as weakness in the residential property market continues to weigh on Chinese activity and investment.

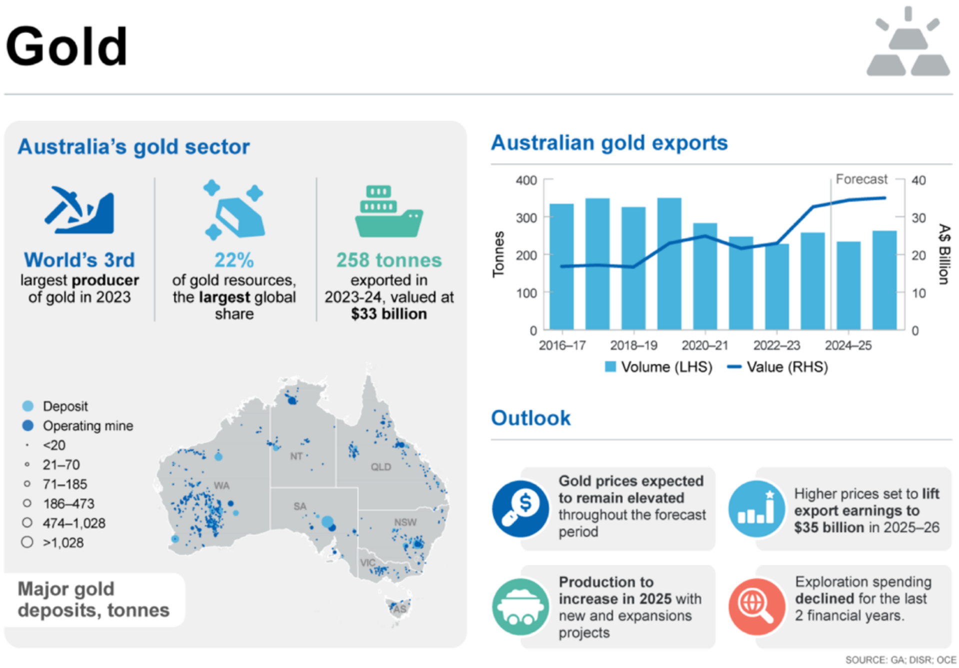
The near-term outlook for Australian resources and energy commodity exports is little changed in net terms since Q3 2024. Steady world economic growth (and hence commodity demand) is forecast in 2025 and 2026.

Australia's resource and energy exports are forecast to fall to AUD 372 billion in 2024–25 from AUD 415 billion in 2023–24 as commodity prices settle at lower levels. Export earnings are expected to decline to AUD 351 billion in 2025–26.

Strong demand has seen the gold price hit a new record high. Alumina prices have surged, primarily on bauxite supply concerns.

# 2 Relevant Commodity Markets

## 2.1 Gold



**Summary**

- Gold prices have been boosted by global economic uncertainty and major central banks easing monetary policy and are forecast to remain elevated in 2025 before falling in 2026.
- Australian gold production increased by 0.5 tonnes in the September quarter 2024 to 74 tonnes. Yearly gold production is forecast to fall slightly in 2024–25 before resuming growth in 2025–26 as new projects and existing mine expansions come online.
- Earnings forecasts have been revised down moderately by AUD 0.3 billion to AUD 34 billion in 2024–25 due to a slightly stronger forecast for the AUD/USD. Earnings forecasts for 2025-26 remain at AUD 35 billion, in line with earlier forecasts.

**World gold consumption decreased in the September quarter 2024**

Global gold demand decreased by 0.3% year-on-year to 1,177 tonnes in the September quarter 2024. Demand fell primarily because of reduced bar and coin investment and lower jewelry demand, and central banks and government financial institution buying.

Geopolitical uncertainty and global monetary easing have prompted global investors to return to ETFs. Lower official interest rates reduce the return on interest-bearing deposits with financial institutions and thus lower the opportunity cost of holding gold.

**Demand is forecast to fall in 2025 before growth resumes in 2026**

Lower investment in gold bars and coins, falling jewelry consumption and reduced official sector gold purchases, were expected to reduce global gold demand by 2.8% in 2024. A further 7.3% fall in demand is forecast in 2025 before a minor rise in 2026. Official sector buying is forecast to fall by 33% between 2023 to 2026 — from 1,049 tonnes to 700 tonnes.

While central banks collectively are expected to continue to purchase gold, official sector buying is expected to slow after 2025 as some central banks reach near-term targets for gold reserves following two years of record buying.

After totalling over 1,000 tonnes for the third year running on estimates from Metals Focus and the mining-industry's World Gold Council – equal to 29.0% of new mine supply – "the pace of central bank gold buying remains critical to the outlook," says US investment bank Morgan Stanley

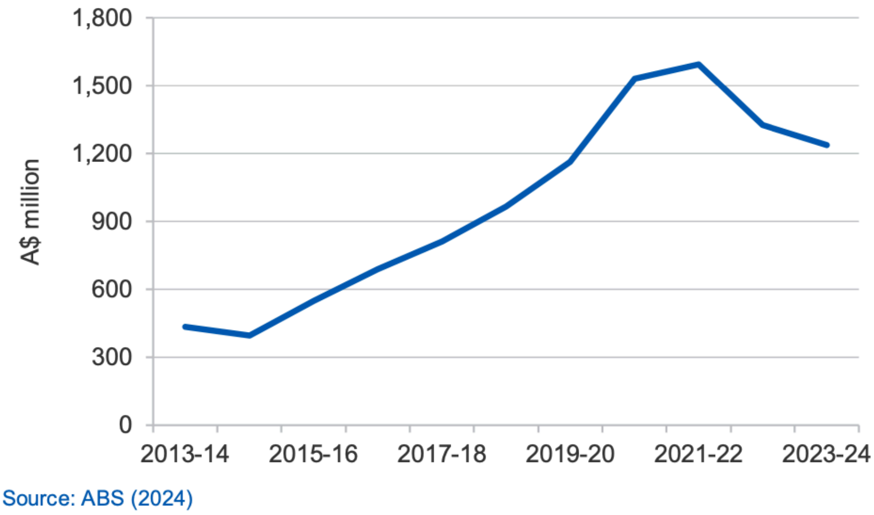
(ref: https://www.bullionvault.co.uk/gold-news/gold-price-news/gold-2025-3000-forecast-021820251#:~:text=After%20totalling%20over%201%2C000%20tonnes,US%20investment%20bank%20Morgan%20Stanley).


**Above:** Gold price over the last 12 months

(*Source: https://tradingeconomics.com/commodity/gold*).

### Australian gold exploration expenditure falls despite high gold prices

Australia's gold exploration expenditure decreased by 9.7% year-on-year in the September quarter 2024 to AUD 301 million. Gold's share of Australian mineral exploration remained at 29% in the September quarter 2024, same as a year earlier. This decline in exploration occurred despite high Australian gold prices, which have historically motivated high exploration expenditure. Western Australia remained the centre of gold exploration activity in Australia, accounting for 78% of total gold exploration expenditure.

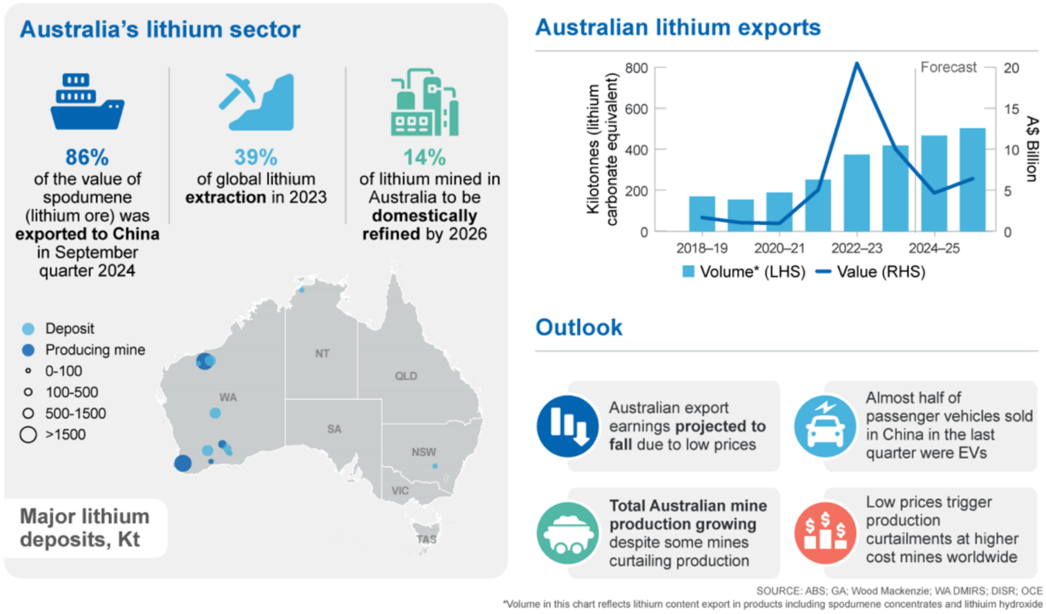



**Above:** Australian gold exploration expenditure

### High gold prices drove export earnings to a new record in 2024–25

High gold prices are expected to drive Australia's gold export earnings AUD 34 billion. This represents an increase of 4.7% year-on-year from 2023–24. Export earnings are then forecast to grow slightly to AUD 35 billion in 2025–26, as higher export volumes more than offset lower forecast prices.

## 2.2 Lithium




### Summary

- Australia's lithium export earnings are forecast to fall from AUD 9.9 billion in 2023–24 to AUD 6.5 billion in 2025–26. The fall will be driven by a weaker lithium price, with Australian mine output expected to average 9% annual growth over the outlook period (even incorporating recent production curtailments at some mines).
- Global lithium demand is forecast to rise by 22% a year to 2026, driven by rising electric vehicle (EV) adoption. In 2024, strong sales in China have continued to offset weakness in the US and EU markets.
- The current surplus in global lithium markets is expected to narrow following suspension of some production across higher cost hard rock mining operations around the world, including China, Zimbabwe and Australia.

### EV penetration in US and European markets improved in recent months, but is still trailing China

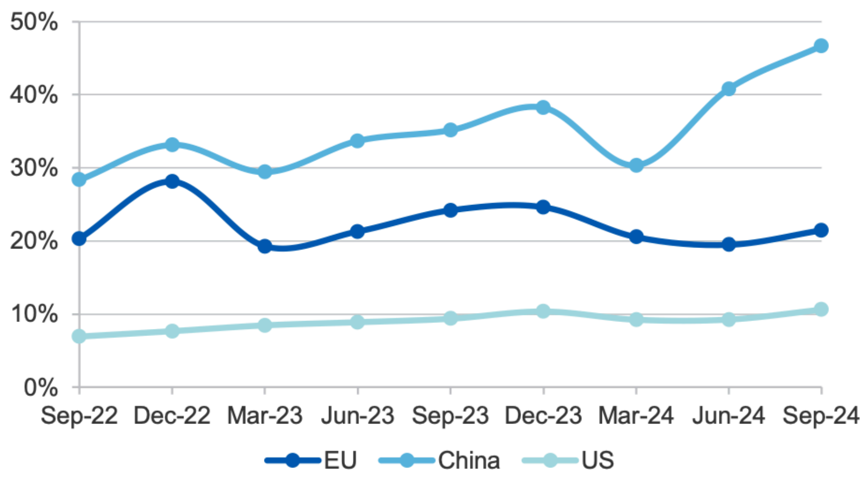
EV penetration strengthened in major vehicle markets in the Q3 2024, following a weak H1 2024. In China, EV penetration reached nearly 50% of passenger vehicles sold during the period. In the EU, EV penetration rose but remained below its 2023 peak of 25%. EV penetration for light duty vehicles in the US rose to reach a record high of 10.6%.

In China, EVs continue to improve their price competitiveness.

In the US, favourable treatment of leased EVs under Inflation Reduction Act (IRA) tax credits has helped to offset some of the impact of tightened eligibility requirements relating to the use of EV components and critical minerals from China.

Import duties on Chinese battery electric vehicles were approved by the European Commission in October 2024, following a vote amongst EU members which failed to veto the measure.

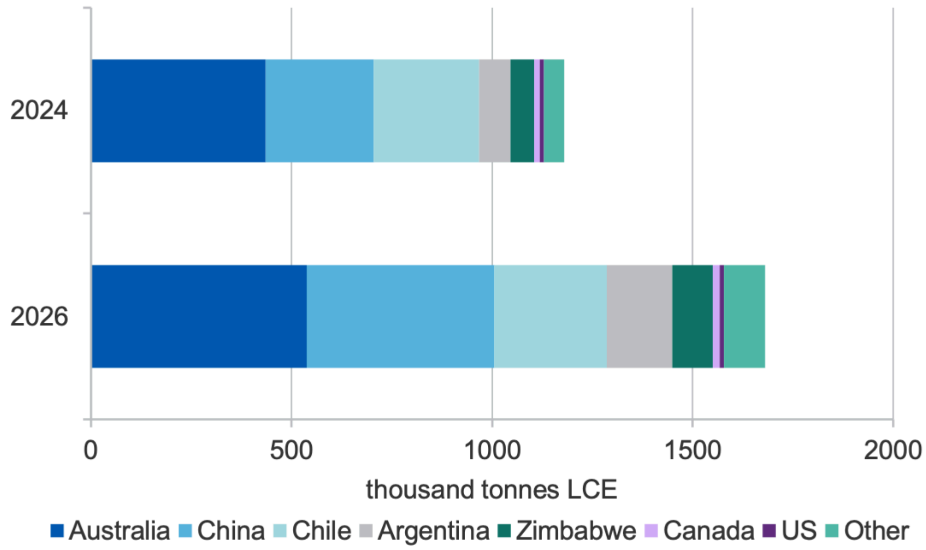
**Below** - EV penetration rate in major vehicle markets



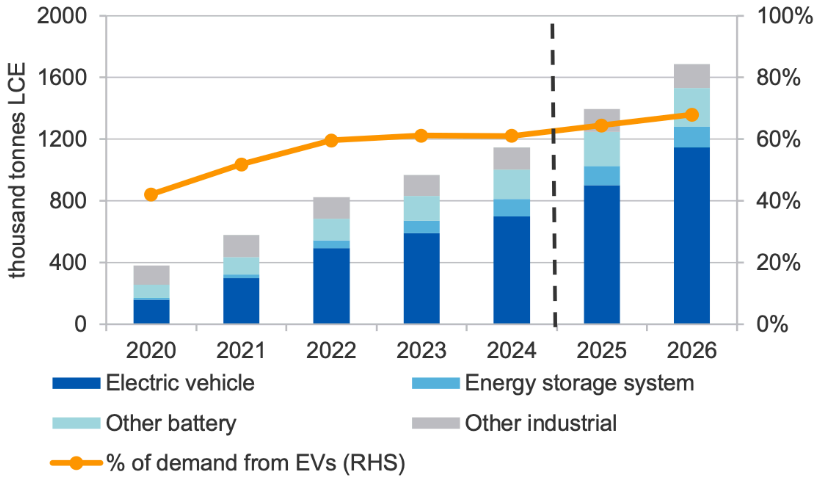

Notes: Data presented for the EU and China are for the passenger vehicle market, while data presented for the US is for the light duty vehicle market. EVs include both battery electric vehicle (BEV) and plug-in hybrid electric vehicle (PHEV).
Sources: Argonne National Laboratory (2024); China Association of Automobile Manufacturers (2024); European Automobile Manufacturers Association (2024).

### Supply rise despite production suspension at some mines

Lithium extraction is forecast to increase 20% annually over the outlook period to reach 1.8 Mt LCE by 2026 (see below). Most of the new supply will be added in China, Australia and Argentina, with China forecast to add the most volume over the period.




Notes: Measured on a recoverable lithium basis. Brines do not have to be further processed at refineries. Projections are based on DISR analysis of Wood Mackenzie data.
Source: Department of Industry, Science and Resources (2024), Wood Mackenzie (2024)




Notes: Projections are based on DISR analysis of Wood Mackenzie data.
Source: Department of Industry, Science and Resources (2024), Wood Mackenzie (2024)

**Above:** World lithium consumption, by demand

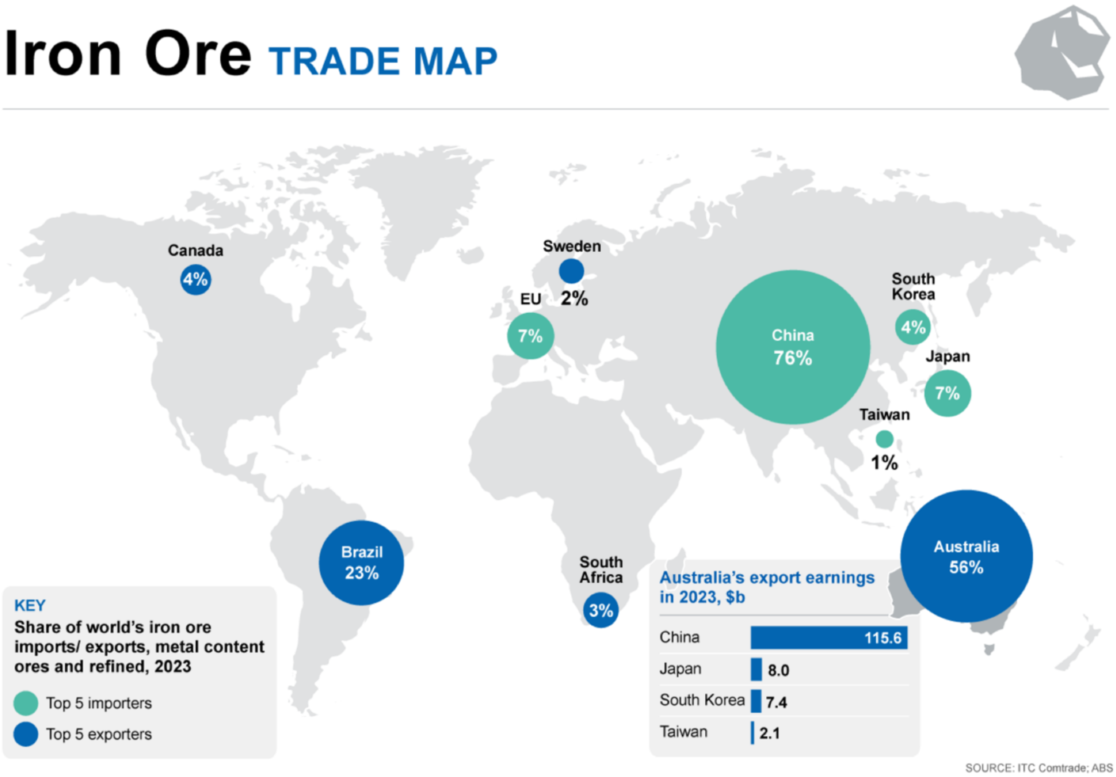
**Australian production and exports set to grow as production from new mines outweighs production curtailments**

Australia's lithium spodumene export earnings fell 69% year-on-year in the September quarter 2024 to AUD 1.2 billion. This was due to lower prices. Export volumes rose 23% over the period. In value terms, 86% of spodumene exported from Australia in the September quarter 2024 was sent to China.

Australian lithium mine output is estimated to have risen 14% year-on-year to 119 kt LCE on a recoverable lithium basis in the September quarter 2024. Bald Hill and Greenbushes mines increased production, while Kathleen Valley started concentrate production in the September quarter.

Weak market conditions have resulted in the curtailment of some mine production. Benchmark Mineral Intelligence's Australian FOB price for spodumene concentrate (SC6) averaged USD 800 a tonne in November 2024, around the operating costs of some Australian mines.

## 2.3 Iron Ore




### Summary

- Spot iron ore prices rebounded in October 2024, driven by positive sentiment associated with China's economic policy announcements, but have since moderated.
- Australian iron ore export volumes over H2 2024 continued to increase, reflecting improved productivity and ongoing ramp ups in newer mines. Export volumes are expected to rise steadily, increasing by around 1.7% a year over the next two years.
- Lower prices projected over the outlook period will reduce Australia's iron ore export earnings from AUD 138 billion in 2023–24 to AUD 108 billion in 2024–25 and AUD 96 billion in 2025–26.

### World iron ore trade

China's imports of iron ore have remained strong despite falling steel demand, rising 6.8% in the year to September 2024. China's iron ore imports from Australia increased by 3.0% year-on-year in the September quarter 2024, down from a 6.6% year-on-year rise in the June quarter.

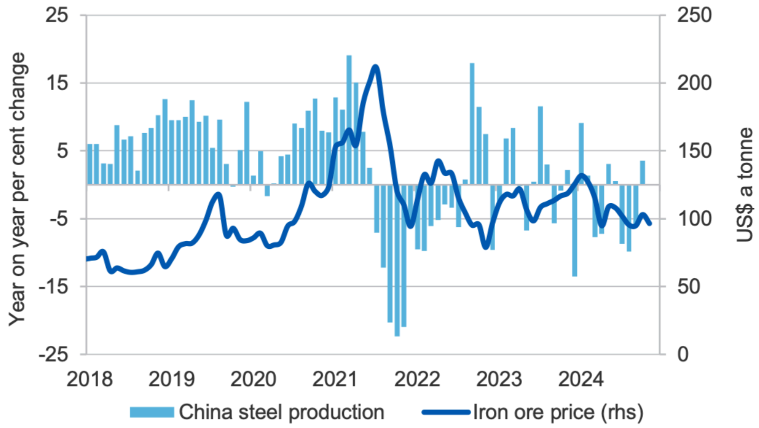
Combined shipments to China from Australia, Brazil and South Africa —representing around 80% of global seaborne supply — were estimated at around 777 Mt for the 9 months to September 2024, a rise of 2.3% from the same period in 2023.

The steady growth in China's iron ore imports, combined with falling steel production, has seen China's portside stocks remain near 5-year highs for most of 2024, at over 150 Mt in late November 2024.

**Iron ore prices stabilize due to Chinese policy announcements, but markets remain cautious**

Iron ore price volatility continued in the December quarter 2024. Daily benchmark iron ore spot prices (basis 62% Fe fines CFR Qingdao) surged by around 20% to about USD 105 a tonne in October following the policy measures announced by the Chinese government.

**Below**: Iron ore price and China steel production




Notes: China import Iron ore fines 62% Fe spot (CFR Tianjin port)
Sources: Bloomberg (2024) China import prices; World Steel Association (2024)

Prices subsequently moderated as markets remained cautious about the impact of the measures. Prices changed little following the additional measures announced in November. Over the past year, iron ore prices have risen and fallen in line with market speculation of further policy announcements in China, a pattern that is likely to continue at least until early 2025.

**Prices to ease over the outlook due to softening demand and new supply**

The outlook for iron ore prices remains soft due to the strong supply outlook and weaker steel demand. Australia and Brazil, the world's two largest producers, are expected to continue to collectively grow export volumes. This follows a ramp up of greenfield projects by major Australian miners, and major expansions planned by Brazilian producers Vale and CSN. New supply from emerging producers in Africa will also contribute to global supply.

Rising steel demand and production capacity in emerging Asia and the Middle East will lift iron ore demand over the outlook period. The increase in demand includes over 100 Mt of integrated (Blast Furnace-Basic Oxygen Furnace) steelmaking capacity expected to come online in the next few years in Asia. Over the next two years, iron ore demand is expected to receive support from a modest rise in demand in Europe and North America as interest rates continue to fall.

**Australian Iron ore exploration reaches decade-high in September quarter**

A total of AUD 216 million was spent on iron ore exploration in the September quarter 2024. This was 10% higher than the September quarter 2023 and the highest level since the September quarter 2013. The latest results continue the robust levels of iron ore exploration triggered by the historical high iron ore prices (of above USD 200 a tonne) in early 2021.

Source: https://www.industry.gov.au/sites/default/files/2025-02/Resources-and-energy-quarterly-December-2024.pdf

# 3 Business Development

## 3.1 Business Update

In the first half of fiscal year 2025, the Group has maintained a minimised cash burn while the board seeks the best avenue to finance future growth. Given the continued downturn in lithium prices, SunMirror has focused its exploration expenditure on the Kingston Keith license, which is prospective for gold (as well as lithium) and where the Company continues to make good progress. Record high gold prices make it an attractive asset to raise exploration capital for. An aeromagnetic survey was flown in December 2024 with interpretation results published in February 2025 identifying a number of attractive drilling target areas for gold. The vast majority of the targets being in the area covered by the Tarlka Matuwa Piarku Aboriginal Corporation ("TMPAC"), execution of an exploration agreement is the next logical step. Negotiations with TMPAC to that effect are ongoing. Separately continue to hold discussions with parties interested in a partnership on Kingston Keith. Regarding the financing of future development, the Company is having ongoing discussions with major shareholders on appetite for a potential rights issue, as the Board tries to avoid any material dilution, but the Company may also looks to combine with capital from external investors. Further updates will be provided to the public as any of these efforts materialise.

## 3.2 Business Activities

The Company's focus is on (majority) acquisitions in mineral exploration companies and properties, mostly located in developed countries that have the most attractive mining jurisdictions, with a specific focus on battery metals, copper, iron ore and gold deposits.

In financial year 2020 the Group started its activities in the raw material sector and is in the early stage of exploration activities which continued through to mid 2024. The current business activities of SunMirror Group consist merely of exploration (i.e., the search for and development of economically viable reserves of mineral resources) and holding rights for potential royalties in this sector. Subject to a successful exploration program SunMirror Group also plans to be active in the field of the development, mining, and extraction of mineral resources in the future.

### 3.3 Objectives and Strategies

SunMirror pursues an opportunistic acquisition strategy of new exploration and operating assets. All current projects are held 100% by the Group. The Group's strategy is to acquire primarily sole ownership or controlling interests (save for potential royalty opportunities). Any decision on the acquisition of additional exploration and operating assets will only be made after successful due diligence, negotiations/commercial agreement and securing any required financing.

SunMirror pursues discussions with various potential partners that could participate in the development of its projects with carries and milestone-based earn-ins. This approach will contribute to SunMirror ability to diversify its portfolio of assets.

SunMirror seeks to acquire mineral assets that have seen at least some work from the previous owners and operators. This partial de-risking strategy provides SunMirror with baseline information to estimate the potential likelihood of encountering further encouraging results, as well as a starting point from which to direct the next phases of work; and consequently, reduce the risk of SunMirror not being able to deliver attractive prospects for the projects.

The Company’s strategy is to invest into exploration and mining assets with a focus on metals critical for the fast-growing European green technology industry such as cobalt, copper, gold, lithium, nickel, and tin. The focus is furthermore on assets located in stable, low risk jurisdictions, e.g., Australia, Europe and possibly select African countries. By focusing on mineral assets in these more mature jurisdictions, management of SunMirror tries to avoid typical expropriation and political risk associated with mineral assets in more challenging countries.

### 3.4 Research and Development

Since the business model of SunMirror does not require any research and development activities, it can mainly operate adopting commonly used best practices in its core business areas, and as such there are no current research and development activities apart from its ongoing mineral exploration programs.

### 3.5 Operating Activities

The Group invests into exploration and mining assets with a focus on critical metals relevant for the European industry. The Group continues to advance its exploration assets and with the aim to eventually operate multiple mines and processing plants. Currently, the Group holds 3 assets in Western Australia:

- **Moolyella**: The Group holds an exploration license (E 45/5573) covering an area of approx. 93 square kilometres in Moolyella, located in North-Western Australia, which the Group believes has a robust potential for lithium-bearing pegmatites as well as tin, tantalum and rare earths.

  The property is an early-stage exploration project with no JORC-compliant mineral resources defined as yet, except for a historic JORC-compliant resource on tin and tantalum published by a previous operator, LitheX Resources Limited, on the 2nd March 2012.

In April 2024, following a soil sampling program and follow-up site visit in June and October respectively the previous year, a 5-day Heritage Site was completed by Geonomik Pty Ltd in conjunction with the Nyamal Aboriginal Corporation (NAC), the traditional landowners of the ground in the Moolyella license area. The purpose of the visit was to review proposed drill site locations targeting lithium-bearing pegmatites and assess whether they were in culturally sensitive areas. A total of 5km$^2$ of ground was carefully covered on foot and 88% of the ground inspected (4.4km$^2$) was cleared for drilling.

Following a review of the areas cleared for drilling by the NAC's site visit, the Company submitted a Programme of Work (PoW) to the Department of Energy, Mines, Industry and Regulation (DEMIRS) on the 7th June for up to 495 reverse circulation (RC) drill hole sites. Following a review of the PoW (supported by a copy of the Company's Moolyella Exploration Environmental Management Plan), the PoW was formally approved by the DEMIRS on 13th August 2024.

Drilling any of these targets will depend on the state of the lithium market, which is currently in over supply with depressed prices.

- Kingston-Keith: The Group holds an exploration license (E 53/1953) covering an area of approx. 152 square kilometers in the Kingston-Keith/Mt. Keith area, situated in a prolific gold and nickel production district in central Western Australia, which the Group believes have good potential for gold, lithium and potentially nickel. The property is an exploration project with no JORC-compliant mineral resources defined yet.

  In April 2024, the Company signed and Exploration Agreement with the Tjiwarl Aboriginal Corporation (TAC), the traditional landowners of the ground covering the southern half of the license. This agreement paves the way for the Company to carry out physical exploration work on the ground. The Company is currently negotiating a similar agreement with the TMPAC Group who are the traditional landowners covering the northern half of the license, which would then allow the Company to carry out physical exploration work within the northern half of the license.

  In December 2024 MAGSPEC Airborne Surveys PTY Ltd, a company specialising in high resolution, ultra-detailed and regional airborne geophysical surveys were commissioned to fly an infill aeromagnetic and radiometric survey over 2 discrete areas within the Kingston Keith license with known historical gold workings. The survey was completed on time and on budget by the end of December.

  The survey covered approximately 896 line-kilometers, and the data collected was subsequently processed and interpreted by Southern Geoscience Consultants (SGC), a specialist group of geoscientists focused on providing the highest quality integrated geophysical solutions to the resource industry. SGC were instructed to integrate the new airborne data with previous data collected from an earlier (50m flight line spacing) MAGSPEC survey (flown in January 2023) that was commissioned by the Company, and which covered the whole of the Kingston Keith license area. The new infill survey was flown in between the previous 50m flight lines to try and identify narrower high-grade gold-bearing structures that may have been missed during the much wider 50m line spacing survey.

As a result a total of 44 prospective target areas have now been identified within the Kingston Keith Project Area. From the original set of 23 targets identified in the 2023 MAGSPEC survey (i.e., before the 2025 infill magnetics were flown), 13 have been revised using the new data while another 21 new targets have been added. Of the 44 targets, 39 are for gold only, 4 are for lithium and 1 is prospective for both lithium and gold. The highest priority gold targets are focused around historic workings, with mapped geochemical anomalies.

- **Cape Lambert**: The Group holds a royalty on future mine production from the MCC Australia Sanjin Mining Pty Ltd ("MCC")'s retention license (R 47/18) on their Cape Lambert magnetite project covering an area of approx. 83.68 square kilometers in the Cape Lambert region in Western Australia. This is a passive holding investment held by the Group. The Group is not aware of any work carried out by MCC over the last 12 months and there is no requirement by them to do so to keep the license in good standing.

  The Group does not expect any royalties from the project in the short-term. This expectation is based on the fact that, currently, MCC holds a so-called retention license for the Cape Lambert project. A retention license is a license at an intermediate licensing stage between exploration license and mining lease, which allows the holder to retain but not to develop a mining project, e.g., because of pending commercial feasibility or the development of required transportation infrastructure. However, it is of the Company's opinion that the project is economic to develop based on comparable magnetite projects that have recently been developed in Western Australia. The Company is exploring with MCC avenues to move forward with development of the project.

The Group assets of the company, located at Moolyella and Kingston Keith are at an exploration phase and do not produce any revenue for the time being. A pre-feasibility study was completed by MCC on the Cape Lambert project but has not yet been put into production yet.

A minimum annual exploration budget is required by the Department of Energy, Mines, Industry Regulation and Safety (DEMIRS) in Western Australia to keep the licenses in good standing. For Moolyella, the minimum expenditure is AUD 43,500, and AUD 90,000 for Kingston Keith.

Given the current outlook for lithium prices, it is not a favourable time to raise capital for lithium exploration. However, the Company is opportunistically looking at potential partnerships with larger groups focused on lithium. On the other hand, gold prices being at historical highs, capital for gold exploration is more readily available. The Company is exploring various avenues to raise capital to that effect.

### 3.6 Acquisitions

The Group continues to be on the lookout of acquisition or partnership opportunities to complement its portfolio of assets in Australia with a focus on other developed countries and/or select African countries. Some discussions are taking place with companies looking to combine or sell assets.

# 4 Earnings and Balance Sheet Analysis

## 4.1 Basis of preparation

The condensed interim consolidated financial statements of SunMirror Group for the six months ended 31 December 2024 have been prepared on a going concern basis in accordance with IAS® 34 Interim Financial Reporting, as issued by the International Accounting Standards Board (IASB®).

## 4.2 Revenue

SunMirror did not generate any revenues within the reporting period July – December 2024 (1H 2024/25) as well as in the comparative period July – December 2023 (1H 2023/24), except for other income. See the following explanations.

The Group assets located at Moolyella and Kingston Keith are in an exploration phase and do not generate any revenue for the time being. The Group plans to continue exploration on these two exploration licenses. For the next 12 months funded by financial means already available to the Group as well as other financing to be provided by investors if needed. The Group holds a passive royalty over the Cape Lambert North project in Western Australia and has no influence over actions taken by MCC Australia Sanjin Mining Pty Ltd (MCC). The project is held by MCC under a Retention License. To SunMirror's knowledge, no decision to develop the project has been made yet. The Group expects that production at the Cape Lambert mine will not start in the short-term as described above.

## 4.3 Other income

Other income in the comparative period resulted from the reversal of current provisions no longer required and the successful clawback of an advance payment.

## 4.4 Exploration expenditures

Depending on economic developments, the two evaluation and exploration assets, Moolyella and Kingston Keith, are currently being evaluated for potential resources. The costs incurred in this process were fully capitalized in the condensed interim consolidated financial statements 1H 2024/25 (USD 0.1 million) and 1H 2023/24 (USD 0.3 million), and therefore no expense was recognized in profit and loss.

### 4.5 Personnel expenses

| *In USD thousand* | July - Dec. 2024 | July - Dec. 2023 |
|---|---|---|
| Wages and salaries | -391 | -408 |
| Share-based payments | 2 | -22 |
| Social security and insurance contributions | -8 | -12 |
| Defined contribution plans | -1 | -1 |
| Other personnel expenses | -3 | - |
| **Total Personnel expenses** | **-401** | **-443** |

Personnel expenses decreased by 9.5% in 1H 2024/25 and amounted to USD 0.4 million (1H 2023/24: USD 0.4 million). The number of full-time equivalents (FTE) decreased to 2.0 FTE in the reporting period compared to 2.1 FTE in the comparative period.

### 4.6 General and administrative expense

| *In USD thousand* | July - Dec. 2024 | July - Dec. 2023 |
|---|---|---|
| Regulatory expenses | -14 | -37 |
| Legal and tax fees | -67 | -40 |
| Accounting and auditing fees | -101 | -168 |
| Investor Relations | -49 | -21 |
| Capital tax | -7 | -10 |
| Other operating expenses | -45 | -1 |
| **Total General and administrative expenses** | **-283** | **-277** |

General and administrative expenses remained virtually unchanged in 1H 2024/25 and 1H 2023/24 (USD 0.3 million).

Regulatory, accounting and auditing expenses decreased significantly, while fees for legal and tax and expenses for investor relations increased slightly. Other operating expenses in the comparative period were influenced by a one-time recovery of VAT input tax, which is why a comparison is not appropriate.

### 4.7 Financial result

| *In USD thousand* | **July - Dec. 2024** | **July - Dec. 2023** |
|---|---|---|
| Foreign currency exchange gains | 2 | 3 |
| Interest income | 23 | 21 |
| **Financial income** | **25** | **24** |
| | | |
| Foreign currency exchange losses | -71 | -199 |
| **Financial expenses** | **-71** | **-199** |
| | | |
| **Total Financial result** | **-46** | **-175** |

Financial income remained virtually unchanged in H1 2024/25 compared to 1H 2023/24. Interest income was generated from cash and cash equivalents as well as the shareholder loan.

Financial expense decreased by 64.3% (USD 0.1 million) in 1H 2024/25 to USD 0.1 million (1H 2023/24: USD 0.2 million). As in the comparative period, financial expense in 1H 2024/25 resulted entirely from foreign currency exchange losses.

### 4.8 Income Tax

In the current and previous periods, the Group did not generate taxable profits. No deferred tax asset has been recognized in relation to tax losses carry forward due to the uncertainty of realization.

### 4.9 Cashflow Statement

| *In USD thousand* | **July - Dec. 2024** | **July - Dec. 2023** |
|---|---|---|
| **Net cash flow from operating activities** | **-652** | **-1,013** |
| **Net cash flow from investing activities** | **-90** | **-268** |
| **Net cash flow from financing activities** | **0** | **0** |
| Net foreign exchange differences | -34 | 189 |
| **Net change in cash and cash equivalents** | **-776** | **-1,092** |
| Cash and cash equivalents at beginning of year | 2,103 | 3,992 |
| Cash and cash equivalents at end of year | 1,327 | 2,900 |

The net cash outflow from operating activities decreased by 35.6% (USD 0.3 million) to USD -0.7 million in 1H 2024/25 (1H 2023/24: USD -1.0 million) and reflects the successful cost-saving efforts.

The net cash outflow from investing activities shows the capital expenditure on exploration and evaluation assets (1H 2024/25: USD 0.1 million and 1H 2023/24: USD 0.3 million). The amount spent on exploration and evaluation depends on various factors. The minimum amounts to maintain the licenses have been met.

There were no financing activities in either the reporting period or the comparative period.

### 4.10 Assets

| *In USD thousand* | 31 Dec. 2024 | 30 June 2024 |
|---|---|---|
| **ASSETS** | | |
| Non-current assets | | |
| Intangible assets | 23,611 | 25,488 |
| Exploration and evaluation assets | 4,021 | 4,250 |
| **Total non-current assets** | **27,632** | **29,738** |
| Current assets | | |
| Financial assets | 309 | 334 |
| Other short-term receivables | 185 | 192 |
| Cash and cash equivalents | 1,327 | 2,103 |
| **Total current assets** | **1,821** | **2,629** |
| **Total assets** | **29,453** | **32,367** |

Total assets decreased by 9.0% (USD -2.9 million) to USD 29.5 million as at end of December 2024 (June 2024: USD 32.4 million).

Compared to the last balance sheet date, intangible assets decreased significantly (i.e. royalty agreement Cape Lambert). The loss in value of the Cape Lambert royalty during the six months to 31 December 2024 was due exclusively to currency translation effects. The exploration and evaluation assets (i.e. Moolyella and Kingston Keith) decreased slightly despite capital expenditures in 1H 2024/25, which is also due to the currency translation effect.

### 4.11 Liabilities

| *In USD thousand* | 31 Dec. 2024 | 30 June 2024 |
|---|---|---|
| Non-current liabilities | | |
| Provision stock option plan | 6 | 8 |
| **Total non-current liabilities** | **6** | **8** |
| Current liabilities | | |
| Trade payables | 100 | 36 |
| Other payables | 229 | 287 |
| Other non-financial liabilities | 2 | 3 |
| **Total current liabilities** | **331** | **326** |
| **Total liabilities** | **337** | **334** |

Liabilities remained virtually unchanged in 1H 2024/25. While trade payables include invoices received but not yet paid, other liabilities mainly include accruals for services received but not yet invoiced. Other non-financial liabilities include short-term provisions for capital taxes (December and June 2024).

### 4.12 Equity

| *In USD thousand* | 31 Dec. 2024 | 30 June 2024 |
|---|---|---|
| **Equity** | | |
| Share capital | 2,585 | 2,585 |
| Capital reserves | 58,092 | 58,092 |
| Accumulated losses | -28,482 | -27,752 |
| Other reserves | -3,079 | -892 |
| **Total shareholders' equity** | **29,116** | **32,033** |

Shareholders' equity decreased by 9.1% (USD -2.9 million) to USD 29.1 million at the end of December 2024 (June 2024: USD 32.0 million). At the end of December 2024, the Group had an equity to asset ratio of 98.9% (June 2024: 99.0%).

The loss in other comprehensive income amounted to USD -2.2 million in 1H 2024/25 and mainly reflects the volatile exchange rate movements in the foreign currencies relevant to SunMirror, AUD and EUR against the USD and therefore, the translation of the assets held by Lithium 1 and Pharlap Holdings (comparative period: USD 1.0 million income).

## 5 Company Structure

### 5.1 General information

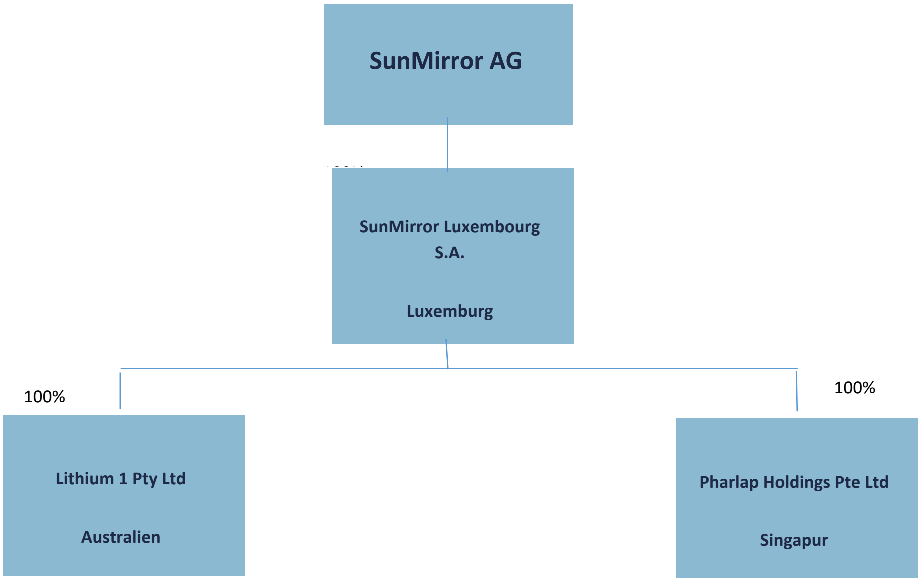
SunMirror AG is a stock corporation (Aktiengesellschaft) incorporated and operating under Swiss law. Its registered office is in Zug, Switzerland and it is registered with the commercial register office of the canton of Zug under CHE 395.708.464. The Company's address is General-Guisan-Strasse 6, 6300 Zug, Switzerland, telephone number +41 43 505 14 00. The Company's website is www.sunmirror.com.

The Company's legal name is "SunMirror AG". The Company and its subsidiaries operate on the market under the commercial name "SunMirror". The Company is established for an unlimited period of time. The Company's legal entity identifier (LEI) is 894500R3EZWT4CYDM933. The financial year of the Company runs from 1 July of a calendar year until 30 June of the next calendar year.

According to Article 2 of the Company's Articles of Association, the statutory purpose of the Company is to promote the long-term value of the subsidiaries, affiliated companies or participation through uniform administration and centralized services and to provide the associated financing. In addition, the Company may buy, sell, broker, manage and exploit real estate, securities, participations and intellectual property rights, establish subsidiaries and branches in Switzerland and abroad and carry out all commercial activities related to the purpose of the Company.

## 5.2 Structure of the group and stock trading

Since the reverse takeover with SunMirror Luxembourg in August 2020, the structure of the group is as follows:




On 30 November 2020, the Shares were included for trading on the Vienna MTF (market segment direct market) of Vienna Stock Exchange (*Wiener Börse*).

On 26 November 2021, the Listed Shares were admitted to trading on the Official Market (*Amtlicher Handel*) of the Vienna Stock Exchange (*Wiener Börse*), a regulated market pursuant to Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, as amended (Markets in Financial Instruments Directive II – "**MiFID II**").

In January 2024, trading of SunMirror AG shares seized on the Düsseldorf and Frankfurt stock exchanges. Sunmirror AG shares can only be traded in auction trading on the Vienna Stock Exchange.

## 5.3 Significant Subsidiaries

The significant subsidiaries of the Company are (i) SunMirror Luxembourg S.A., incorporated in Luxembourg, (ii) Lithium 1 Pty Ltd, incorporated in Australia, and (iii) Pharlap Holdings Pte Ltd, incorporated in Singapore. The Company holds, directly or indirectly, 100% of all shares and all votes in each such company.

# 6 Risk Report

## 6.1 Business related risk factors

The Company is a start-up company with no operating history and has not generated cash inflows as yet and will continue to be dependent on equity or debt funding at acceptable conditions in order to finance its business activities. The establishment of completely new business activities may fail, especially against the background of SunMirror's focus on mineral exploration companies, however the company aims to mitigate this risk by hiring relevant experienced industry personnel and conducting exploration with the objective of establishing mineral resources.

There is significant risk in the identification and proving up resources. While as of today no drilling has been done, there is no guarantee that future drilling programs will be successful. This means that there is a substantial risk that drilling may outline a lower tonnage or grade resource, which would negatively impact our valuation and possibly lead to future impairment of assets and impact the ability of the Company to continue as a going concern.

No asset of the Group is expected to generate revenues in the short term.

The Group's existing exploration assets, the Moolyella project and the Kingston-Keith project, are expected to take at least until 2027 and 2028 before they can be turned into producing mines, provided exploration efforts show the envisaged results of proving up a viable resource, obtaining a mining license and funding to construct an operating mine. Until such stage, even in case of successful exploration such assets will require further investment but will not generate revenues in the short-term. For the short-term, the Group will be dependent solely on equity and equity-linked funding, such as by means of convertible notes, to finance its administration and exploration and development activities. Any funding need may increase in case of delays with exploration efforts or higher than expected costs. If the Group fails to obtain additional funding at all or at reasonable terms, if required, the Group may be forced to sell assets, potentially also in distress, or even to file for insolvency which would result in assets being impaired and potentially additional liabilities being incurred.

In addition, the Group owns via its Pharlap Holdings subsidiary a royalty (the "Royalty Asset") on the Cape Lambert Iron Ore Project owned by MCC. The Royalty Asset is linked to a retention license and associated revenues rely on the commencement date of the mining operations, which is currently not yet set. Such date is dependent on many factors that are not in control of the Group, including but not limited to commodity prices, MCC business strategy and credit quality, regulation in Western Australia, global macroeconomic dynamics, etc.

Further, any acquisition by the Group of additional exploration assets or companies holding exploration assets will require the Group to obtain sufficient additional funding from its shareholders by means of share capital increases.

### 6.2 Commodity market related Risk factors

The market reacts sensitively to various factors, which is why a market forecast is only possible to a limited extent. Price and interest rate developments, inflation, political and social changes can be identified as driving factors.

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on net income or loss and economic value due to commodity price movements and volatilities. The Company closely monitors long term commodity prices, particularly as they relate to iron ore, base and precious metals, to determine the appropriate course of action to be taken by the Company. SunMirror actively monitors its risk of a shortage of funds as SunMirror will need extensive funds to finance its future exploration and evaluation activities as well as potential acquisitions. When expenses are denominated in currencies other than the respective functional currencies SunMirror is subject to foreign currency risks. SunMirror manages this foreign currency risk by matching receipts and payments in the same currency and monitoring movements in exchange rates.

In addition, SunMirror might be facing competition from other companies, some of which have considerably higher funds at their disposal for acquisitions or joint ventures. Furthermore, lower market prices for certain minerals could result in SunMirror Group's outlook being less attractive to potential capital providers. A lack of access to capital could restrict SunMirror's ability to finance development of its business. It could also impact the prospects of SunMirror's royalty asset held at Pharlap.

### 6.3 Regulatory Risk factors

The parent company SunMirror AG issues bearer shares instead of registered shares, which is still feasible for publicly listed companies in Switzerland. However, with the global tendency towards issuing registered shares bearer shares may restrict the Group's access to capital in the future.

MCC applied for renewal of the extension of its retention license from the Western Australia's department of mines in March 2025, but further extensions could be refused in due course, which could have an impact on the prospect of SunMirror's royalty held at its Pharlap subsidiary to produce any revenues in the future if MCC relinquishes its license.

New environmental regulations might create additional requirements on mining developments and fossil fuel usage that may have an impact on the future Company's results of operations and financial conditions and particularly its exploration costs. Regulations on fossil fuel usage would also likely create opportunities given the Company's focus on battery metals resources.

In Western Australia, registered Native Title claimants and determined Native Title holders have certain rights under the provisions of the Native Title Act 1993 (Cth) (NTA) future act regime, when governments intend to conduct business such as the granting of mineral tenure that are future acts under the NTA.

The State Government has a policy whereby applicants for exploration licenses and prospecting licenses will have to sign and offer a Regional Standard Heritage Agreement

(RSHA) or prove they have an existing Alternative Heritage Agreement or Exploration Agreement in place. This must happen before the applications are submitted to the NTA Expedited Procedure (Kimberley Region excluded).

RSHAs and Exploration Agreements provide Aboriginal heritage protection and offer all parties with standard fees and procedures for heritage clearances that are at an acceptable standard to industry.

Parts of the Moolyella and Kingston Keith exploration licenses are covered by heritage claims and the company is in close dialogue with the aboriginal groups concerned. An RSHA has been concluded with the Nyamal Aboriginal Corporation covering the Moolyella license area, and an Exploration Agreement has been signed with the Tjiwarl Aboriginal Corporation (the relevant Native Title Group in the southern part of the Kingston Keith license area). Discussions on an Exploration Agreement with the TMPAC Group (the relevant Native Title Group in the northern part of the Kingston Keith license area) are underway and should be completed before the end of the year. Lithium 1 had the Kingston Keith exploration license granted to it in 2020 once the National Native Title Tribunal Member determined that the tenement could be granted as the expedited procedure did not apply and held that there were no places or sites of particular significance in the tenement area. Accordingly, the Company does not need to enter into any new agreement with the relevant Native Title Groups, but the Company has agreed to sign an Exploration Agreement voluntarily as an indication of respect for, and acknowledgement of, the TAC, the TMPAC and the associated Native Title Holders.

New laws designed to avoid a repeat of the destruction of an ancient Indigenous site by resources giant Rio Tinto were introduced by the Government of Western Australia when it released the Aboriginal Cultural Heritage Act 2021 (WA), which came into force on the 1st July 2023. The new Act, which was to replace the Aboriginal Heritage Act 1972 (WA) proved hugely controversial and on the 8th August 2023, just weeks after being introduced, the WA Premier announced the repeal of the new Aboriginal Cultural Heritage Act 2021 (WA) and a return to the original Aboriginal Heritage Act 1972 (WA). As such it is business as normal for the Groups projects in Australia.

In addition, the Kingston Keith license was due for renewal by the 8$^{th}$ March 2025. All necessary paperwork for the renewal has been filed with the Department of Energy, Mines, Industry Regulation and Safety (DEMIRS) in Western Australia and the Company does not anticipate any issues with the license being extended.

The Austrian Financial Reporting Enforcement Panel (AFREP) has audited our financial reporting and the annual financial statements for 2021 and 2022. The audit started in December 2022 and the results were communicated in October 2023. In this letter dated 9 October 2023, AFREP concluded that our accounting was incorrect. AFREP confirms the classification of the royalty on Cape Lambert as an intangible asset, but concludes in the subsequent measurement that the impairment test should have been performed annually according to the provisions of IAS 36.10 lit. a. In summary, AFREP is of the opinion that the Royalty Asset cannot be classified as an asset in accordance with IFRS 6.

Following thorough consultation with our advisors, the Board of Directors of SunMirror does not share AFREP's assessment and has therefore disagreed with the audit findings. A valuation of the Royalty Asset prepared in the meantime by an external expert concludes that, based on the assumptions made, the current value of the Royalty Asset supports the carrying amount. Thus, regardless of the impairment assessment, there is no deviation in the subsequent measurement under either IAS 36 (AFREP perspective) or IFRS 6 (SunMirror perspective). The proceedings have now been forwarded by AFREP to the Austrian Financial Market Authority (FMA), which will form an independent opinion on this matter. The proceedings had started but had not been concluded at the time this management report was prepared.

Irrespective of the FMA's decision, the Board of Directors does not expect any impact on the figures published in these condensed interim consolidated financial statements. The process with the FMA has been ongoing since November 2023.

### 6.4 Legal risks

The SunMirror Group is exposed to legal risks through its business and financing activities. The SunMirror Group enters into contracts with suppliers, contractors, and other counterparties that may give rise to disputes and claims. The Group may also have claims against counterparties that it may decide to pursue and that may give rise to significant legal costs before a successful outcome, if any, were to occur. The Group has in-house expertise to handle such risks with the assistance of a number of outside legal advisors in the various jurisdictions where it operates or has business relationships. The Group also carefully monitors its own compliance with legal agreements to minimise the risk of legal disputes in the future.

The Company has been in a dispute with the holders of the former 52’534 mandatory convertible notes ISIN CH1142529093, which were issued in December 2021 and were automatically converted into SunMirror shares on 20 December 2022 at a price of EUR 75 per share. The noteholders have disputed the conversion of their notes. The Company considers that the notes were rightfully converted to shares and fundamentally disagrees with the noteholder’s allegations. On this basis and given the current facts, the Company is of the opinion that the claims are unfounded and does not recognize any provision or contingent liabilities in connection with this dispute. At a conciliation hearing in March 2023, no settlement was reached. Following such conciliation hearing the noteholders failed to file a claim in Swiss courts within the applicable deadline. In order to file a claim, the noteholders would have to start the process again and request a new conciliation meeting. There have been no further developments on this matter since March 2023.

The Company has received complaints on behalf of two shareholders, claiming that the directors of the Company act(ed) in violation of their fiduciary duties by not taking legal action against Mirador FZE for failing to pay in the issue price for all shares subscribed by Mirador FZE at the end of 2021, in a planned capital increase of the Company to fund the acquisition of Latitute 66 Cobalt Limited. The board of directors of the Company considered the issue in spring 2022 and, after taking out summary legal advice in the UAE, decided not to take legal action. The current Board of Directors is currently reassessing the issue with the advice of outside counsel. While this review is still ongoing, there are so far no indications that the assessment of the former Board of Directors was inadequate or should be reversed.

On 5 March 2025, SunMirror on behalf of its subsidiary Pharlap Holdings Pte Ltd (the "Plaintiff") filed a writ of summons in the Supreme Court of Western Australia against MCC Australia Sanjin Mining Pty Ltd (the "Defendant"). The writ is directed against MCC as a counterparty under the 2005 royalty agreement for the Cape Lambert magnetite project. The Board considered that it is in the Company and its shareholders' best interest to act. This could lead to significant legal costs, although SunMirror thinks that the facts are in its favour.

On 14 March 2025, the Company received a letter from the Austrian Financial Market Authority ("FMA") regarding the delay in publication of its 2023 audited financial statements on 27 November 2023. The FMA is seeking justification from the Company and the Board regarding this delay. It is important to note that the Board decided to postpone the timely publication of the Company's 2023 audited financial statements (as announced via corporate press release on 25th October 2023) because of the receipt of AFREP's final audit findings earlier in the month, while the audit of the Company's 2023 individual and consolidated accounts by its Swiss auditors Ferax Treuhand AG was substantially completed. The Board considered prudent that AFREP's conclusions be thoroughly evaluated and, where applicable, appropriately reflected into the 2023 financial statements before their release to the public. SunMirror is diligently responding to the FMA's request and is hopeful that it will be spared any further proceedings or substantial fine under Austrian administrative penal law and the Austrian Stock Exchange Act 2018.

### 6.5 Inflation, interest rate and economic growth risks

Although the inflation surge has abated, there is still some residual excess inflation globally, which could put pressure on the Group's costs. The Group has limited exposure to materials and energy costs in its exploration activities but wage inflation and the scarcity of human resources in the space could lead to cost increases.

Although central banks globally have started decreasing interest rates, excess inflation above the central bank's targets is proving difficult to battle and the emerging trade and tariffs war initiated by the Trump administration could result in the global economy falling into stagflation, resulting in a combination of elevated inflation/rates and slow growth. This could result in scarcer and/or more expensive access to capital which could in turn result in acquisitions and capex activities being more challenging to complete.

Finally, elevated interest rates would likely going to dampen global economic growth in the medium term. This could result in reduced demand for the commodities that the Group looks to produce. However, production will occur in a longer timeframe. Gold and lithium provide a good level of diversification against that risk.

Separately recession could impact MCC's plans to develop the Cape Lambert Iron Ore Project, which would postpone the date by which the Royalty Asset could produce revenues.

# 7 Accounting, Control and Risk Management Process

## 7.1 Scope

Corporate Accounting comprises those activities that are necessary to prepare annual financial statements and consolidated financial statements in compliance with the law and IFRS.

## 7.2 Structure of accounting

The accounting function in the SunMirror Group comprises the accounting departments at local companies and the Corporate Accounting department in Switzerland. The local companies draw up financial statements in accordance with local law based on local accounting software. The financial statements are submitted quarterly to Corporate Accounting in Switzerland for final clarification and review. The reconciliation of local financial statements to uniform IFRS accounting and valuation principles are performed by the Corporate Accounting department.

## 7.3 Consolidation

The IFRS financial statements are drawn up in accordance with IFRS accounting and valuation principals as issued by the International Accounting Standards Board (IASB). Local financial reporting data are checked manually by Corporate Accounting (mainly plausibility checks, intercompany reconciliation and reconciliation of financial statements according to local GAAP into IFRS-compliant accounting and valuation). During this process, Corporate Accounting works closely together with external specialists. Consolidation work is done twice a year (annual group financial statements at June 30 and interim condensed group financial statements at December 31).

The overall consolidation process includes checking the consistency of the data transmitted and validity check of the financial statements as a whole. The consolidation is prepared by using a certified professional consolidation software.

To ensure correct and timely completion of the annual report by the publication date, deadlines are set for both the half-year (interim) and the annual financial statements. The entire accounting function is notified of these in good time. In addition to the annual report at the end of each financial year, a half year interim report is published in accordance with IAS® 34 Interim Financial Reporting.

## 7.4 Controls

The accounting function reports to the Chief Financial Officer (CFO). Regular reports to the Board of Directors contain information on the asset capex programmes, expense outlook, potential legal challenges, and opportunities and risks. This ensures ongoing oversight of the internal control system. Existing and potential risks are constantly monitored. This is based on uniform risk guidelines. The management is responsible for implementing these guidelines and ensuring they are observed.

In the SunMirror Group, the annual audit schedule is determined by the Board of Directors based on a proposal by the Corporate Accounting department. Focal areas are examining the effectiveness of the internal control system, compliance with the applicable Reporting Standards and other compliance requirements. The results of audits are presented on a case-by-case basis as they arise to the Board of Directors.

# 8 Disclosures in accordance with Section 243a para 1 UGB

## 8.1 Articles of Association

New Articles of Association were approved at the AGM held on 18 December 2024 and are available on the SunMirror website on the following link:

https://sunmirror.com/pdfs/SunMirror_AG-Articles_of_Association_(Final%202024-12-18)(17557967.1).pdf.

## 8.2 Share Capital

The share capital of SunMirror AG was CHF 2’395’755 as at 31 December 2024 and was divided into 2’395’755 bearer shares with a par value of CHF 1.00 per share each, which are fully-paid in. All shares are equal in terms of their dividend and voting rights.

## 8.3 Capital range

Since 20 December 2023, the company's capital band has been between CHF 2,395,755 (lower limit) and CHF 3,593,632 (upper limit), as confirmed at the AGM held on 18 December 2024.

According to Article 4a of the Articles of Association:

*[1] The Company has a capital range ranging from CHF 2,395,755 (lower limit) to CHF 3,593,632 (upper limit). The Board of Directors shall be authorized within the capital range to increase the share capital once or several times and in any amounts or to acquire shares directly or indirectly, until 19th December 2028 or until an earlier expiry of the capital range. The capital increase may be effected by issuing up to 1,197,877 fully paid- in bearer shares with a par value of CHF 1.00 each or by increasing the par value of the existing shares within the limits of the capital range.*

*[2] In the event of a capital increase within the capital range, the Board of Directors shall, to the extent necessary, determine the issue price, the type of contribution (including cash contributions, contributions in kind, set-off and conversion of reserves or of profit carried forward into share capital), the date of issue, the conditions for the exercise of subscription rights and the beginning date for dividend entitlement. In this regard, the Board of Directors may issue new shares by means of a firm underwriting through a financial institution, a syndicate of financial institutions or another third party and a subsequent offer of these shares to the existing shareholders or third parties (if the subscription rights of the existing shareholders have been withdrawn or have not been duly exercised). The Board of Directors is entitled to permit, to restrict or to exclude the trade with subscription rights. It may permit the expiration of subscription rights that have not been duly exercised, or it may place such rights or shares as to which subscription rights have been*

*granted, but not duly exercised, at market conditions or may use them otherwise in the interest of the Company.*

*[3] In the event of a share issue the Board of Directors is authorized to withdraw or restrict subscription rights of existing shareholders and allocate such rights to third parties, the Company or any of its group companies:(i) if the issue price of the new shares is determined by reference to the market price; or (ii) for raising equity capital in a fast and flexible manner, which would not be possible, or would only be possible with great difficulty or at significantly less favorable conditions, without the exclusion of the subscription rights of existing shareholders; or (iii) for the acquisition of companies, part(s) of companies or participations, for the acquisition of products, intellectual property or licenses by or for investment projects of the Company or any of its group companies, or for the financing or refinancing of any of such transactions through a placement of shares; or (iv) for purposes of broadening the shareholder constituency of the Company in certain financial or investor markets, for purposes of the participation of strategic partners including financial investors, or in connection with the listing of new shares on domestic or foreign stock exchanges.*

*[4] After a change of the par value, new shares shall be issued within the capital range with the same par value as the existing shares.*

## 8.4 Conditional Capital

Since 20 December 2023, the company's conditional capital has amounted to CHF 1,197,877, as confirmed at the AGM held on 18 December 2024.

According to Article 4b of the Articles of Association: "

*[1] The share capital may be increased:*

1. *in an amount not to exceed CHF 359,363 through the issuance of up to 359,363 fully paid-in bearer shares with a par value of CHF 1.00 each through the direct or indirect issuance of shares, or through the exercise or mandatory exercise of rights to acquire shares or through obligations to acquire shares, which were granted to or imposed on members of the Board of Directors, members of the Executive Committee, employees, contractors or consultants of the Company or its group companies, or other persons providing services to the Company or its group companies (hereinafter collectively the **Participation Plans**); and in addition*
2. *in an amount not to exceed CHF 838,514 through the issuance of up to 838,514 fully paid-in bearer shares with a par value of CHF 1.00 each through the exercise or mandatory exercise of conversion, exchange, option, subscription or other rights to acquire shares or through obligations to acquire shares, which were granted to or imposed on shareholders or third parties alone or in connection with bonds, notes, options, warrants or other securities or contractual obligations of the Company or any of its group companies (hereinafter collectively the **Financial Instruments**).*

*[2] The subscription rights and advance subscription rights of the shareholders of the Company shall be excluded in connection with the issuance of shares, rights or purchase obligations under the Participation Plans. The issuance of such shares, rights or purchase obligations shall be made in accordance with one or more plans, regulations or resolutions to be issued by the Board of Directors or, to the extent delegated to it, the Compensation*

*Committee, and to the extent applicable, taking into account the compensation principles pursuant to Article 27 of these articles of association.*

*[3] The subscription rights of shareholders shall be excluded upon the exercise of any Financial Instruments in connection with the issuance of shares. The then current owners of such Financial Instruments shall be entitled to acquire the new shares issued upon the exercise of any Financial Instruments. The main conditions of the Financial Instruments shall be determined by the Board of Directors.*

*[4] The declaration of acquisition of the shares based on this Article 4b shall refer to this Article 4b and be made in a form that allows proof by text. A waiver of the right to acquire shares based on this Article 4b may also occur informally or by lapse of time; this also applies to the waiver of the exercise and forfeiture of this right.*

*[5] The Board of Directors shall be authorized to restrict or withdraw advance subscription rights of shareholders in connection with the issuance of Financial Instruments by the Company or one of its group companies if (1) there is an important reason pursuant to Article 4a para. 3 of these articles of association or (2) the Financial Instruments are issued on appropriate terms. If the advance subscription rights are neither granted directly nor indirectly by the Board of Directors, the following shall apply:*

1. *the acquisition price of the shares shall be set taking into account the market conditions prevailing at the time the Financial Instruments are issued; and*
2. *the Financial Instruments may be converted, exchanged or exercised during a maximum period of 15 years from the date of the relevant issuance or entry."*

### 8.5 Other information

According to Article 14 et seq. of the Articles of Association: "*The Board of Directors shall consist of not less than one member. The Shareholders' Meeting shall elect the members of the Board of Directors and the Chairperson of the Board of Directors individually and for a term of office until the completion of the next Ordinary Shareholders' Meeting. Re-election is possible*."

There are no financing agreements nor customer contracts containing any customary agreements on a change of control in the event of a takeover within the meaning of Section 243a (1) No. 8 UGB.

There are no compensation agreements within the meaning of Section 243a (1) No. 9 UGB.

In May 2023, the Board of Directors of SunMirror AG introduced a stock option plan. Until 31 Dezember 2024, a total of 17,968 stock options with an average exercise price of EUR 7.00 per share have been granted, all of which have legally vested as of the reporting date.

In May 2024, Daniel Monks resigned from the Board of Directors of SunMirror AG with immediate effect. Since then, Laurent Quelin has been the only member of the Board of Directors of SunMirror AG, and has been confirmed at the following AGM held on 18 December 2024. By-elections to the Board of Directors are expected to take place at the Annual General Meeting in December 2025.

# 9 Outlook

The Board of SunMirror AG views the second half of fiscal year 2025 as a critical juncture for the business. The Group's key assets, including Moolyella (lithium, tin), Kingston Keith (gold, lithium), and the Cape Lambert Royalty (magnetite), show significant potential and require additional capital investment to realize their value.

**Market Outlook and Strategic Positioning**

Despite a downturn in lithium prices over the past 18 months, the Board of SunMirror AG believes that the drill-ready Moolyella project contains a sizeable lithium resource, positioning it as an attractive asset when the market recovers. Concurrently, Kingston Keith appears highly prospective for gold, the price of which has recently reached an all-time high, making gold projects particularly attractive to capital markets at present. The Cape Lambert project is from the Group's perspective ripe for development, as several comparable magnetite projects in Western Australia have recently entered production. The Company has started a dialog with MCC to explore avenues to accelerate development of the project. SunMirror AG continues to look to broaden its access to capital, including via a potential dual-listing on the ASX, on German exchanges and/or on the LSE.

**Strategic Priorities**

The Group's strategy for the remainder of fiscal year 2025 and beyond is centred on four key initiatives:

- First, the Group aims to raise capital from investors who align with the same vision for the medium to long-term development of the diverse asset portfolio.
- Second, SunMirror will strategically invest in its gold assets, potentially combining them with other small to medium-sized gold projects to achieve critical mass and enhance their market appeal.
- Third, the Group is actively seeking to identify a joint venture partner to advance its lithium assets, positioning them for future market recovery.
- Finally, SunMirror continues to engage with MCC to unlock significant value from the Cape Lambert Royalty.

Through this focused approach, the Company is positioning itself to navigate current market conditions, while laying the groundwork for sustainable growth and value creation across its mineral asset portfolio.

Zug, 31 March 2025

Laurent Quelin
Board member and CEO

# SunMirror AG

Condensed Interim Consolidated Financial Statements
for the six months ended 31 December 2024

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## Consolidated statement of profit and loss

For the six months ended 31 December 2024 and 31 December 2023 respectively (unaudited):

| *In USD thousand (except per share amounts in USD)* | Notes | July - Dec. 2024 | July - Dec. 2023 |
|---|---|---|---|
| Other income | 4.2 | - | 60 |
| Personnel expenses | 4.4 | -401 | -443 |
| General and administrative expenses | 4.5 | -283 | -277 |
| **Earnings before interest and taxes (EBIT)** | | **-684** | **-660** |
| Financial income | | 25 | 24 |
| Financial expenses | | -71 | -199 |
| **Financial result** | **4.6** | **-46** | **-175** |
| **Loss before income taxes** | | **-730** | **-835** |
| Income taxes | 4.7 | - | - |
| **Loss for the period** | | **-730** | **-835** |
| Basic and diluted loss per share | 4.8 | -0.30 | -0.35 |

The loss for the period is fully attributable to the shareholders of SunMirror AG. There are no noncontrolling interests.

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

## Consolidated statement of comprehensive income

For the six months ended 31 December 2024 and 31 December 2023 respectively (unaudited):

| *In USD thousand* | Notes | July - Dec. 2024 | July - Dec. 2023 |
|---|---|---|---|
| **Loss for the period** | | **-730** | **-835** |
| **Other comprehensive loss/ income** | | | |
| *Items that may be reclassified into profit or loss:* | | | |
| Exchange differences on translation of foreign operations | 4.10 | -2,187 | 964 |
| **Total comprehensive loss/ income for the period** | | **-2,917** | **129** |

The comprehensive loss/ income for the period is fully attributable to the shareholders of SunMirror AG. There are no noncontrolling interests.

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

## Consolidated statement of financial position

| *In USD thousand* | Notes | 31 Dec. 2024 | 30 June 2024 |
|---|---|---|---|
| **ASSETS** | | (unaudited) | (audited) |
| Non-current assets | | | |
| Intangible assets | 4.11 | 23,611 | 25,488 |
| Exploration and evaluation assets | 4.12 | 4,021 | 4,250 |
| **Total non-current assets** | | **27,632** | **29,738** |
| Current assets | | | |
| Financial assets | 4.13 | 309 | 334 |
| Other short-term receivables | 4.14 | 185 | 192 |
| Cash and cash equivalents | 4.15 | 1,327 | 2,103 |
| **Total current assets** | | **1,821** | **2,629** |
| **Total assets** | | **29,453** | **32,367** |
| **EQUITY AND LIABILITIES** | | | |
| Equity | | | |
| Share capital | | 2,585 | 2,585 |
| Capital reserves | | 58,092 | 58,092 |
| Accumulated losses | | -28,482 | -27,752 |
| Other reserves | | -3,079 | -892 |
| **Total shareholders' equity** | **4.16** | **29,116** | **32,033** |
| Non-current liabilities | | | |
| Provision stock option plan | 4.19 | 6 | 8 |
| **Total non-current liabilities** | | **6** | **8** |
| Current liabilities | | | |
| Trade payables | 4.17 | 100 | 36 |
| Other payables | 4.17 | 229 | 287 |
| Other non-financial liabilities | 4.18 | 2 | 3 |
| **Total current liabilities** | | **331** | **326** |
| **Total liabilities** | | **337** | **334** |
| **Total equity and liabilities** | | **29,453** | **32,367** |

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

## Consolidated statement of changes in equity

For the six months ended 31 December 2024 and 31 December 2023 respectively (unaudited):

| | Equity attributable to shareholders of SunMirror AG | | | | |
|---|---|---|---|---|---|
| *In USD thousand* | **Share capital** | **Capital reserves** | **Accumulated losses** | **Other reserves** | **Total shareholders' equity** |
| Balance as at 01 July 2023 | 2,585 | 58,092 | -26,521 | -993 | 33,163 |
| Loss for the period | | | -835 | | -835 |
| Other comprehensive income | | | | 964 | 964 |
| **Total comprehensive income for the period** | | | **-835** | **964** | **129** |
| **Balance as at 31 Dec. 2023** | **2,585** | **58,092** | **-27,356** | **-29** | **33,292** |

| | Equity attributable to shareholders of SunMirror AG | | | | |
|---|---|---|---|---|---|
| *In USD thousand* | **Share capital** | **Capital reserves** | **Accumulated losses** | **Other reserves** | **Total shareholders' equity** |
| Balance as at 01 July 2024 | 2,585 | 58,092 | -27,752 | -892 | 32,033 |
| Loss for the period | | | -730 | | -730 |
| Other comprehensive income | | | | -2,187 | -2,187 |
| **Total comprehensive loss for the period** | **-** | **-** | **-730** | **-2,187** | **-2,917** |
| **Balance as at 31 Dec. 2024** | **2,585** | **58,092** | **-28,482** | **-3,079** | **29,116** |

Shareholders’ equity is fully attributable to the shareholders of SunMirror AG. There are no minority interests. Other reserves refer exclusively to cumulative currency translation differences from the translation of foreign operations.

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

## Consolidated statement of cash flows

For the six months ended 31 December 2024 and 31 December 2023 respectively (unaudited):

| *In USD thousand* | Notes | July - Dec. 2024 | July - Dec. 2023 |
|---|---|---|---|
| Cash flows from operating activities | | | |
| **Loss for the period** | | **-730** | **-835** |
| Adjustments to reconcile loss before income taxes to net cash flows: | | | |
| Other non-cash income/ expense | 4.4 | -2 | 22 |
| Financial result | 4.6 | 46 | 175 |
| Working capital changes: | | | |
| De-/ Increase in other receivables | | 5 | -30 |
| In-/ decrease in trade and other payables | | 7 | -365 |
| Interest received | | 22 | 20 |
| **Net cash flow from operating activities** | | **-652** | **-1,013** |
| Cash flows from investing activities | | | |
| Payments for exploration and evaluation | 4.12 | -90 | -268 |
| **Net cash flow from investing activities** | | **-90** | **-268** |
| Cash flows from financing activities | | | |
| **Net cash flow from financing activities** | | **-** | **-** |
| Net foreign exchange differences | | -34 | 189 |
| **Net change in cash and cash equivalents** | | **-776** | **-1,092** |
| Cash and cash equivalents at beginning of year | | 2,103 | 3,992 |
| Cash and cash equivalents at end of year | 4.15 | 1,327 | 2,900 |

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

# Notes to the condensed interim consolidated financial statements

## 1. Corporate information

### 1.1 General information

The condensed interim consolidated financial statements of SunMirror AG and its subsidiaries (collectively SunMirror, the SunMirror Group or the Group) for the six months from 1 July to 31 December 2024 were authorized for issue in accordance with a resolution of the directors on 31 March 2025.

SunMirror AG (the Company or the parent) is incorporated and domiciled in Switzerland. The shares are listed under ISIN CH0396131929 on the regulated market of the Vienna Stock Exchange, Austria. The address of its registered office and principal place of business is General-Guisan-Strasse 6, 6300 Zug, Switzerland.

The SunMirror Group prepares and publishes its financial statements in US Dollar (USD), which is the SunMirror Group's presentation currency. Unless otherwise stated, the numbers are rounded to whole USD thousand.

## 2. Significant accounting policies

### 2.1 Basis of preparation

The condensed interim consolidated financial statements for the six months ended 31 December 2024 have been prepared in accordance with IAS® 34 Interim Financial Reporting, as issued by the International Accounting Standards Board (IASB®). In preparation of these financial statements the same accounting policies as well as recognition and measurement principles were applied as in the Group's annual consolidated financial statements for the year ended 30 June 2024.

The condensed interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 30 June 2024.

## 2.2 Basis of consolidation

The following entities form the consolidation scope of these condensed interim consolidated financial statements as of 30 December 2024:

| Name | Country of incorporation | Currency | Equity portion | Share capital |
|---|---|---|---|---|
| SunMirror AG | Switzerland | CHF | Holding | 2,395,755 |
| SunMirror Luxembourg S.A. | Luxembourg | EUR | 100% | 1,111,000 |
| Lithium 1 Pty Ltd | Australia | AUD | 100% | 10 |
| Pharlap Holdings Pte Ltd | Singapore | SGD | 100% | 4,172,242 |

There was no change in the group of consolidated companies from prior period. The functional currency for all entities listed above is the local currency, apart from Pharlap Holdings Pte Ltd, who's functional currency is AUD.

## 2.3 Foreign currencies

Following exchange rates were used for translation into Group`s reporting currency (USD):

| **Foreign exchange rates**<br>USD equals: | Spot rate as of<br>30 June. 2024 | Average exchange<br>rate Jul-Dec 2023 |
|---|---|---|
| CHF | 0.90 | 0.88 |
| EUR | 0.93 | 0.92 |
| AUD | 1.50 | 1.53 |

| **Foreign exchange rates**<br>USD equals: | Spot rate as of<br>31 Dec. 2024 | Average exchange<br>rate Jul-Dec 2024 |
|---|---|---|
| CHF | 0.91 | 0.87 |
| EUR | 0.97 | 0.92 |
| AUD | 1.62 | 1.51 |

## 2.4 New standards, interpretations and amendments adopted by the Group

The Group continuously reviews new and amended accounting standards and interpretations issued by the IASB®. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective. SunMirror's management has considered the impact of new and amended accounting standards effective for reporting periods beginning after 1 July 2024 and has determined that their application to the financial statements is either not relevant or not significant.

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Group. These standards, amendments or interpretations are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

### 2.5 Critical accounting judgements and assumptions

The preparation of the Group's financial statements requires management to make judgements, assumptions and estimates that affect the reported amounts of expenses, assets and liabilities and the accompanying disclosures. Key sources of estimation uncertainty could result in outcomes that require a material adjustment to the carrying amount of affected assets or liabilities in future periods. The assumptions about future periods may, however, change due to circumstances arising beyond the control of the management. In such cases the changes in the assumptions will be reflected when they occur.

In preparation of the condensed interim consolidated financial statements, management has not made any accounting judgements and assumptions that differ from those made in the consolidated financial statements for the year ended 30 June 2024 and which must be disclosed in accordance with IAS® 1:

## 3. Significant transactions and events

### 3.1 Impairment testing Royalty on Cape Lambert

The Austrian Financial Reporting Enforcement Panel (AFREP) has audited our financial reporting and the annual financial statements for 2021 and 2022. The audit started in December 2022 and the results were communicated in October 2023. In its letter dated 9 October 2023, AFREP concluded that our accounting of the Royalty on Cape Lambert was incorrect. AFREP confirms the classification of the Royalty on Cape Lambert as an intangible asset, but concludes in the subsequent measurement that the impairment test should have been performed annually according to the provisions of IAS 36.10 lit. a. In summary, AFREP is of the opinion that the Royalty on Cape Lambert cannot be classified as an asset in accordance with IFRS 6.

Following thorough consultation with our advisors, the Board of Directors of SunMirror does not share AFREP's assessment and has therefore disagreed with the audit findings. A valuation of the Royalty Asset prepared in the meantime by an external expert concludes that, based on the assumptions made, the current value of the Royalty Asset supports the carrying amount. Thus, regardless of the impairment assessment, there is no deviation in the subsequent measurement under either IAS 36 (AFREP perspective) or IFRS 6 (SunMirror perspective). The proceedings have now been forwarded by AFREP to the Austrian Financial Market Authority (FMA), which will form an independent opinion on this matter. The proceedings with FMA had not been concluded at the time the condensed interim consolidated financial statements were prepared.

Irrespective of the FMA's decision, the Board of Directors does not expect any impact on the figures published in these condensed interim consolidated financial statements. The process with the FMA has been ongoing since November 2023.

### 3.2 Legal disputes

The Company has been in a dispute with the holders of the former 52’534 mandatory convertible notes ISIN CH1142529093, which were issued in December 2021 and were automatically converted into SunMirror shares on 20 December 2022 at a price of EUR 75 per share. The noteholders have disputed the conversion of their notes. The Company considers that the notes were rightfully converted to shares and fundamentally disagrees with the noteholder’s allegations. On this basis and given the current facts, the Company is of the opinion that the claims are unfounded and does not recognize a provision or disclose a contingent liability in connection with this dispute. At a conciliation hearing in March 2023, no settlement was reached. Following such conciliation hearing the noteholders failed to file a claim in Swiss courts within the applicable deadline. In order to file a claim, the noteholders would have to start the process again and request a new conciliation meeting. There have been no further developments on this matter since March 2023.

## 4. Details on performance and balance sheet items

### 4.1 Revenue

The Group did not start its operating activities yet therefore, no revenue had been generated in the reporting period and in the comparative period.

### 4.2 Other income

Other income in the comparative period resulted from the reversal of current provisions no longer required and the successful clawback of an advance payment.

### 4.3 Exploration expenditure

Depending on economic developments, the two evaluation and exploration assets, Moolyella and Kingston Keith, are currently being evaluated for potential resources. The costs incurred were fully capitalized in the condensed interim financial statements 2024/25 (USD 0.1 million) and 2023/24 (USD 0.3 million) as disclosed in Note 4.12, which is why there were no charges in the statement of profit and loss.

### 4.4 Personnel expenses

| *In USD thousand* | July - Dec. 2024 | July - Dec. 2023 |
|---|---:|---:|
| Wages and salaries | -391 | -408 |
| Share-based payments | 2 | -22 |
| Social security | -8 | -12 |
| Defined contribution plans | -1 | -1 |
| Other personnel expenses | -3 | - |
| **Total Personnel expenses** | **-401** | **-443** |

Personnel expenses comprise salaries and compensation for members of the Board of Directors, management, and employees. The number of full-time equivalents (FTE) decreased to 2.0 FTE in the reporting period compared to 2.1 FTE in the comparative period.

### 4.5 General and administrative expenses

| *In USD thousand* | July - Dec. 2024 | July - Dec. 2023 |
|---|---:|---:|
| Regulatory expenses | -14 | -37 |
| Legal and tax fees | -67 | -40 |
| Accounting and auditing fees | -101 | -168 |
| Investor Relations | -49 | -21 |
| Capital tax | -7 | -10 |
| Other operating expenses | -45 | -1 |
| **Total General and administrative expenses** | **-283** | **-277** |

### 4.6 Financial result

| *In USD thousand* | July - Dec. 2024 | July - Dec. 2023 |
|---|---:|---:|
| Foreign currency exchange gains | 2 | 3 |
| Interest income | 23 | 21 |
| **Financial income** | **25** | **24** |
| Foreign currency exchange losses | -71 | -199 |
| **Financial expenses** | **-71** | **-199** |
| **Total Financial result** | **-46** | **-175** |

The financial income results from interest income on cash and cash equivalents, loans and foreign currency exchange gains.

Financial expenses result from foreign currency exchange losses.

### 4.7 Income tax

In the current and the comparative periods, the Group did not generate taxable profits. No deferred tax asset has been recognized in relation to tax loss carry forwards due to the uncertainty of realization.

No deferred tax on temporary differences has been recognized in the reporting period, given the significant amount of deferred tax assets available to offset any resulting deferred tax liability.

The Group is not expecting to meet the threshold requirements by the Organisation for Economic Co-operation and Development (OECD) issued model rules for a new global minimum tax framework (Pillar Two) rule and the corresponding disclosure requirements.

### 4.8 Loss per share

Basic earnings per share (EPS) is calculated by dividing the loss for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period. There were no changes in the number of bearer shares in the reporting or in the comparative period. The weighted average of outstanding bearer shares during the six months ended 31 December 2024 was 2,395,755 (31 December 2023: 2,395,755 shares).

Dilutive potential is contained in the stock option plan. If full conversion potential of the options would be exercised, the stock option holders would receive 17,968 shares of the Company (comparative period 17,968 shares). Due to the fact that the Company reported a loss for the period (and comparative period), there is no dilutive impact on the EPS.

### 4.9 Segment reporting

The Group did not yet start its operating activities, therefore only one operating and reportable segment has been identified. Consequently, the conduct of exploration activities can be regarded as the Group’s sole segment.

### 4.10 Other comprehensive income

Other comprehensive income includes gains and losses from the currency translation of companies whose functional currency differs from the Group's reporting currency (see note 2.2). The loss in other comprehensive income amounted to USD -2.2 million during the six months ended 31 December 2024 mainly reflects the volatile exchange rate movements in the foreign currencies relevant to SunMirror, AUD and EUR against the USD and therefore, the translation of the assets held by Lithium 1 and Pharlap Holdings (comparative period: USD 1.0 million income).

### 4.11 Intangible assets

| *In USD thousand* | Royalty | Domains | Total |
|---|---|---|---|
| **Cost as at 01 July 2023** | **25,421** | **14** | **25,435** |
| Currency translation | 630 | - | 630 |
| **Cost as at 31 Dec. 2023** | **26,051** | **14** | **26,065** |
| | | | |
| **Cost as at 01 July 2024** | **25,475** | **13** | **25,488** |
| Currency translation | -1,877 | - | -1,877 |
| **Cost as at 31 Dec. 2024** | **23,598** | **13** | **23,611** |

Intangible assets include, together with the domains, the Royalty Agreement for the Cape Lambert Magnetite Project (Australia). The decline in value during the six months to 31 December 2024 and the increase in value in the comparative period resulted exclusively from currency translation effects. The acquisition value of the royalty on Cape Lambert in the functional currency is AUD 38.2 million. No impairment losses have been recognized on this asset to date (see also Note 3.1).

The Royalty Agreement is not yet available for use. The Group tests whether there are any indicators that the Royalty Agreement may have suffered an impairment at each reporting date. During the six months ending 31 December 2024, as well as during the previous reporting periods, no impairment indicators defined under IFRS 6 were identified. The carrying value of the Royalty Asset is linked to a retention license. The commencement of the mining operations is currently not yet set.

### 4.12 Exploration & evaluation assets

| *In USD thousand* | Moolyella E45/5573 | Kingston Keith E53/1953 | Total |
|---|---|---|---|
| **Cost as at 01 July 2023** | **3,493** | **370** | **3,863** |
| Additions | 202 | 50 | 252 |
| Currency translation | 97 | 11 | 108 |
| **Cost as at 31 Dec. 2023** | **3,792** | **431** | **4,223** |
| | | | |
| **Cost as at 01 July 2024** | **3,794** | **456** | **4,250** |
| Additions | 33 | 57 | 90 |
| Currency translation | -282 | -37 | -319 |
| **Cost as at 31 Dec. 2024** | **3,545** | **476** | **4,021** |

Exploration potential acquired consists of the estimated fair value attributable to exploration licenses acquired as part of an asset deal and the capital expenditures made since acquisition. The resulting new information relating to these assets deriving from these activities did not reveal any indication for impairment. These are exclusively assets that are allocated to phase 1 (exploration and evaluation) and have an undefined useful life. In order to maintain current rights of tenure to exploration tenements, the Group is required to outlay approximately USD 83 thousand per year.

### 4.13 Financial assets

| *In USD thousand* | 31 Dec. 2024 | 30 June 2024 |
|---|---|---|
| Loans to shareholder at amortized cost | 309 | 334 |
| **Total Financial assets** | **309** | **334** |

For terms and conditions of the loan to shareholders, refer to Note 5.3.

### 4.14 Other short-term receivables

| *In USD thousand* | 31 Dec. 2024 | 30 June 2024 |
|---|---|---|
| Prepaid expenses and accrued income | 33 | 53 |
| Receivables from government authorities | 64 | 50 |
| Advance payments | 88 | 89 |
| **Total Other short-term receivables** | **185** | **192** |

Prepaid expenses and accrued income contain primarily prepaid expenses, and interest income. Receivables from government authorities contain primarily recoverable taxes and the advance payments relate to security deposits paid to our service providers.

### 4.15 Cash and cash equivalents

| *In USD thousand* | 31 Dec. 2024 | 30 June 2024 |
|---|---|---|
| Cash at banks | 1,327 | 2,103 |
| **Total Cash and cash equivalents** | **1,327** | **2,103** |

### 4.16 Shareholders' equity

Reconciliation of the number of shares outstanding:

| | **Total** |
|---|---|
| **Issued shares on 01 July 2023** | **2,395,755** |
| **Issued shares on 31 December 2023** | **2,395,755** |
| | |
| **Issued shares on 01 July 2024** | **2,395,755** |
| **Issued shares on 31 December 2024** | **2,395,755** |

### 4.17 Trade and other payables

| *In USD thousand* | 31 Dec. 2024 | 30 June 2024 |
|---|---|---|
| Trade payables | 100 | 36 |
| Other payables | 229 | 287 |
| **Total trade and other payables** | **329** | **323** |

### 4.18 Other non-financial liabilities

Other non-financial liabilities contain capital tax accruals amounting to USD 2 thousand (comparative period: USD 3 thousand).

### 4.19 Provisions for pensions and other employee benefits

Defined contribution plans:

Obligations for contributions to defined contribution pension plans are recognized as employee benefit expense in the profit or loss when they are due. Prepaid contributions are recognized as assets to the extent that a cash refund or a reduction in future payments is available. The expense recognized in the current period in relation to these contributions amounted to USD 1 thousand (comparative period USD 1 thousand). See also Note 4.4.

Stock option plan:

| *In USD thousand* | Balance as at 01 July 2023 | Cash effective | Non-cash effective | Balance as at 31 Dec. 2023 |
|---|---|---|---|---|
| Stock option plan for management | 8 | - | 22 | 30 |
| **Total other non-current provisions** | **8** | **-** | **22** | **30** |

| *In USD thousand* | Balance as at 01 July 2024 | Cash effective | Non-cash effective | Balance as at 31 Dec. 2024 |
|---|---|---|---|---|
| Stock option plan for management | 8 | - | -2 | 6 |
| **Total other non-current provisions** | **8** | **-** | **-2** | **6** |

See Note 5.2 for further information.

# 5. Other disclosures

## 5.1 Disclosure on financial instruments

The table below summarizes classification of financial instruments depending on their subsequent measurement.

| *In USD thousand* | 31 Dec. 2024 | 30 June 2024 |
|---|---|---|
| **Financial assets** | | |
| **Measured at amortized cost** | **1,636** | **2,437** |
| Cash at banks | 1,327 | 2,103 |
| Loans to shareholders at amortized cost | 309 | 334 |
| **Total Financial assets** | **1,636** | **2,437** |
| | | |
| **Financial liabilities** | | |
| **Measured at amortized cost** | **329** | **323** |
| Trade payables | 100 | 36 |
| Other liabilities | 229 | 287 |
| **Total Financial liabilities** | **329** | **323** |

Due to the short-term maturities, fair values of financial instruments held at amortized cost approximate their carrying amounts.

## 5.2 Share-based payments

| *Number of stock options* | Granted, not yet vested | Non-current provision | Personnel expenses |
|---|---|---|---|
| **Stock option plan for management** | | | |
| **Balance as at 01 July 2023** | **8,984** | **10,806** | |
| Vested within the period and exercisable during the next 10 years | -8,984 | - | |
| Accrual for service period | - | 7,162 | 7,162 |
| **Balance as at 31 Dec. 2023** | **-** | **17,968** | **7,162** |
| **Balance as at 01 July 2024** | **-** | **17,968** | **-** |
| **Balance as at 31 Dec. 2024** | **-** | **17,968** | **-** |

The market value of the options is recalculated on each reporting date and the changes in value are recognized in the income statement as personnel expenses (see Notes 4.4 and 5.3). No further options were granted during the reporting period.

### 5.3 Related party transactions

The Group's related party transactions include transactions with:

- Board members and members of the management of SunMirror (defined as Board members and management of SunMirror AG).
- Gilmore Capital Ltd: SunMirror granted the shareholder a loan in the amount of AUD 500,000 (April 2021).

The compensation of Board members and members of the management comprised the following:

| *In USD thousand* | July - Dec. 2024 | July - Dec. 2023 |
|---|---|---|
| Short-term employee benefits | -374 | -385 |
| Share-based payments | 2 | -22 |
| **Total** | **-372** | **-407** |

The amounts disclosed in the table are the amounts recognized as personnel expenses during the reporting periods related to Board members and members of the management (see Note 4.4).

The following transactions occurred with related parties:

| *In USD thousand* | July - Dec. 2024 | July - Dec. 2023 |
|---|---|---|
| Interest income resulting from loans granted to shareholders | 1 | 1 |
| **Total** | **1** | **1** |

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

| *In USD thousand* | 31 Dec. 2024 | 30 June 2024 |
|---|---|---|
| **Current liabilities from:** | | |
| Members of the management | -12 | -12 |
| **Total** | **-12** | **-12** |
| **Loan granted to:** | | |
| Shareholders | 309 | 334 |
| **Total** | **309** | **334** |
| **Non-current provisions:** | | |
| Stock option plan for management | -6 | -8 |
| **Total** | **-6** | **-8** |

The loan granted to the shareholder contemplates repayment in cash on demand in full including interest at an interest rate of 1% per annum. It is possible that the loan (together with accrued interest) will be settled through delivery of an agreed Australian Exploration

License subject to satisfactory due diligence and documentation. The loan is partially secured by shares of SunMirror AG.

## 6. Events after the end of reporting period

- On or around 12 February 2025, the application for the renewal for a further 5 years of the exploration license E53/1953 of Kingston Keith was submitted to the Department of Energy, Mines, Industry Regulation and Safety (DEMIRS) in Western Australia. The Company does not anticipate any issues with the license being extended
- On 5 March 2025, SunMirror on behalf of its subsidiary Pharlap Holdings Pte Ltd (the “Plaintiff”) filed a writ of summons in the Supreme Court of Western Australia against MCC Australia Sanjin Mining Pty Ltd (the “Defendant”). The writ is directed against MCC as a counterparty under the 2005 royalty agreement for the Cape Lambert magnetite project. The Board considered that it is in the Company and its shareholders’ best interest to act. This could lead to significant legal costs, although SunMirror thinks that the facts are in its favor.
- On 14 March 2025, the Company received a letter from the Austrian Financial Market Authority (“FMA”) regarding the delay in publication of its 2023 audited financial statements on 27 November 2023. The FMA is seeking justification from the Company and the Board regarding this delay.
- On 21 March 2025, MCC Australia Sanjin Mining Pty Ltd. submitted the application for renewal of the retention license R47/18 to the Department of Energy, Mines, Industry Regulation and Safety (DEMIRS) in Western Australia.

Zug, 31 March 2025

Laurent Quelin
Board member and CEO

## Declaration by legal representatives in accordance §125 Section 1 Stock Exchange Act

No audit or review was performed on this set of financial information by SunMirror's auditor, Ferax Treuhand AG.

We confirm to the best of our knowledge that the condensed interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group as required by the applicable accounting standards and that the management report gives a true and fair view of important events that have occurred during the first six months of the financial year and their impact on the condensed interim consolidated financial statements, of the major risks and uncertainties for the remaining six months of the financial year and of the major related party transactions to be disclosed.

Zug, 31 March 2025

Laurent Quelin
Board member and CEO