



Verity Resources Limited
(formerly SI6 Metals Limited)
ACN 122 995 073

FINANCIAL REPORT
FOR THE HALF-YEAR ENDED
31 DECEMBER 2024

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CORPORATE DIRECTORY

Directors:	Dr Paul Woolrich Mr Patrick Volpe Mr Elvis Mosweu
Company Secretary:	Patrick Volpe
Registered Office:	168 Stirling Highway Nedlands WA 6009
Share Registry:	Automic Group Level 2/267 St Georges Terrace Perth WA 6000 Telephone 1300 288 664
Auditor:	BDO Audit Pty Ltd Level 9 Mia Yellagonga Tower 2 5 Spring Street Perth WA 6000
ASX Code:	VRL, VRLOF

DIRECTORS' REPORT

The Directors of Verity Resources Limited ("Verity" or "the Company") present their report, together with the financial statements on the consolidated entity consisting of Verity Resources Limited and its controlled entities for the half-year ended 31 December 2024 ("the Period").

It is recommended that the Directors' report be read in conjunction with the annual financial statements for the year ended 30 June 2024 and considered together with any public announcement made by the Company during the period and up to the date of this report.

1. DIRECTORS

The names of the Company's Directors who held office during the period and until the date of this report are set out below. The Directors were in office for this entire period unless otherwise stated.

Director	Position	Duration of Appointment
Dr Paul Woolrich	Non-Executive Chairman	Appointed 27 May 2024
Mr Patrick Volpe	Non-Executive Director	Appointed 28 February 2024
Mr Elvis Mosweu	Non-Executive Director	Appointed 21 November 2024
Mr Ian Kiers	Non-Executive Chairman	Appointed 28 February 2024, Resigned 21 November 2024

2. PRINCIPAL ACTIVITIES

The Group's principal activities during the period were exploration at the Monument Gold Project (Western Australia), the Pimento and Lithium Valley rare earths/niobium and lithium projects (Brazil), and the Dibete Cu-Ag, Airstrip Cu-Ag and Maibele North Ni-Cu-PGE (Botswana).

3. REVIEW OF OPERATIONS AND ACTIVITIES

Exploration

Monument Gold Project, Laverton Gold District, Western Australia

The Monument Gold Project lies directly adjacent to and along strike of Genesis Minerals (ASX:GMD) ~3.3Moz Au Mt Morgan's Project).

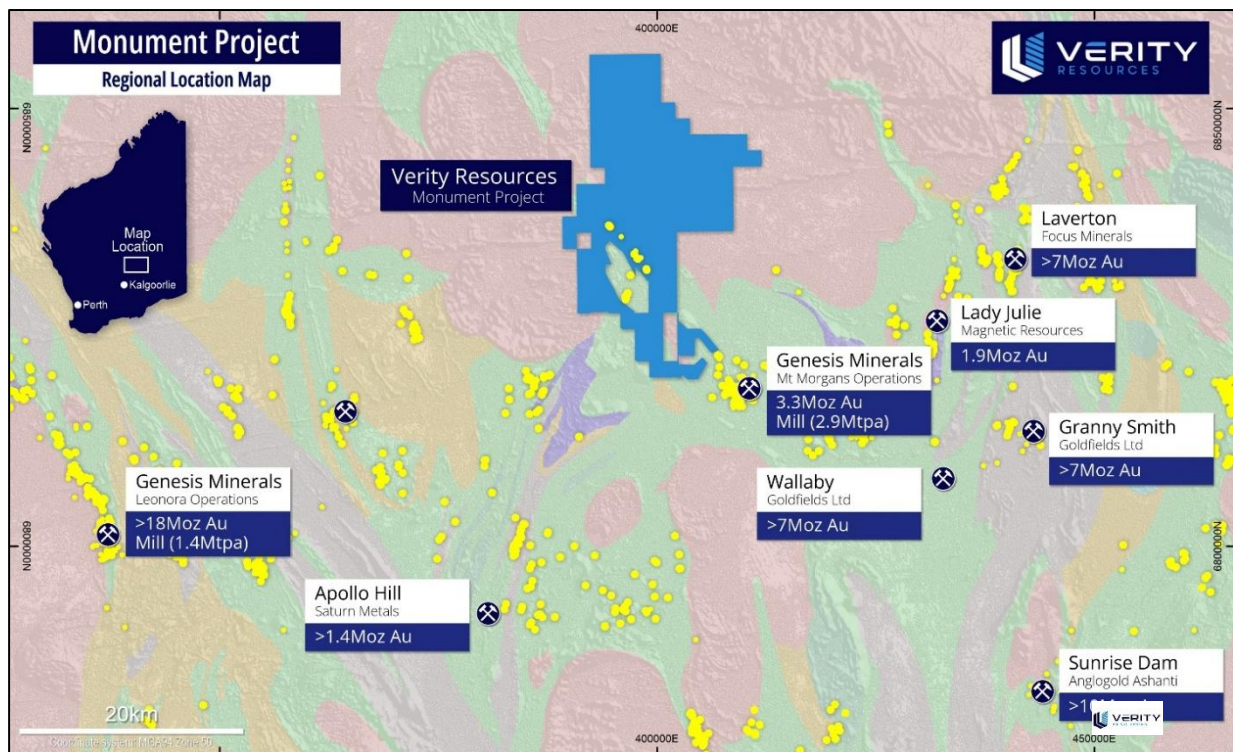


Figure 1. Monument Gold Project location in the Laverton Gold District amongst major gold deposits.

During the reporting period the Company completed an aircore and reverse circulation drill program at the Freds Well prospect, to infill 370m of untested strike between 400m of previous lines of AC drilling and historic workings as well as test depth and potential strike extensions of previously intersected significant gold mineralisation.

DIRECTORS' REPORT

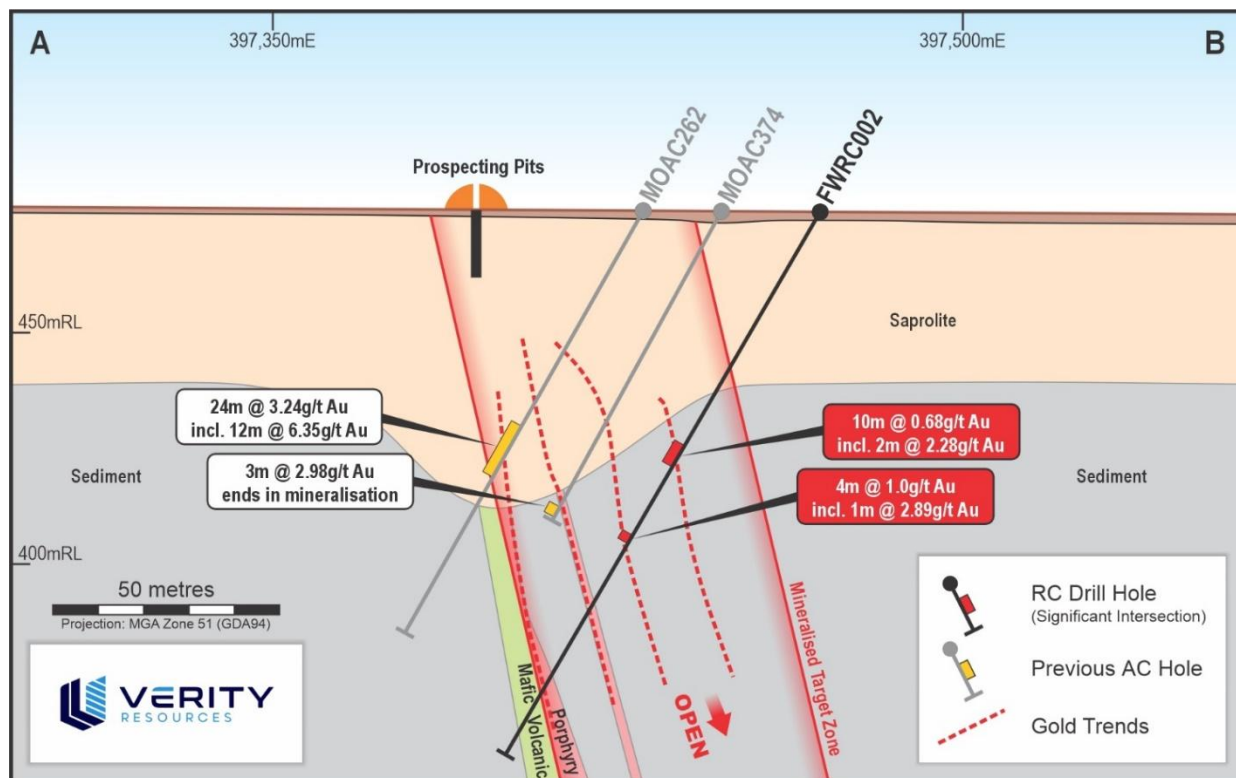


Figure 2. Fred's Well cross section showing significant intercepts in holes FWRC002 and relating to mineralisation previously intersected in MOAC262 and MOAC374

Results returned post-balance date and confirmed an extension to the mineralised gold strike to a total length of 1.1km, further confirming Fred's Well as a potentially new mineralised gold zone.

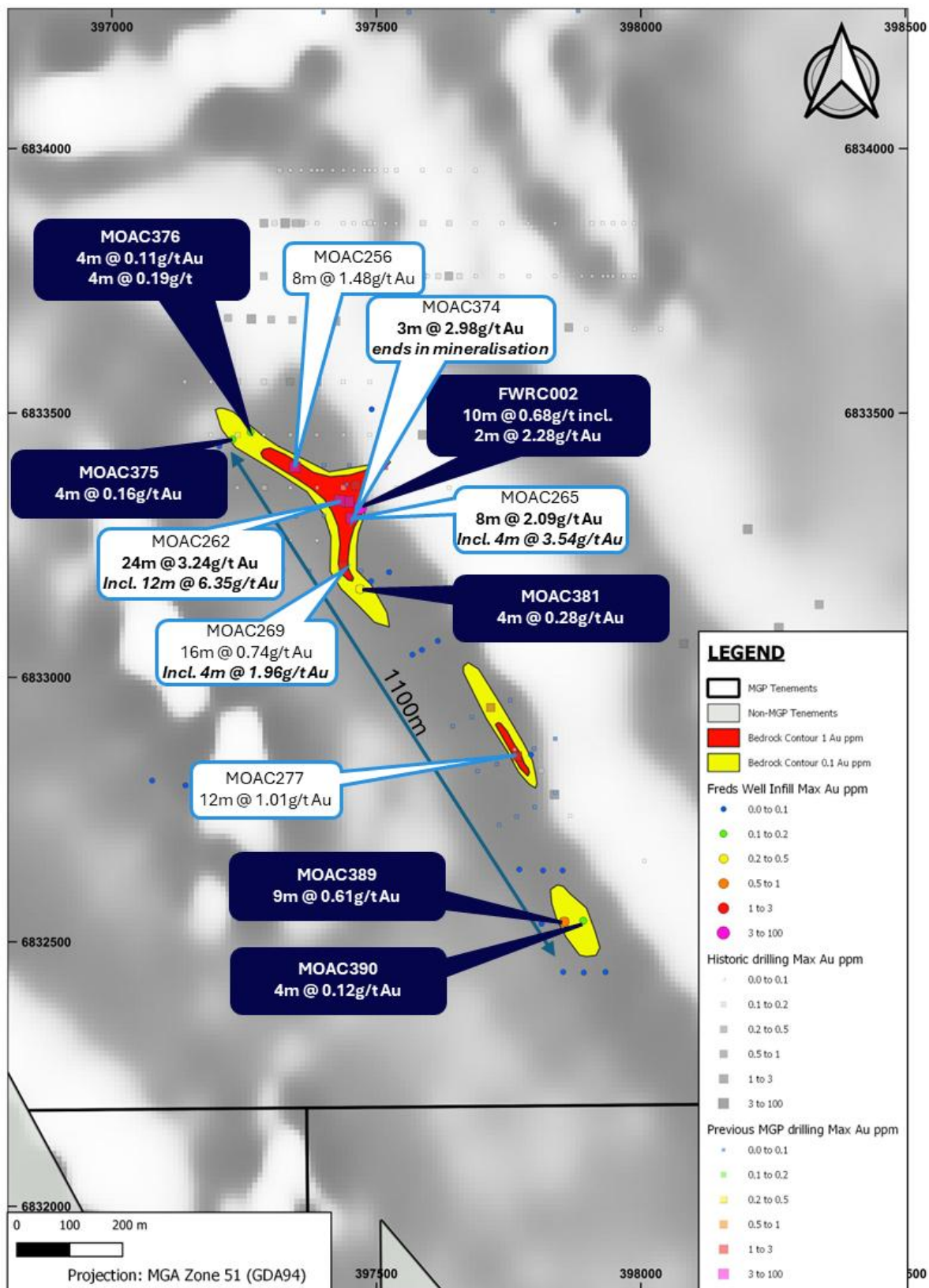


Figure 3. Significant intercepts from infill aircore & reverse circulation drilling at Fred's Well.

DIRECTORS' REPORT

Prospect	Hole ID	From (m)	To (m)	Interval (m)	Au (g/t)	Comments
Fred's Well	MOAC256	36	44	8	1.48	
	MOAC262	44	68	24	3.24	Including 12m @ 6.35 g/t Au
	MOAC265	40	48	8	2.09	Including 4m @ 3.54g/t Au
	MOAC269	32	48	26	0.74	Including 4m @ 3.54g/t Au
	MOAC277	20	32	12	1.01	
	MOAC374	72	75	3	2.98	Ended in mineralisation
	FWRC002	52	62	10	0.68	Including 2m @ 2.28g/t Au
81		85	4	1.00	Including 1m @ 2.89g/t Au	

Table 1. Significant intercepts from the infill aircore & reverse circulation drilling programs completed at Fred's Well prospect

The encouraging results near surface from the Fred's Well drill programs have confirmed the prospect as a mineralised gold zone over a strike length of ~1.1km. Situated along strike and approximately 2km northwest from the 139koz Au Korong deposit, this zone has the potential to contribute to future resource ounces, pending further drilling and exploration work.

Detailed structural and geochemical analysis of the drilling data is planned for 2025 which will assist with strike extension drilling. Multi-element signatures associated with the anomalous gold mineralisation are also being analysed to identify pathfinder vectors to additional zones. These will be used to identify additional regional targets from the comprehensive surface geochemical data set.

Star Well

During the period, results were received from a surface sampling campaign at the Star Well Prospect at the Company's Monument gold project in the Leonora gold district, Western Australia. Sampling targeted an outcropping BIF unit which has previously returned up to 6g/t Au rock chip samples. In addition, soil sampling was carried out over a number of magnetic features resembling untested greenstone terrane at the north end of the Laverton Tectonic Zone.

In total, 711 lag and 649 soil samples were collected and submitted to ALS Laboratories Kalgoorlie for multi-element analysis.

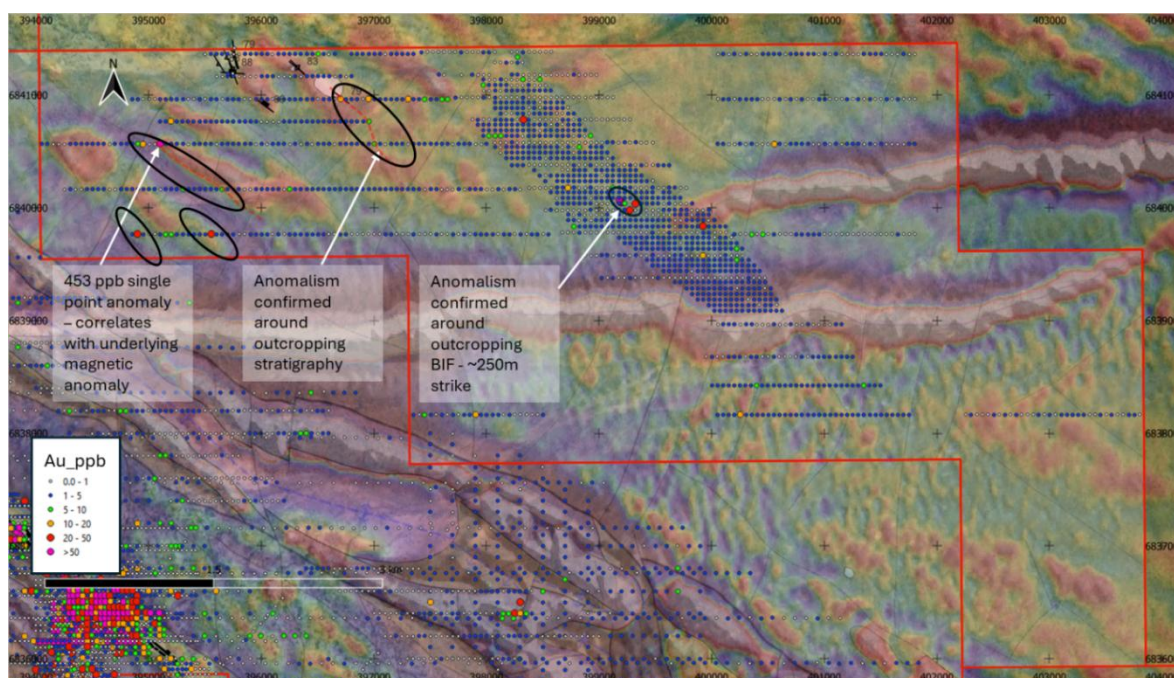


Figure 3: Lag and soil sample program over magnetic anomalies at Star Well

DIRECTORS' REPORT

The sampling defined a 250m long anomaly coinciding with the outcropping BIF horizon which is drill ready and will be tested in planned drilling programs.

Encouraging results were also returned from the first pass, wide-spaced regional lag campaign, highlighting a number of low-level gold and pathfinder element anomalies that correspond with magnetic features observed in geophysics, including a maximum gold value of 453ppb from a ~700m striking anomaly. These areas will form part of a follow up sampling campaign with the aim of defining further drill targets.

The Company is also commencing a pit optimisation study on the near-surface Korong (3.0Mt @1.4g/t Au for 139koz Au) and Waihi (0.2Mt @ 2.1g/t for 15koz Au) deposits reported in 2021, which currently remain open all directions. The outcome of the work will be used as a basis for resource extension drilling along strike and testing down-dip extensions to the mineralisation.

To date, only ~10% of the 20km strike has been drilled with detailed reverse circulation drilling. There is currently ~20km of additional priority targets identified along the banded iron formations horizon, and multiple other syenite-intrusion style targets (approximately 60 targets remaining to be tested).

Pimenta REE-Nb, Minas Gerais, Brazil

The Pimenta REE-Nb Project covers 300km² and is highly prospective for allanite-hosted and ionic clay rare earth elements mineralisation. Previous geological and radiometric data identified a distinct circular signature over 26km with highly anomalous uranium responses that suggest a potentially significant allanite-hosted REE area. The Project is also prospective for niobium that is being followed up as part of this program.

Allanite-hosted REE are of global significance and are typically large-scale, low cost and high magnetic rare earth oxide (**MREO**) content, demonstrated by American Rare Earths Limited's Halleck Creek project hosting a JORC Mineral Resource Estimate of 2.63 billion tonnes @ 3,292ppm TREO (Measured + Indicated + Inferred) (1,000ppm cutoff) and 26% MREO/TREO (refer ASX:ARR release 30 January 2025).

DIRECTORS' REPORT

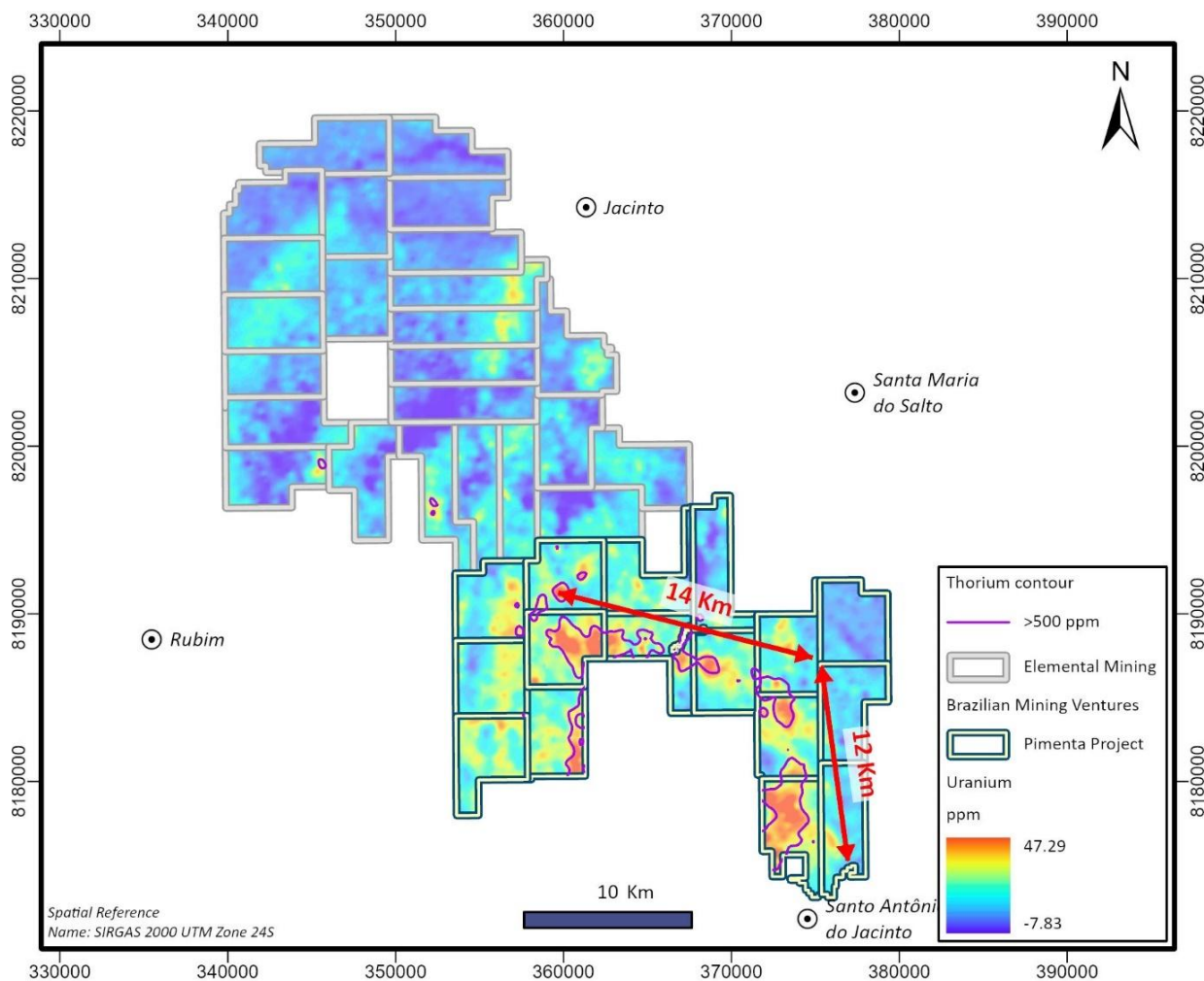


Figure 4: The Pimenta Project, and neighbouring third-party project, over high uranium anomalies

A surface reconnaissance program consisting of rock and soil sampling was completed during the period to test the radiometric anomalies for the presence of rare earth elements and niobium.

Caldera REE, Poços de Caldas, Minas Gerais

The Caldera REE Project is located at the Poços de Caldas Alkaline Complex in Minas Gerais South. Previous scout drilling identified high-grade surface zones at the joint venture prospect inside the Poços de Caldas adjacent to Meteoric Resources NL (ASX:MEI).

Previous high grade results include:

- 3m @ 2,162ppm TREO (22% MREO) from surface (AND-AUG-001)
- 0.7m @ 3,165ppm TREO (23% MREO) from 4m (AND-AUG-002)
- 9m @ 2,579ppm TREO (35% MREO) from surface (AND-AUG-003)
including 5m @ 3,274ppm TREO (29% MREO) from 1m
- 16m @ 2,179ppm TREO (30% MREO) from surface (AND-AUG-004)
- 5m @ 4,526ppm TREO (34% MREO) from 7m (AND-AUG-005)
including 2m @ 5,457ppm TREO (36% MREO) from 8m
- 5m @ 2,454ppm TREO (20% MREO) from 6m (AND-AUG-006)

DIRECTORS' REPORT

Progress results received to date indicate significant zones of enriched Magnetic Rare Earth Oxides (**MREO**) at surface. MREOs are of strategic importance to the global critical metals supply chain due to their indispensable role in the production of high-performance permanent magnets that are critical components in electric vehicles, wind turbines, consumer electronics, and various defence applications.

Due to the limitations of shallow auger drilling, the potential for mineralisation to extend to greater depths into the saprolite profile is apparent and is to be further tested, subject to funding, to understand the prospectivity of resource delineation at Caldera.

Padre Paraíso Lithium, Minas Gerais

During the period the Company received 266 assay results from the soil sampling program completed at the Company's Padre Paraíso lithium prospect in Lithium Valley, Brazil, located ~20km from Sigma Lithium Corp's high purity "Green Lithium" concentrate mine (Grota do Cirilo Project).

Covering an area of approximately 237 hectares (2.37km²), the sampling was conducted in July 2024, over a previously identified pegmatite corridor approximately 3km long by 800m wide. A total of 266 samples were collected on a grid pattern with a spacing of 200m x 50m.

The soil sampling returned lithium concentrations of up to 401ppm against background, which indicates the potential for spodumene-bearing pegmatites at depth.

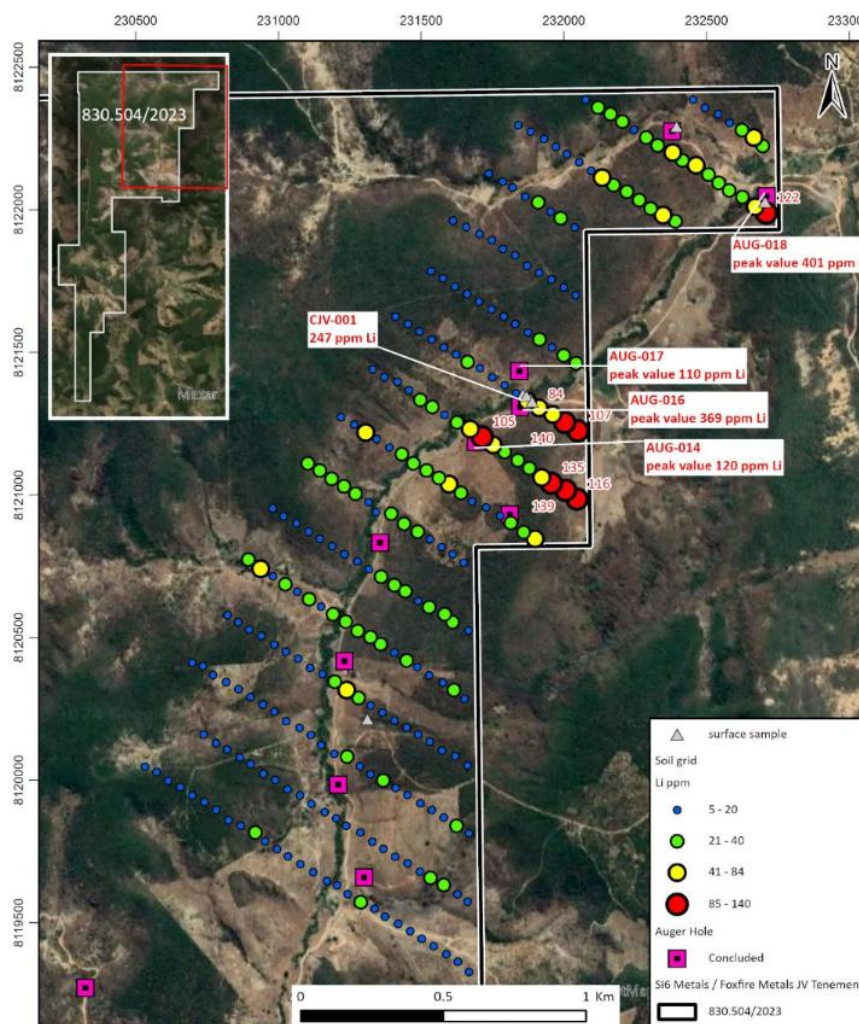


Figure 4: Soil grid Lithium assay results in the Padre Paraíso prospect and location of auger holes which were drilled on most of the soil traverses to evaluate the geological environment.

DIRECTORS' REPORT

Copper-Silver-Nickel-PGE, Botswana

The Company holds over 2,868km² of prospective copper, silver, nickel and PGE projects in the Limpopo Mobile Belt in Southeast Botswana. Three of these projects are held under joint venture with BCL Limited including the Maibele North Ni-Cu-Co-PGE resource and high-grade Cu-Ag discoveries at Airstrip and Dibete.

Maibele North has a JORC-Inferred Resource of 2.4Mt @ 0.72% Ni and 0.21% Cu + PGMs + Co + Au. The project contains nickel sulphide mineralisation related to ultramafic intrusions within mobile belt rocks and is broadly similar in style to other ultramafic intrusion-related mobile belt nickel discoveries such as IGO's Nova Bollinger (ASX: IGO), Chalice Mining's Julimar (ASX:CHN) and the globally significant Thompson Belt in Canada.

The Dibete Copper-Silver has previously returned high grade results from the "supergene zone" – a zone of thickening and enrichment of Cu and Ag grades, including:

- **6.15m @ 7.20% Cu + 182g/t Ag from 24.85m** (DBRD149)
incl. **0.5m @ 10.8% Cu + 281g/t Ag**
and **1.0m @ 13.0% Cu + 168g/t Ag**
- **1m @ 3.94% Cu + 161g/t Ag from 33.50m** (DBRD149)
- **9m @ 1.54% Cu, 82g/t Ag from 45m** (DBRD142)
incl. **2m @ 4.20% Cu, 269g/t Ag from 52m**
- **38m @ 1.72% Cu, 119.5g/t Ag from 16m** (DBRC014)
- **17m @ 2.7% Cu, 40.5g/t Ag from 16m** (DBRC081)
- **11m @ 4.5% Cu, 229.9g/t Ag from 33m** (DBRC028)
- **10m @ 3.9% Cu, 110g/t Ag from 43m** (DBRC108)
- **25m @ 2.17% Cu, 77g/t Ag from 27m** (DBRC124)
- **13m @ 2.11% Cu, 37.8g/t Ag from 37m** (DBRC129)
- **13m @ 1.9% Cu, 61.9g/t Ag from 41m** (DBRC130)
- **6m @ 4.46% Cu, 162 g/t Ag from 38m** (DBRC131)
- **10m @ 2.04% Cu, 15.6g/t Ag from 7m** (DBRC133)

Airstrip historical drilling results include exceptionally high grades up to 60.98% Cu and 2,833g/t Ag associated with massive copper sulphides in narrow structures, along with supergene malachite mineralisation identified over significant widths in surface trenches. Previous best intercepts include:

- **8m @ 1.71% Cu + 51.1g/t Ag from 159m** (ACRD018)
- **11m @ 7.63% Cu, 462g/t Ag from 52m** (ACRC003)
Incl. **7m @ 11.81% Cu + 717g/t Ag**
Incl. **3m @ 22.74% Cu + 1,379g/t Ag**
- **1.13m @ 21.58% Cu + 1,023g/t Ag from 65m** (ACRD029)
Incl. **0.25m @ 60.98% Cu + 2,833g/t Ag**
- **0.9m @ 20.53% Cu + 377g/t Ag from 55m** (ACRD032)
Incl. **0.35m @ 57.59% Cu + 1,054g/t Ag**
- **0.6m @ 25.27% Cu + 1,238g/t Ag from 65m** (ACRD033)
Incl. **0.24m @ 49.06% Cu + 2,493g/t Ag**
- **18m @ 1.72% Cu + 27.5g/t Ag from 42m** (ACRC122)
Incl. **3m @ 8.39% Cu + 136.3g/t Ag**

DIRECTORS' REPORT

- 6m @ 2.7% Cu + 72g/t Ag from 68m (ACDC067)
Incl. 1m @ 8.8% Cu + 214g/t Ag

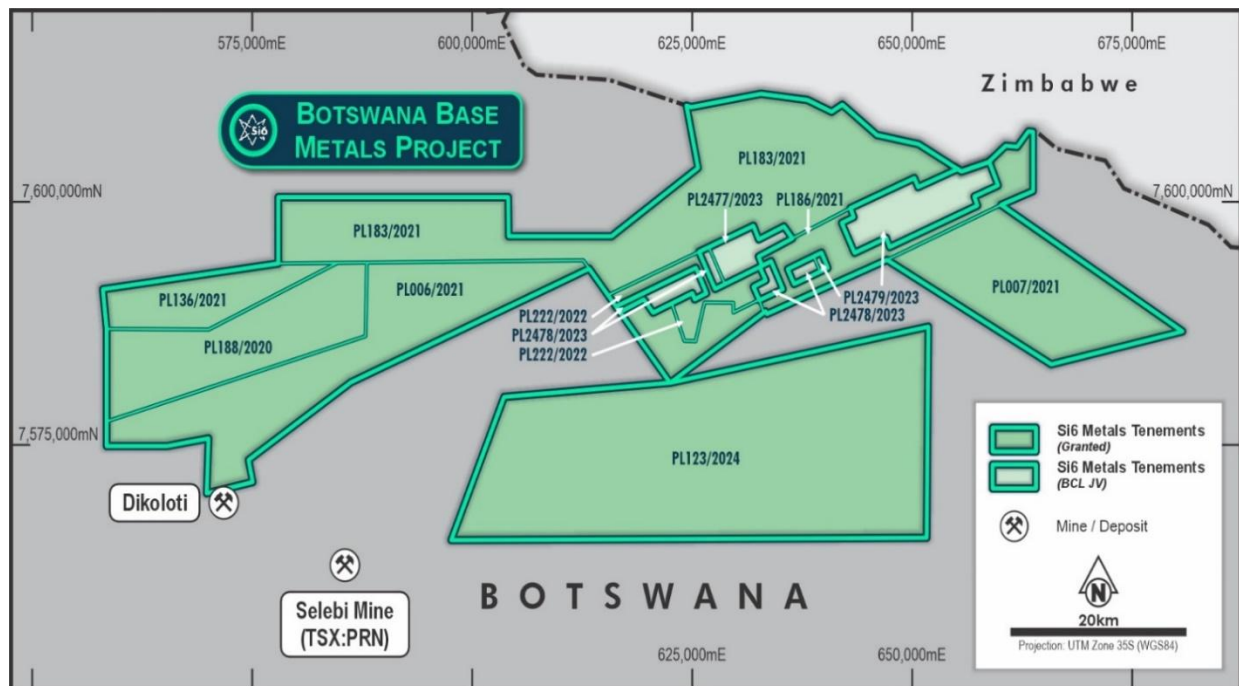


Figure 5: License map of VRL (formerly named Si6 Metals) projects in Botswana

Corporate

Entitlement Offer

On 21 October September 2024, the Company completed a non-renounceable rights issue of one (1) fully paid ordinary share in the capital of the Company for every two (2) shares held by eligible shareholders at an issue price of \$0.001 per shares (pre-consolidation) or \$0.02 (post consolidation), raising \$398,432.92 (before costs).

Directors Patrick Volpe and Ian Kiers (resigned 21 November 2024) took up their full entitlements under the Offer via their associated entities.

An additional \$198,000 was raised via a shortfall placement which closed on 21 January 2025.

Board Changes

On 21 November 2024, Mr Elvis Mosweu was appointed Non-Executive Director and Mr Ian Kiers resigned as Non-Executive Director and Chairman.

Annual General Meeting

The Company held its Annual General Meeting of Shareholders on 22 November 2024. All resolutions were passed on a poll.

Change of Company Name

On 11 December 2024, the Company changed its name from Si6 Metals Limited to Verity Resources Limited (ASX:VRL, VRLOF) following approval from shareholders at the Annual General Meeting.

Capital Consolidation

On 11 December 2024 the Company completed a twenty (20) to one (1) capital consolidation. There are currently 158,715,566 ordinary shares on issue and 54,123,334 VRLOF listed options expiring 30 June 2025 ex \$0.20 per option.

DIRECTORS' REPORT

4. SIGNIFICANT CHANGES TO THE STATE OF AFFAIRS

Other than as outlined above, there have been no significant changes to the state of affairs during the half-year ended 31 December 2024.

5. FINANCIAL RESULTS

The financial results of the Company for the half year ended 31 December 2024 are:

	31-Dec-24	30-Jun-24
Cash and cash equivalents (\$)	351,485	271,116
Net assets (\$)	1,234,256	1,461,859

	31-Dec-24	31-Dec-23
Net loss after tax (\$)	(792,548)	(3,054,385)
Loss per share (cents)	(1.30)	(6.37) ¹

¹ on a post consolidation basis.

6. EVENTS OCCURRING AFTER REPORTING DATE

On 31 January 2025, the Company appointed Mr Patrick Volpe as dual Non-Executive Director and Company Secretary and Mr Johnathon Busing resigned as Company Secretary.

On 13 March 2025, The Company has received firm commitments for a placement to sophisticated and professional investors to raise \$307,500 (before costs) (**Placement**) at an issue price of \$0.012 per share for the proposed issue of 25,625,000 ordinary fully paid shares (**Shares**) utilising the Company's available placement capacity under ASX Listing Rules 7.1 (15%) and 7.1A (10%). Each Placement Share participant will also be entitled to receive one free attaching unlisted option for every two Shares subscribed under the Placement, exercisable at \$0.022 per share expiring 19 March 2028 (**Options**) for 12,912,500 Options that will be issued subject to Shareholder approval at a general meeting.

The Company also proposes to place an additional \$1,192,500 via a placement of 99,375,000 Shares and 49,687,500 Options on the same terms as the Placement, and will seek Shareholder approval at a general meeting to undertake this raising.

Funds raised from the capital raising will be utilised to advance the Monument Gold Project including infill and step out drill programs at the Korong and Waihi MRE, as well as for working capital requirements.

Other than as stated above, no other matters or circumstances have arisen since the end of the half-year which significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in subsequent financial periods.

7. AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration under s 307C of the Corporations Act 2001 is set out on page 15 for the half-year ended 31 December 2024.

This report is signed in accordance with a resolution of the Board of Directors.



Mr Patrick Volpe
Director and Company Secretary
14 March 2025



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Australia

DECLARATION OF INDEPENDENCE BY PHILLIP MURDOCH TO THE DIRECTORS OF VERITY RESOURCES LIMITED

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

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

This declaration is in respect of Verity Resources Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'P. Murdoch', with a long horizontal flourish extending to the right.

Phillip Murdoch
Director

BDO Audit Pty Ltd
Perth
14 March 2025

VERITY RESOURCES LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 December 2024

	Note	31-Dec-24 \$	31-Dec-23 \$
Other Income		5,877	57,545
Administrative and corporate expenses		(162,212)	(227,377)
Other expenses		(47,343)	(101,132)
Directors' remuneration and fees		(82,533)	(211,864)
Professional fees		(56,223)	(315,977)
Marketing		(4,716)	(89,241)
Depreciation		(153)	(11,268)
Fair value gain/(loss)		-	(80,001)
Share based payments		-	(2,726)
Exploration expenses		(445,245)	(2,072,344)
Loss before income tax for the period		(792,548)	(3,054,385)
Income tax expense		-	-
Loss after income tax for the period		(792,548)	(3,054,385)
Other comprehensive loss that may be subsequently reclassified to profit or loss			
Exchange differences from translation of foreign operations		676	(50,472)
Total comprehensive loss for the period attributable to members of Verity Resources Limited		(791,872)	(3,104,857)
Loss per share for the period attributable to the members of Verity Resources Limited:			
Basic and diluted loss per share (post-consolidation, cents)	3	(1.30)	(6.37)

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

VERITY RESOURCES LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 December 2024

	Note	31-Dec-24 \$	30-Jun-24 \$
ASSETS			
Current Assets			
Cash and cash equivalents		351,485	271,116
Trade and other receivables		38,554	71,299
Total Current Assets		390,039	342,415
Non-Current Assets			
Property, plant and equipment		96,595	94,504
Exploration and evaluation expenditure		1,314,741	1,314,504
Total Non-Current Assets		1,411,336	1,409,008
TOTAL ASSETS		1,801,375	1,751,423
LIABILITIES			
Current Liabilities			
Trade and other payables		363,889	266,310
Provisions		-	23,254
Short term loans	7	203,230	-
Total Current Liabilities		567,119	289,564
TOTAL LIABILITIES		567,119	289,564
NET ASSETS		1,234,256	1,461,859
EQUITY			
Issued capital	4	34,317,030	33,752,761
Reserves		982,564	981,888
Accumulated losses		(34,065,338)	(33,272,790)
TOTAL EQUITY		1,234,256	1,461,859

The Consolidated Statement of Financial Position should be read in conjunction with the notes to the financial statements.

VERITY RESOURCES LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 31 December 2024

	Issued Share Capital	Share-based Payments Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	\$	\$
Balance at 1 Jul 2024	33,752,761	1,273,964	(292,076)	(33,272,790)	1,461,859
Net loss for the half-year	-	-	-	(792,548)	(792,548)
Other comprehensive income for the half-year			676		676
Total comprehensive income for the period	-	-	676	(792,548)	(791,872)
Transactions with owners in their capacity as owners:					
Shares issued during the year	596,545	-	-	-	596,545
Share issue costs	(32,275)	-	-	-	(32,275)
Share-based payment transactions	-	-	-	-	-
Balance at 31 Dec 2024	34,317,030	1,273,964	(291,400)	(34,065,338)	1,234,256
Balance at 1 Jul 2023	28,659,812	1,039,392	(253,628)	(28,785,290)	660,286
Net loss for the half-year	-	-	-	(3,054,385)	(3,054,385)
Other comprehensive income for the half-year			(50,472)		(50,472)
Total comprehensive income for the period	-	-	(50,472)	(3,054,385)	(3,104,857)
Transactions with owners in their capacity as owners:					
Shares issued during the year	2,990,789	-	-	-	2,990,789
Share issue costs	(219,069)	-	-	-	(219,069)
Share-based payment transactions	-	2,726	-	-	2,726
Balance at 31 Dec 2023	31,431,532	1,042,118	(304,100)	(31,839,675)	329,875

The Consolidated Statement of Changes in Equity should be read in conjunction with the notes to the financial statements.

VERITY RESOURCES LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 31 December 2024

	31-Dec-24	31-Dec-23
	\$	\$
Cash flows used in operating activities		
Interest received	5,871	12,431
Payments to suppliers and employees	(242,958)	(602,684)
Payments for exploration and evaluation	(445,245)	(2,072,344)
Net cash flows used in operating activities	(682,332)	(2,662,597)
Cash flows from investing activities		
Proceeds from Sale of Listed Investment	-	54,825
Payment for purchase of plant and equipment	(2,244)	(124,185)
Net cash flows used in investing activities	(2,244)	(69,360)
Cash flows from financing activities		
Issue of share capital	596,545	2,990,789
Payments of share capital issue costs	(32,276)	(157,569)
Proceeds from short term loans	200,000	-
Net cash flows used in financing activities	764,269	2,833,220
Net (decrease)/increase in cash and cash equivalents	79,693	101,263
Cash and cash equivalents at the beginning of the period	271,116	614,675
Foreign currency effect on cash held	676	(50,472)
Cash and cash equivalents at the end of the period	351,485	665,466

The Consolidated Statement of Cash Flows should be read in conjunction with the notes to the financial statements.

VERITY RESOURCES LIMITED

Notes to the Consolidated Interim Financial Statements

NOTE 1: MATERIAL ACCOUNTING POLICIES

These general purpose interim financial statements for half-year reporting period ended 31 December 2024 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: Interim Financial Reporting. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Verity Resources Limited. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2024, together with any public announcements made during the following half-year.

Accounting Policies

The interim financial statements have been prepared in accordance with the accounting policies applied in the previous financial year and those of the corresponding interim reporting period, other than as detailed below.

New and amended Accounting Standards that are effective for the current period

The Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current half-year.

Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Going Concern

The financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The Company incurred a net loss of \$792,548 for the half-year ended 31 December 2024 and had a net cash outflow from operations of \$682,332 for the half-year. Notwithstanding this, the financial report has been prepared on a going concern basis which the Directors consider to be appropriate based upon the factors described below.

The ability of the group to continue as a going concern is dependent on the Company being able to raise additional funds as required to meet ongoing and budgeted exploration commitments and for working capital.

These conditions indicate a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern and, therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Directors believe that the going concern basis of preparation is appropriate due to the following reasons:

- *Capital raise:* On 13 March 2025, the Company announced it had received commitments from professional and sophisticated investors for \$307,500 (before costs) (**Placement**) and proposed to issue an additional ~\$1.2M (before costs) subject to shareholder approval at a general meeting.
- *Cash flow forecast:* The Company has adopted a cash flow forecast which indicates that, on the completion of the Placement fundraising, it will have sufficient funds to pay its debts as and when they fall due for a period of not less than 12 months.
- *Future funding:* The Company has a track record of successfully raising capital to meet its ongoing commitments.

As a result, the financial report has been prepared on a going concern basis.

Should the Company be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial report. This financial report does not include any adjustments relating to the recoverability

VERITY RESOURCES LIMITED

Notes to the Consolidated Interim Financial Statements

and classification of recorded asset amounts or the amounts or classification of liabilities and appropriate disclosures that may be necessary should the Company be unable to continue as a going concern.

NOTE 2: OPERATING SEGMENTS

The consolidated entity operates within two geographical segments within mineral exploration being Australia, Botswana and Brazil. The segment information provided to the chief operating decision maker is as follows:

	Australia \$	Botswana \$	Brazil \$	Total \$
Period Ended 31 December 2024				
Revenue and other income	5,871	6	-	5,877
Result (loss)	(526,984)	(85,588)	(179,976)	(792,548)
Total assets	1,703,555	53,406	44,414	1,801,375
Total liabilities	(541,956)	(2,214)	(22,949)	(567,119)
Period Ended 31 December 2023				
Revenue and other income	57,545	-	-	57,545
Result (loss)	(985,736)	(2,068,649)	-	(3,054,385)
Period Ended 30 June 2024				
Total assets	1,686,479	64,944	100	1,751,523
Total liabilities	(244,209)	(22,314)	(23,041)	(289,564)

NOTE 3: EARNINGS PER SHARE

	31 Dec 2024 \$	31 Dec 2023 \$
Loss after income tax attributable to owners of Verity Resources Limited	(792,048)	(3,054,385)
Weighted average number of ordinary shares ¹	61,737,255	47,946,996
Basic loss per ordinary share (cents)	(1.30)	(6.37)

¹ on 12 December 2024 the completed a share consolidation of one (1) share for every 20 shares. Weighted average number of ordinary shares have been adjusted on a consolidated basis.

NOTE 4: ISSUED CAPITAL

	31 Dec 2024 \$	30 Jun 2024 \$
Issued and paid-up Capital		
158,715,566 ordinary shares fully paid post consolidation (30 June 2024: 2,577,849,425 pre-consolidation)	34,316,917	33,752,761

	Date	Issue Price	No. of Shares	\$
Movement in ordinary shares on issue				
Balance at the beginning of the period	1-Jul-23	-	1,495,394,592	28,659,812
Issue of shares	24-Jul-23	\$0.006	158,613,701	951,682
Issue of shares	3-Aug-23	\$0.006	339,851,132	2,039,108
Issue of shares	8-Feb-24	\$0.0045	209,000,000	940,500
Issue of shares	15-Mar-24	\$0.004	375,000,000	1,50,000
Share issue costs				(338,340)

VERITY RESOURCES LIMITED

Notes to the Consolidated Interim Financial Statements

Balance at the end of the period	30-Jun-24	-	2,577,859,425	33,752,761
Balance at the beginning of the period	1-Jul-24	-	2,577,859,425	33,752,761
Issue of shares	28-Oct-24	\$0.001 ⁽¹⁾	398,432,581	398,433
Issue of shares	19-Nov-24	\$0.001 ⁽²⁾	162,000,000	162,000
Share consolidation (20:1)	11-Dec-24		(2,981,376,440)	
Issue of shares	23-Dec-24	\$0.02 ⁽³⁾	1,800,000	36,000
Share issue costs				(32,276)
Balance at the end of the period	31-Dec-24	-	158,715,566	34,316,917

⁽¹⁾ On 28 October 2024, the Company issued 398,432,581 shares at \$0.001 per share (pre consolidation) to shareholders, following a Non-renounceable Pro-rata Entitlement Offer.

⁽²⁾ On 11 December 2024, the Company issued 162,000,000 additional shares at \$0.001 under the Shortfall Offer pursuant to the Non-renounceable Pro-rata Entitlement Offer.

⁽³⁾ On 23 December 2024, the Company issued 1,800,000 additional shares at \$0.02 (post consolidation) under the Shortfall Offer pursuant to the Non-renounceable Pro-rata Entitlement Offer.

NOTE 5: CONTINGENCIES AND COMMITMENTS

There are no changes in the Company's commitments or contingencies since 30 June 2024.

NOTE 6: DIVIDENDS

No dividends were paid or proposed to be paid to members during the half year ended 31 December 2024.

NOTE 7: RELATED PARTIES TRANSACTIONS

Details relating to related party transactions, including remuneration paid, include the following:

	31 Dec 2024	30 Jun 2024
	\$	\$
Key management personnel compensation		
Short term benefits (i)	(133,333)	(539,798)
Related Party Transactions		
Foxfire Metals Pty Ltd (ii)	(175,147)	(545,490)
CAP Holdings Pty Ltd ATF CAP Trust loan (iii)	200,000	-

- (i) Directors Ian Kiers (resigned 21 November 2024), Paul Woolrich and Patrick Volpe agreed to accrue directors fees for the half year until the Company has raised sufficient capital to settle the accrued amounts.
- (ii) Mr Patrick Volpe is a Director and substantial shareholder of Foxfire Metals Pty Ltd. Transactions with Foxfire Metals Pty Ltd comprise \$175,147 in Joint Venture exploration expenditure.
- (iii) Mr Patrick Volpe is a Director and beneficiary of CAP Holdings Pty Ltd ATF CAP Trust ("CAP Trust"). On 7 August 2024, CAP Trust advanced an unsecured short term working capital loan amount of \$200,000 on commercial terms at an interest rate of 10% per annum. The working capital loan is to be repaid when the Company has raised sufficient capital to settle the full amount.

There have been no other changes to related party arrangements since the financial year ended 30 June 2024.

VERITY RESOURCES LIMITED

Notes to the Consolidated Interim Financial Statements

NOTE 8: EVENTS AFTER THE END OF THE INTERIM PERIOD

On 31 January 2025, the Company appointed Mr Patrick Volpe as dual Non-Executive Director and Company Secretary and Mr Johnathon Busing resigned as Company Secretary.

On 13 March 2025, The Company has received firm commitments for a placement to sophisticated and professional investors to raise \$307,500 (before costs) (**Placement**) at an issue price of \$0.012 per share for the proposed issue of 25,625,000 ordinary fully paid shares (**Shares**) utilising the Company's available placement capacity under ASX Listing Rules 7.1 (15%) and 7.1A (10%). Each Placement Share participant will also be entitled to receive one free attaching unlisted option for every two Shares subscribed under the Placement, exercisable at \$0.022 per share expiring 19 March 2028 (**Options**) for 12,912,500 Options that will be issued subject to Shareholder approval at a general meeting.

The Company also proposes to place an additional \$1,192,500 via a placement of 99,375,000 Shares and 49,687,500 Options on the same terms as the Placement, and will seek Shareholder approval at a general meeting to undertake this raising.

Funds raised from the capital raising will be utilised to advance the Monument Gold Project including infill and step out drill programs at the Korong and Waihi MRE, as well as for working capital requirements.

No other matters or circumstances have arisen since the end of the half-year which significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in subsequent financial periods.

VERITY RESOURCES LIMITED

DIRECTORS' DECLARATION

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable, subject to matters disclosed in note 1.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Patrick Volpe
Director and Company Secretary

14 March 2025

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Verity Resources Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Verity Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, material accounting policy information and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- i. Giving a true and fair view of the Group's financial position as at 31 December 2024 and of its financial performance for the half-year ended on that date; and
- ii. Complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

Basis for conclusion

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

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

Material uncertainty relating to going concern

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



Responsibility of the directors for the financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is true and fair and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'P. Murdoch', is written over a horizontal line. Above the signature, the letters 'BDO' are written in a smaller, handwritten font.

Phillip Murdoch

Director

Perth, 14 March 2025