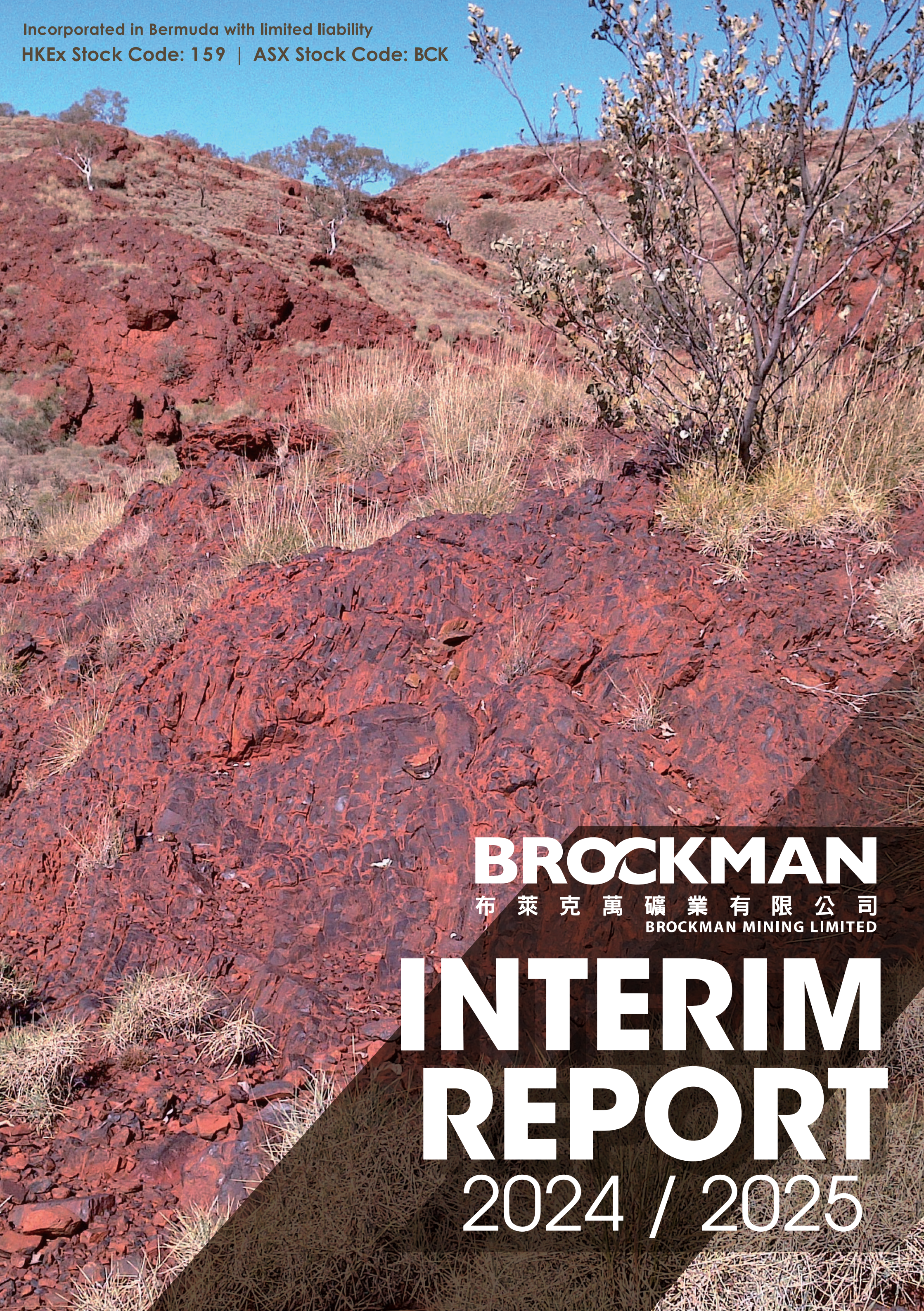
Incorporated in Bermuda with limited liability

HKEx Stock Code: 159 | ASX Stock Code: BCK



BROCKMAN

布 萊 克 萬 礦 業 有 限 公 司

BROCKMAN MINING LIMITED

INTERIM REPORT 2024 / 2025

FINANCIAL INFORMATION

For the six months ended 31 December 2024

The interim financial information does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by Brockman Mining Limited ("Brockman") during the interim reporting period in accordance with the continuous disclosure requirements of The Stock Exchange of Hong Kong Limited (the "SEHK") and Australian Securities Exchange (the "ASX").

CONTENTS

CORPORATE PROFILE

BOARD OF DIRECTORS

Non-executive Directors

Kwai Sze Hoi *(Chairman)*
Ross Stewart Norgard

Executive Directors

Kwai Kwun, Lawrence
Colin Paterson
Chan Kam Kwan, Jason

Independent Non-executive Directors

David Rolf Welch
Ko Kit Man, Liza
(appointed on 21 October 2024)
Wu Man To
(appointed on 21 October 2024)
Yap Fat Suan, Henry
(resigned on 21 October 2024)
Choi Yue Chun, Eugene
(resigned on 21 October 2024)

COMPANY SECRETARY

Chan Kam Kwan, Jason

REGISTERED OFFICE (BERMUDA)

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

PRINCIPAL PLACE OF BUSINESS IN AUSTRALIA

Level 2, 679 Murray Street
West Perth WA 6005
Australia

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 3903B Far East Finance Centre
16 Harcourt Road
Admiralty
Hong Kong

AUDITOR

Ernst and Young
Chartered Accountants
11 Mounts Bay Road
Perth WA 6000
Australia

PRINCIPAL SHARE REGISTRARS AND TRANSFER OFFICE

Conyers Corporate Services (Bermuda) Limited
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

BRANCH SHARE REGISTRARS AND TRANSFER OFFICE IN HONG KONG

Tricor Secretaries Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

BRANCH SHARE REGISTRARS AND TRANSFER OFFICE IN AUSTRALIA

Computershare Investor Services Pty Ltd
Level 17, 221 St Georges Terrace
Perth WA 6000

PRINCIPAL BANKER

Hang Seng Bank Limited
Industrial and Commercial Bank of China (Asia) Limited
Bank of Communications
Westpac Banking Corporation

WEBSITE

www.brockmanmining.com
www.irasia.com/listco/hk/brockmanmining

STOCKCODE

159

Main Board of The Stock Exchange of Hong Kong Limited

BCK

Australian Securities Exchange

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Six months ended 31 December 2024 HK$'000 (Unaudited)	Six months ended 31 December 2023 HK$'000 (Unaudited)
Other income		**–**	1,580
Administrative expenses	8	**(8,516)**	(8,133)
Exploration and evaluation expenses	8	**(4,527)**	(6,422)
Operating loss		**(13,043)**	(12,975)
Finance income		**475**	2,959
Finance costs		**(9,057)**	(3,121)
Finance costs, net	9	**(8,582)**	(162)
Share of loss of joint ventures		**(55)**	(69)
Loss before income tax		**(21,680)**	(13,206)
Income tax benefit	10	**2,210**	3,147
Loss for the period		**(19,470)**	(10,059)
Other comprehensive income/(loss)			
Item that may be reclassified to profit or loss			
Exchange differences arising from translation of foreign operations		**(39,385)**	11,293
Other comprehensive (loss)/income for the period		**(39,385)**	11,293
Total comprehensive (loss)/income for the period		**(58,855)**	1,234
Loss for the period attributable to:			
Equity holders of the Company		**(19,470)**	(10,059)
Total comprehensive (loss)/income attributable to:			
Equity holders of the Company		**(58,855)**	1,234
Loss per share attributable to the equity holders of the Company during the period		**HK cents**	HK cents
Basic loss per share	11	**(0.21)**	(0.11)
Diluted loss per share	11	**(0.21)**	(0.11)

The notes on pages 8 to 34 form an integral part of this condensed consolidated financial information.

CONDENSED CONSOLIDATED BALANCE SHEET

	Note	As at 31 December 2024 HK$'000 (Unaudited)	As at 30 June 2024 HK$'000 (Audited)
Non-current assets			
Mining exploration properties	13	**653,658**	706,596
Property, plant and equipment	14	**145**	132
Right-of-use assets		**178**	366
Interest in joint ventures		**593**	650
Other non-current assets		**118**	123
		654,692	707,867
Current assets			
Other receivables, deposits and prepayments		**1,560**	876
Cash and cash equivalents	12	**2,036**	4,559
		3,596	5,435
Total assets		**658,288**	713,302
Equity and liabilities			
Share capital	17	**928,023**	928,023
Reserves		**3,759,873**	3,799,258
Accumulated losses		**(4,248,227)**	(4,228,757)
Total equity attributable to the equity holders of the Company		**439,669**	498,524
Non-current liabilities			
Deferred income tax liability	19	**71,011**	79,008
Borrowings	16	**86,215**	75,756
Lease liabilities		**197**	434
Other payables		**58,850**	57,104
		216,273	212,302
Current liabilities			
Trade and other payables	15	**986**	1,163
Lease liabilities		**421**	427
Provisions		**939**	886
		2,346	2,476
Total liabilities		**218,619**	214,778
Total equity and liabilities		**658,288**	713,302

The notes on pages 8 to 34 form an integral part of this condensed consolidated financial information.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital HK$'000	Share premium HK$'000	Share-based compensation reserve HK$'000	Translation reserve HK$'000	Accumulated losses HK$'000	Total HK$'000
Balance at 1 July 2024 (Audited)	**928,023**	**4,468,737**	**92,506**	**(761,985)**	**(4,228,757)**	**498,524**
Loss for the period	**–**	**–**	**–**	**–**	**(19,470)**	**(19,470)**
Other comprehensive loss						
Exchange differences arising on translation of foreign operations	**–**	**–**	**–**	**(39,385)**	**–**	**(39,385)**
Total comprehensive loss for the period	**–**	**–**	**–**	**(39,385)**	**(19,470)**	**(58,855)**
Balance at 31 December 2024 (Unaudited)	**928,023**	**4,468,737**	**92,506**	**(801,370)**	**(4,248,227)**	**439,669**
Balance at 1 July 2023 (Audited)	928,023	4,468,737	92,506	(762,658)	(4,215,395)	511,213
Loss for the period	–	–	–	–	(10,059)	(10,059)
Other comprehensive gain						
Exchange differences arising on translation of foreign operations	–	–	–	11,293	-	11,293
Total comprehensive gain for the period	–	–	–	11,293	(10,059)	1,234
Balance at 31 December 2023 (Unaudited)	928,023	4,468,737	92,506	(751,365)	(4,225,454)	512,447

The notes on pages 8 to 34 form an integral part of this condensed consolidated financial information.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Six months ended 31 December 2024 HK$'000 (Unaudited)	2023 HK$'000 (Unaudited)
Cash flows from operating activities			
Loss before tax		**(21,680)**	(13,206)
Adjustments to reconcile loss before tax to net cash flows:			
Depreciation of property, plant and equipment	8	**15**	14
Depreciation of right-of-use assets	8	**171**	161
Finance costs	9	**9,037**	3,121
Share of loss of joint venture		**55**	69
Finance income	9	**(419)**	(2,831)
Gain on disposal of sale of tenements		**—**	(1,539)
Other non-cash income and expenses		**8**	(188)
Working capital adjustments:			
— Increase in trade receivables and prepayments		**(685)**	(782)
— Increase in trade, other payables and provisions		**3,137**	4,368
Net cash flows used in operating activities		**(10,361)**	(10,813)
Cash flows from investing activities			
Proceeds from the sale of tenements		**—**	1,539
Purchase of property, plant and equipment	14	**(36)**	(16)
Investment in joint venture		**(43)**	(54)
Interest received	9	**66**	130
Net cash flows (used in)/from investing activities		**(13)**	1,599
Cash flows from financing activities			
Proceeds from borrowings	16	**8,192**	—
Principal portion of lease payments		**(191)**	(195)
Interest on lease payments	9	**(20)**	(44)
Net cash from/(used in) financing activities		**7,981**	(239)
Net decrease in cash and cash equivalents		**(2,393)**	(9,453)
Cash and cash equivalents at beginning of the period		**4,559**	16,495
Effects of foreign exchange rate changes		**(130)**	34
Cash and cash equivalents at end of the period	12	**2,036**	7,076

The notes on pages 8 to 34 form an integral part of this condensed consolidated financial information.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1. GENERAL INFORMATION

Brockman Mining Limited (the "Company") and its subsidiaries (collectively, the "Group") principally engage in the acquisition, exploration and development of iron ore projects in Australia. In the opinion of the directors, the ultimate parent entity is Brockman Mining Limited.

The Company is a public company incorporated and domiciled in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the "SEHK") and Australian Securities Exchange (the "ASX"). The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.

This condensed consolidated financial information is presented in Hong Kong dollars (HK$), and all values are rounded to the nearest thousand (HK$'000), except where otherwise indicated. This condensed consolidated financial information has not been audited.

2. BASIS OF PREPARATION

This interim condensed consolidated financial information for the six months ended 31 December 2024 has been prepared in accordance with International Accounting Standard ("IAS") 34 Interim Financial Reporting. This condensed consolidated financial information also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "SEHK Listing Rules") and with the applicable disclosure requirements of the Hong Kong Companies Ordinance.

The condensed consolidated financial information does not include all notes of the type normally included within the consolidated annual financial report and therefore cannot be expected to provide a full understanding of the financial performance, financial position and financing and investing activities of the Group as the consolidated annual financial report. The condensed consolidated financial information should be read in conjunction with the consolidated annual financial report for the year ended 30 June 2024.

(a) Going concern basis

For the six months ended 31 December 2024, the Group recorded a net loss before tax of HK$21,680,000 (six months ended 31 December 2023: HK$13,206,000) and had operating cash outflows of HK$10,361,000 (six months ended 31 December 2023: HK$10,813,000). The Group did not record any revenue during the period and the loss before tax for the period was primarily attributable to the exploration and evaluation (including the Group's share of the joint operation expenses) of the Group's iron ore exploration projects and corporate overhead costs. As at 31 December 2024, the Group's cash and cash equivalents amounted to HK$2,036,000 (30 June 2024: HK$4,559,000).

2. BASIS OF PREPARATION (Continued)

(a) Going concern basis (Continued)

On 22 April 2021, Brockman Iron Pty Ltd (a wholly-owned subsidiary of the Company) ("Brockman Iron") and Polaris Metals Pty Ltd ("Polaris") established the Joint Operation. Following the establishment of the Joint Operation, Polaris (or its related party) agreed to provide the Joint Operation with funding by way of a project loan sufficient to allow the Joint Operation to fund the initial development costs and the forecast capital costs for development. The Joint Operators have agreed to initial development works that will be funded by Polaris with the cost estimated to be circa A$36,000,000 (approximately HK$173,428,000).

The loans from Polaris of A$10,000,000 have been released from the escrow account pursuant to the Farm-In and Joint Venture ("FJV") Agreement. Under the terms of the FJV Agreement, these loans are to be repaid from net revenue received by Brockman Iron from the sale of its share of product produced and sold from the Joint Operation. The repayment of these loans to Polaris must be in priority to all other payments from Net Revenue received by Brockman Iron from the sale of its percentage share of product sold from the Project.

The Group has taken a number of measures to improve its liquidity position, including, but not limited to, the following:

(i) Extending the repayment date of the existing loan from the substantial shareholder amounting to HK$49,499,000, to 31 December 2026. This loan bears interest at 17% per annum.

(ii) On 23 January 2025, the substantial shareholder undertook to increase the existing loan facility of US$4,300,000 (approximately HK$33,454,000) to US$6,800,000 (approximately HK$52,904,000) to satisfy the Group's future working capital requirements. Once drawn down it will be unsecured, bear interest at 17% per annum and will be repayable on 31 December 2026.

(iii) The Group drew down on 21 October 2024 US$250,000 (approximately HK$1,945,000) and 14 January 2025 US$577,000 (approximately HK$4,489,000), of the revised loan facility of US$6,800,000 (approximately HK$52,904,000) from the substantial shareholder. These loans are unsecured, bear interest at a rate of 17% per annum and are repayable on 31 December 2026. At the date of this report, the undrawn balance of the substantial shareholder loan facility is US$4,373,000 (approximately HK$34,022,000).

(iv) On 23 January 2025, Brockman Exploration Pty Ltd executed a Tenement Sale Agreement for E47/3285 (non-core tenement) for A$550,000 (approximately HK$2,688,000).

The directors have reviewed the Group's cash flow projections which cover a period of not less than twelve months from the date of approval of the condensed consolidated financial information. They are of the opinion that, taking into account the above-mentioned measures, the Group will have sufficient financial resources to satisfy its future working capital requirements and to meet its financial obligations as and when they fall due within the next twelve months from the date of approval of the condensed consolidated financial information.

2. BASIS OF PREPARATION (Continued)

(a) Going concern basis (Continued)

The directors believe that the Group can continue to access debt and equity funding to meet medium term working capital requirements and has a history of securing such funding as required in the past to support their belief. In the event that funding of amount necessary to meet the future budgeted operational and investing activities of the Group is unavailable, the directors would undertake steps to curtail these operating and investing activities. Accordingly, the directors of the Company consider that it is appropriate to prepare the Group's condensed consolidated financial information as a going concern basis.

Notwithstanding the above, there remains material uncertainty as to whether the Group can raise sufficient funds as outlined above, which may cast significant doubt about the Group's ability to continue as a going concern and, therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the condensed consolidated financial information.

The condensed consolidated financial information do not include any adjustments relating to the recoverability and classification of the Group's assets or to the amount and classification of liabilities which might be necessary should the Group not continue as a going concern.

3. MATERIAL ACCOUNTING POLICIES

The material accounting policies applied are consistent with those of the annual financial statements for the year ended 30 June 2024, except as described in this condensed consolidated financial information.

(a) Changes in accounting policies and disclosures

New standards, interpretations and amendments adopted by the Group

The material accounting policies adopted in the preparation of this interim condensed consolidated financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 30 June 2024, except for the adoption of new standards effective as of 1 July 2024. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Amendments to IFRS 16: Lease Liability in a Sale and Leaseback

In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

3. MATERIAL ACCOUNTING POLICIES (Continued)

(a) Changes in accounting policies and disclosures (Continued)

New standards, interpretations and amendments adopted by the Group (Continued)

Amendments to IFRS 16: Lease Liability in a Sale and Leaseback (Continued)

The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16. Earlier application is permitted, and that fact must be disclosed if utilised.

The amendments had no impact on the Group's condensed consolidated financial information.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement.
- That classification is unaffected by the likelihood that an entity will exercise its deferral right.
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively.

The amendments had no impact on the Group's condensed consolidated financial information.

Supplier Finance Arrangements – Amendments to IFRS 7 and IAS 7

In May 2023, the IASB issued amendments to *IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures* to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The amendments are effective for annual reporting periods beginning on or after 1 January 2024. The amendments had no impact on the Group's condensed consolidated financial information.

3. MATERIAL ACCOUNTING POLICIES (Continued)

(a) Changes in accounting policies and disclosures (Continued)

New standards, interpretations and amendments adopted by the Group (Continued)

Implication of the abolition of the MPF-long service payment offsetting mechanism

In June 2022, the Government of the HKSAR gazetted the Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Ordinance 2022 (the "Amendment Ordinance"), following which the statutory right of an employer to offset severance payment and the long service leave payment ("LSP") by its mandatory contributions to the mandatory provident fund scheme ("MPF") will be abolished, effective 1 May 2025. The Group is currently assessing the impact of these amendments.

Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's condensed consolidated financial information are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates

Amendments to IAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. When applying the amendments, an entity cannot restate comparative information. Any cumulative effect of initially applying the amendments shall be recognised as an adjustment to the opening balance of retained profits or to the cumulative amount of translation differences accumulated in a separate component of equity, where appropriate, at the date of initial application. The amendments are effective for annual reporting periods beginning on or after 1 January 2025. The amendments are not expected to have any significant impact on the Group's condensed consolidated financial information.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 Presentation and Disclosure in Financial Statements aims to provide greater consistency in presentation of the income and cash flow statements, and more disaggregated information. The standard will change how companies present their results on the face of the income statement and disclose information in the notes to the financial statements. Certain "non-GAAP" measures – management performance measures (MPMs) – will now form part of the audited financial statements. There will be three new categories of income and expenses, two defined income statement subtotals and one single note on management-defined performance measures. The effective date is 1 January 2027 and early adoption is permitted. The Group is currently assessing the impact of this standard.

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this condensed consolidated financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 30 June 2024.

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including exchange rate risk), credit risk, liquidity risk and interest rate risk. Risk management is carried out by the Executive Committee with guidance from the Risk Management Committee under policies approved by the Board. The Board also provides regular guidance for the overall risk management. Primary responsibility for identification and control of financial risks rests with the Board. The Board reviews and agrees policies for managing each of the risks identified below. The Group does not and is prohibited from entering into derivative contracts for speculative purposes.

This condensed consolidated financial information does not include all financial risks, management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 30 June 2024.

There have been no changes in the risk management policies since the 30 June 2024 year end.

(a) Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balances. The directors of the Company consider that the capital structure of the Group consists of long-term debt and lease liabilities (excluding non-current liability other payables), and equity attributable to equity holders of the Company comprising issued capital and reserves.

The directors of the Company review the capital structure by considering the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through new share issues as well as the issue of new debt or the repayment of existing debt. Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements. Since 30 June 2024, there have been no changes made in the objectives, policies or processes for managing capital.

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Financial risk factors (Continued)

(a) Capital risk management (Continued)

The Group maintains capital using a gearing ratio, which is long-term debt (excluding non-current liability other payables) over equity and long-term debt. The gearing ratios at 31 December 2024 and 30 June 2024 were as follows:

	As at	
	31 December 2024 HK$'000 (Unaudited)	30 June 2024 HK$'000 (Audited)
Long-term debt and lease liabilities	**86,412**	76,190
Total equity	**439,669**	498,524
Total capital	**526,081**	574,174
Gearing ratio	**16.40%**	13.3%

An increase in the Group's long-term debt and hence the Group's gearing ratio from 13.3% to 16.40%.

(b) Liquidity risk

Liquidity risks arises from the financial liabilities of the Group and the Group's subsequent ability to meet its obligations to repay its financial liabilities as and when they fall due.

The Group's primary cash requirements have been for the payment of working capital and the Group generally finances its short term funding requirements with equity funding and loans from shareholders.

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Financial risk factors (Continued)

(b) Liquidity risk (Continued)

The following table details the Group's remaining contractual maturity for its financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group could be required to pay. The table includes both interest and principal cash flows.

	Within 1 year of demand	1 to 2 years	2 - 3 years	Later than 3 years and no later than 5 years	Total undiscounted cash flows	Carrying amount at period ended date
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
31 December 2024 (Unaudited)						
Non-derivative financial liabilities:						
Trade and other payables	**986**	**63,993**	**—**	**—**	**64,979**	**59,836**
Borrowings	**—**	**61,635**	**55,788**	**—**	**117,423**	**86,246**
Lease liabilities	**421**	**261**	**—**	**—**	**682**	**618**
	1,407	**125,889**	**55,788**	**—**	**183,084**	**146,700**
30 June 2024 (Audited)						
Non-derivative financial liabilities:						
Trade and other payables	1,163	57,104	—	—	65,859	58,267
Borrowings	–	46,055	55,788	—	101,843	75,756
Lease liabilities	396	696	17	—	1,140	861
	1,590	103,855	55,805	—	168,842	134,884

The date of repayment for the loans from Polaris will depend on the date of commencement of operations and it is expected that full repayment will be made within two-three months of this estimated date.

Management and the Board monitor the Group's liquidity reserve on the basis of expected future cashflows. The information is prepared by management and reviewed by the Board and includes review of annual cashflow budgets.

(c) Fair value estimation

The fair value of the Group's financial assets, including other receivables, deposits, amounts due from related parties, and cash and cash equivalents; and the Group's financial liabilities, including trade and other payables, amounts due to related parties are approximate to their carrying amounts due to their short-term maturities. The fair value of non-current borrowings is disclosed in note 23.

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Financial risk factors (Continued)

(d) Exchange rate risk

During the interim period, no financial instrument was used for hedging. The Group's financial performance is also affected by movements in AUD:HKD.

As at 31 December 2024, the Group was not exposed to any significant exchange rate risk (30 June 2024: Nil).

(e) Credit risk

The Group's maximum exposure to credit risk which could cause a financial loss to the Group due to failure to discharge an obligation by the counterparties arises from the carrying amount of the trade receivables, other receivables and deposits, amount due from a related party, cash and cash equivalents and restricted cash as stated in the condensed consolidated balance sheet.

Management reviews the recoverable amount of each individual trade receivable at each balance sheet date to ensure that adequate impairment losses are made for expected credit losses by assessing the credit quality of the counterparties by taking into account their financial position, past experience and other factors. For transactions that are not denominated in the functional currency of the relevant operating unit, the Group does not offer credit terms without the specific approval of management. In this regard, the directors of the Company considers that the credit risk of the Group is reduced.

The credit risk on cash and cash equivalents is limited for both the Group and the Company because counterparties are mainly the banks with a high credit-rating assigned by international credit-rating agencies.

The Group and the Company have no concentration of credit risk, with exposure spread over a number of counterparties.

(f) Interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. Cashflow interest rate risk is the risk that the future cash flow from a financial instrument will fluctuate because of changes in market interest rates. The Group's policy is to manage its exposure to interest rate risk by holding cash in short term, fixed and variable rate deposits with reputable high credit quality financial institutions. The Group analyses its interest rate exposure and consideration is given to potential renewals of existing positions, alternative financing and/or the mix of fixed or variable interest rates.

As at 31 December 2024 and 30 June 2024, the Group was not exposed to any significant interest rate risk.

6. REVENUE

There was no revenue during the six months ended 31 December 2024 (six months ended 31 December 2023: Nil).

7. SEGMENT INFORMATION

Identification of reportable segments

The Group has identified its operating segments based on internal reports that are used by the Chief Operating Decision Maker, being the executive directors of the Company who are responsible for allocating resources and assessing performance of the operating segments. The executive directors consider the performance of the Group from a business perspective.

The Group's reportable operating segment is as follows:

Mineral tenements in Australia — tenement acquisition, exploration and evaluation for future development of iron ore projects in Western Australia.

Other — primarily relate to the provision of corporate services for investment holding companies. These activities are excluded from the reportable operating segments and are presented to reconcile to the totals included in the Group's condensed consolidated statement of comprehensive income and condensed consolidated balance sheet.

Discrete financial information about each of these operating segments is reported to the executive directors (the Chief Operating Decision Maker) on at least a monthly basis.

Accounting policies

The accounting policies used by the Group in reporting segments internally are the same as those contained in the annual financial statements for the year ended 30 June 2024.

Segment assets reported to executive directors of the Company are measured in a manner consistent with that in the condensed consolidated balance sheet. Executive directors assess and review the performance of the operating segments based on segment results which is allocated as loss before income tax less share of profit/(loss) of joint ventures from continuing operations.

7. SEGMENT INFORMATION (Continued)

The following is an analysis of the Group's results by business segment:

	Mineral tenements in Australia HK$'000	Other HK$'000	Total HK$'000
For the six months ended 31 December 2024 (Unaudited):			
Segments results	**(12,674)**	**(8,951)**	**(21,625)**
Share of loss of joint ventures			**(55)**
Loss before income tax			**(21,680)**
Other information:			
Depreciation of property, plant, equipment, and right-of-use assets	**(184)**	**(2)**	**(186)**
Exploration and evaluation expenses	**(4,527)**	**—**	**(4,527)**
Income tax benefit	**2,210**	**—**	**2,210**
For the six months ended 31 December 2023 (Unaudited):			
Segments results	(4,963)	(8,174)	(13,137)
Share of loss of joint ventures			(69)
Loss before income tax			(13,206)
Other information:			
Depreciation of property, plant, equipment, and right-of-use assets	(174)	(1)	(175)
Exploration and evaluation expenses	(6,422)	—	(6,422)
Income tax benefit	3,147	—	3,147

7. SEGMENT INFORMATION (Continued)

The following is an analysis of the Group's total assets by business segment as at 31 December 2024:

	Mineral tenements in Australia HK$'000	Other HK$'000	Total HK$'000
As at 31 December 2024 (Unaudited):			
Segment assets	**655,478**	**2,810**	**658,288**
Total segment assets include:			
Interest in joint ventures	593	—	593
Property, plant and equipment	135	10	145
Right-of-use assets	178	—	178
Mine exploration properties	653,658	—	653,658
As at 30 June 2024 (Audited):			
Segment assets	**728,377**	**2,814**	**731,191**
Total segment assets include:			
Interests in joint ventures	626	—	626
Property, plant & equipment	137	12	149
Right-of-use assets	501	—	501
Mine exploration properties	706,596	—	706,596

8. LOSS BEFORE TAX

The Group's loss before tax from continuing operations is arrived at after charging:

	Six months ended 31 December	
	2024 **HK$'000** **(Unaudited)**	2023 HK$'000 (Unaudited)
Depreciation of property, plant and equipment	**15**	14
Depreciation of right-of-use assets	**171**	161
Staff costs (including directors' emoluments)	**6,242**	5,739
Auditor's remuneration:		
— Audit services	**578**	493
— Non-audit services	**154**	36
Exploration and evaluation expenses (excluding staff costs and rental expenses)	**3,899**	5,783

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

9. FINANCE COSTS, NET

	Six months ended 31 December	
	2024 HK$'000 (Unaudited)	2023 HK$'000 (Unaudited)
Finance income		
Interest income on bank deposits	**56**	128
Remeasurement of the loans from Polaris	**—**	2,831
Remeasurement of other payables	**419**	—
Finance costs		
Interest on borrowings	**(5,473)**	(3,077)
Interest on other payables	**(3,564)**	–
Interest on lease liabilities	**(20)**	(44)
	(9,057)	(3,121)
Finance costs, net	**(8,582)**	(162)

10. INCOME TAX BENEFIT

No provision for Hong Kong profits tax or overseas income tax has been made in this condensed consolidated financial information as the Group has no assessable profit for the six months ended 31 December 2024 (six months ended 31 December 2023: Nil).

The income tax benefit on the Group's loss before income tax for the six months ended 31 December 2024 was HK$2,210,000 (six months ended 31 December 2023: HK$3,147,000) differs from the theoretical amount that would arise using the enacted tax rate of the consolidated entities as follows:

	Six months ended 31 December	
	2024 HK$'000 (Unaudited)	2023 HK$'000 (Unaudited)
Loss before income tax	**(21,680)**	(13,206)
Tax calculated at the applicable domestic tax rate of respective companies	**(4,108)**	(2,858)
Expenses not deductible for tax purposes	**2,624**	281
Deferred tax assets recognised	**(2,210)**	(1,919)
Tax losses for which no deferred income tax asset was recognised	**1,484**	1,349
Income tax benefit	**(2,210)**	(3,147)

11. LOSS PER SHARE

Basic loss per share is calculated by dividing the loss attributable to the equity holders of the Company by the weighted average number of ordinary shares on issue during the period.

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding assuming conversion of all dilutive potential ordinary shares.

	Six months ended 31 December	
	2024 (Unaudited)	2023 (Unaudited)
Loss for the period attributable to the equity holders of the Company (HK$'000)	**(19,470)**	(10,059)
Weighted average number of ordinary shares for the purpose for calculating the basic loss per share (thousands)	**9,280,232**	9,280,232
Effects of dilution from:		
— share of options (thousands)	**—**	103,000
Weighted average number of ordinary shares adjusted for the effect of dilution (thousands)	**9,280,232**	9,538,655(*)
Loss per share attributable to the equity holders of the Company:		
Basic (HK cents)	**(0.21)**	(0.11)
Diluted (HK cents)	**(0.21)**	(0.11)(*)

Note (*): Because the diluted loss per share amount is decreased when taking share options into account, the share options had an anti-dilutive effect on the basic earnings per share for the comparative year and were ignored in the calculation of diluted earnings per share. Therefore, the diluted earnings per share amounts are based on the loss for the six months ended 31 December 2024 of HK$19,470,000 (six months ended 31 December 2023: HK$10,059,000) and the weighted average number of ordinary shares 9,280,232,000 in issue during the six months ended 31 December 2024 (six months ended 31 December 2023: 9,280,232,000).

12. CASH AND CASH EQUIVALENTS

For the purpose of the condensed statement of cash flows, cash and cash equivalents are comprised of the following:

	As at	
	31 December 2024 HK$'000 (Unaudited)	30 June 2024 HK$'000 (Audited)
Cash and cash equivalents	**2,036**	4,559

Cash at bank earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

13. MINING EXPLORATION PROPERTIES

	Mining exploration properties in Australia
	HK$'000
Balance as at 1 July 2023 (Audited)	705,842
Exchange differences	754
Balance as at 30 June 2024 (Audited)	**706,596**
Exchange differences	(52,938)
Balance as at 31 December 2024 (Unaudited)	**653,658**

At 31 December 2024, the Group held capitalised mining exploration properties in Australia of HK$653,658,000 (30 June 2024: HK$706,596,000) representing 99% (30 June 2024: 99%) of the Group's total assets.

13. MINING EXPLORATION PROPERTIES (Continued)

The determination as to whether there were any indicators to require a mining exploration property to be assessed for impairment, involves a number of judgments, including whether the Group has tenure, will be able to perform ongoing expenditure and whether there is sufficient information for a decision to be made that the area of interest is not commercially viable (refer to Note 20(a)). The Group performed an assessment of the impairment indicators at 31 December 2024 in accordance with IFRS 6, taking into account the following factors:

1. The Group still had the right to explore the tenements.

2. To date there have been no adverse findings reported or identified from technical studies undertaken that would affect the advancement of Marillana.

3. Further expenditure is forecast for Marillana at 31 December 2024 and beyond, to continue to advance development of Marillana.

4. Under the FJV Agreement, MinRes is to provide the infrastructure solution to transport ore from the Marillana project to port stockyard at Port Hedland and loading on to ships for export. The MinRes-Hancock joint operation agreement will facilitate this solution for Marillana.

5. In recent years, the iron ore price has increased to levels not seen since 2014 and at 31 December 2024 the price was around A$164 per tonne (30 June 2024: A$159 per tonne) or US$114 per dry metric tonne (30 June 2024: US$105 per dry metric tonne) at an exchange rate of US$0.62 (30 June 2024: US$0.66).

6. At 31 December 2024, the Group's market capitalisation was HK$928,023,000 (30 June 2024: HK$955,864,000) in excess of the net assets HK$439,669,000 (30 June 2024: HK$498,524,000).

7. The Group's Mineral Resource estimate has not changed since September 2018.

As a result of considering these factors, the directors did not identify any impairment indicators.

14. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 31 December 2024, the Group acquired assets with a cost of HK$36,000 (six months ended 31 December 2023: HK$16,000).

15. TRADE AND OTHER PAYABLES

Trade payables of the Group principally represent amounts outstanding to suppliers. The normal credit period is between 30 days and 90 days.

	As at	
	31 December 2024 HK$'000 (Unaudited)	30 June 2024 HK$'000 (Audited)
Current liability		
Trade and other payables	**986**	1,163
Non-current liability		
Other payables	**58,850**	57,104
	59,836	58,267

Other payables include the Group's share of the joint operation expenditure of HK$58,850,000 (30 June 2024: HK$57,104,000) carried at amortised cost and presented as a non-current liability as the repayment date is deferred to 31 March 2026 (30 June 2024: HK$57,104,000), payable to Mineral Resources Limited refer to Note 2(a).

16. BORROWINGS

	As at	
	31 December 2024 HK$'000 (Unaudited)	30 June 2024 HK$'000 (Audited)
Non-current		
Loan from a substantial shareholder	**49,499**	38,319
Loans from Polaris	**36,716**	37,437
	86,215	75,756

As at 31 December 2024, the borrowings from a substantial shareholder were unsecured, they bore interest at a rate of 17% (30 June 2024: 17%) per annum and are repayable on 31 December 2026 (30 June 2024: 31 December 2025).

16. BORROWINGS (Continued)

On 18 November 2019 and 4 May 2021, Polaris advanced the first and second tranches of the loans (total advanced of A$10,000,000) to Brockman Iron pursuant to the terms of the Farm-in Joint Venture Agreement over the Marillana Iron Ore Project. The loans are secured (per a Deed of Cross Security), carried at amortised cost and are repayable to Polaris from net revenue received by Brockman Iron from the sale of its percentage share of product sold from the joint operation.

17. SHARE CAPITAL

	Number of shares '000	Share capital HK$'000
Ordinary shares of HK$0.1 each		
Authorised		
As at 31 December 2024 and 30 June 2024	20,000,000	2,000,000
Issued and fully paid		
As at 31 December 2024 and 30 June 2024	9,280,232	928,023

18. SHARE SCHEME

Share scheme of the Company

The 2023 Share Scheme (the "Share Scheme") of the Company was adopted by the Company pursuant to the approval by shareholders at the Annual General Meeting on 18 December 2023.

The purpose of the Share Scheme is to enable the Company to grant options and awards to eligible participants who have contributed or may contribute to the Group, as well as to provide incentives and help the Group in recruiting or retaining its employees, and to provide them with a direct interest in attaining the long-term business objectives of the Group. The eligible participants of the Share Scheme include the Company's directors, including independent non-executive directors and other employees of the Group. The Share Scheme is valid and effective for a period of ten years from the date of its adoption and with an expiry of December 2033.

The total number of shares available for issue under the Share Scheme is 928,023,213, representing 10% of the issued shares as at the date of this interim report. The maximum number of shares issued and to be issued under the Share Scheme to each eligible participant within any 12 month period was limited to 1% of the shares on issue at any time. Any further grant of share options and awards in excess of this limit is subject to shareholders' approval in a general meeting.

18. SHARE SCHEME (Continued)

Share scheme of the Company (Continued)

Share options or awards granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors (excluding any independent non-executive director who is the grantee of the options or awards). In addition, any grant of awards to the chief executive or a director (other than an independent non-executive director) of the Company or any of their associates would result in the shares issued and to be issued in respect of all awards granted to such person in the 12-month period up to and including the date of such grant, representing in aggregate over 0.1% of the shares in issue, such further grant of awards is subject to shareholders' approval in advance in a general meeting. Where any grant of options or awards to an independent non-executive director or a substantial shareholder of the Company, or any of their respective associates, would result in the shares issued or to be issued in respect of all options and awards granted to such person in the 12-month period in aggregate to be over 0.1% of the shares in issue, such further grant of options or awards must be approved by shareholders in a general meeting.

The period within which the share option may be exercised by the grantee under the Share Scheme is a period to be determined by the Board in its absolute discretion provided that such period shall end not later than 10 years after the date of the grant of the share option. The vesting period of share options or awards granted under the Share Scheme shall not be less than 12 months except for such circumstances as set out in the rules of the Share Scheme which the Board considers appropriate and such grants align with the purposes of the Share Scheme to shorten the vesting period.

The offer of a grant of share options or awards may be accepted within 28 days from the date of offer, upon payment of a consideration of HK$1.00 by the grantee (or in the case of the Australian participant, a nil consideration or such other amount of consideration as the Board may determine).

The exercise price of option is determinable by the directors, shall be at least the highest of: (i) the closing price of the shares as stated in the SEHK's daily quotations sheet on offer date, which must be business day; (ii) the average closing price of the shares as stated in the SEHK's daily quotations sheets for the five business days immediately preceding the offer date; and (iii) the nominal value of the shares.

The Board may in its absolute discretion determine whether the eligible participant is required to pay any purchase price for the acquisition of the award shares and, if so required, the amount of the purchase price will take into account the practices of comparable companies and the effectiveness of the Share Scheme in attracting and motivating the participant to contribute to the long term development of the Group.

There are no cash settlement alternatives. The Group does not have a past practice of cash settlements for these share options. Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

18. SHARE SCHEME (Continued)

Share scheme of the Company (Continued)

The fair value of the employee services received in exchange for the grant of the share options is recognised as an expense, with a corresponding adjustment to employee share-based compensation reserve, over the vesting period. At the end of each reporting period, the Company revises its estimates of the number of share options that are expected to vest. It recognises the impact of the revision to original estimate, if any, in the condensed consolidated statement of comprehensive income, with a corresponding adjustment to equity.

Below are the particulars of the outstanding share options at the beginning and at the end of the interim period which have been granted to Eligible Participants under the previous share option scheme:

	Share Option type	Maximum entitlement of each participant	Outstanding as at 1 July 2024	Granted	Exercised	Cancelled	Forfeited	Lapsed	Outstanding as at 31 December 2024	Date of grant of share options	Vesting period of share options	Exercise period of share options	Exercise price (HK$)	Closing price immediately before the date of grant (HK$)
Non-executive directors														
Ross Stewart Norgard	2021A	1,500,000	1,500,000	–	–	–	–	1,500,000	–	29 Jun 2021	29 Jun 2021- 1 Jan 2022	1 Jan 2022- 31 Dec 2024	0.213	0.210
Choi Yue Chun Eugene	2021A	1,500,000	1,500,000	–	–	1,500,000	–	–	–	29 Jun 2021	29 Jun 2021- 1 Jan 2022	1 Jan 2022- 31 Dec 2024	0.213	0.210
Yap Fat Suan Henry	2021A	1,500,000	1,500,000	–	–	1,500,000	–	–	–	29 Jun 2021	29 Jun 2021- 1 Jan 2022	1 Jan 2022- 31 Dec 2024	0.213	0.210
David Rolf Welch	2021A	1,500,000	1,500,000	–	–	–	–	1,500,000	–	29 Jun 2021	29 Jun 2021- 1 Jan 2022	1 Jan 2022- 31 Dec 2024	0.213	0.210
Executive directors														
Chan Kam Kwan Jason	2021A	10,000,000	10,000,000	–	–	–	–	10,000,000	–	29 Jun 2021	29 Jun 2021- 1 Jan 2022	1 Jan 2022- 31 Dec 2024	0.213	0.210
Sub-total		**16,000,000**	**16,000,000**	**–**	**–**	**3,000,000**	**–**	**13,000,000**	**–**					
Employees	2021A	71,000,000	70,000,000	–	–	–	–	70,000,000	–	14 May 2021	14 May 2021- 1 Jan 2022	1 Jan 2022- 31 Dec 2024	0.213	0.207
Sub-total		**71,000,000**	**70,000,000**	**–**	**–**	**–**	**–**	**70,000,000**	**–**					
GRAND TOTAL		**87,000,000**	**86,000,000**	**–**	**–**	**3,000,000**	**–**	**83,000,000**	**–**					
Weighted average price			0.213	–	–	0.213	–	0.213	–					

18. SHARE SCHEME (Continued)

Share scheme of the Company (Continued)

The Company has applied *IFRS 2 Share-based Payments* when accounting for the fair value of the equity-settled share options granted, which was estimated at the date of grant using the binomial option pricing model prepared by an independent valuer, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs into the model used:

Exercise price	HK$0.213 – HK$0.295
Volatility	51% – 53%
Expected option life	2.9 – 3.5 years
Annual risk-free rate	0.272% – 0.416%
Expected dividend yield	0%
Weighted average share price (per share)	HK$0.207

The volatility measured at grant date is referenced to the historical volatility of shares of the Company and the risk-free rate is referenced to the yield of Hong Kong Exchange Fund Notes.

The value of share options calculated using the binomial option pricing model is subject to certain fundamental limitations, due to the subjective nature of, and uncertainty relating to, a number of assumptions of the expected future performance input to the model, and certain inherent limitations of the model itself. The value of an option varies with different variables of certain subjective assumptions. Any change to the variables used may materially affect the estimation of the fair value of an option. No other feature of the options granted was incorporated into the measurement of fair value.

For the six months ended 31 December 2024, the Company did not recognise an expense (six months ended 31 December 2023: Nil) in relation to the share options granted by the Company as the share options are fully vested.

18. SHARE SCHEME (Continued)

Share scheme of the Company (Continued)

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

	2024		2023	
	Average exercise price in HK$ per share option	**Number of share options (thousands)**	Average exercise price in HK$ per share option	Number of share options (thousands)
At 1 July	**0.213**	**86,000**	0.23	103,000
Granted	**—**	**—**	—	—
Exercised	**—**	**—**	—	—
Forfeited	**—**	**—**	—	—
Cancelled	**0.213**	**3,000**	—	—
Lapsed	**0.213**	**83,000**	—	—
At 31 December	**—**	**—**	0.23	103,000

During the six months ended 31 December 2024, 3,000,000 share options were cancelled at an exercise price of HK$0.213 (six months ended 31 December 2023: Nil) and 83,000,000 share options lapsed with an exercise price of HK$0.213 (six months ended 31 December 2023: Nil). As at 31 December 2024, there were no payments or calls made or may be made or loans.

As at 31 December 2024, there were no further share options outstanding (30 June 2024: 86,000,000 share options outstanding with a weighted average exercise price of HK$0.21).

No share options were granted, exercised or forfeited during the six months ended 31 December 2024 (six months ended 31 December 2023: Nil) and there were no issues of ordinary shares of the Company (six months ended 31 December 2023: Nil) and no new share capital (six months ended 31 December 2023: Nil (before issue expenses)) was issued.

The number of options and awards available for grant under the Share Scheme at the beginning and the end of the period was 928,023,213. No options and awards were granted under the Share Scheme during the six months ended 31 December 2024.

19. DEFERRED INCOME TAX

The following is the deferred income tax movement recognised by the Group.

	HK$'000
At 1 July 2023 (Audited)	(86,369)
Deferred tax assets recognised	7,520
Exchange differences	(159)
At 30 June 2024 (Audited)	**(79,008)**
Deferred tax assets recognised	2,077
Exchange differences	5,920
At 31 December 2024 (Unaudited)	**(71,011)**

All deferred tax liabilities are expected to be settled more than 12 months after the balance sheet date.

The deferred tax liabilities comprise of the taxable temporary differences arising on mining exploration properties of HK$196,097,000 (30 June 2024: HK$211,978,000) in Australia predominantly offset by deferred tax assets of HK$106,487,000 (30 June 2024: HK$108,679,000) arising from available tax losses whose realisation is considered probable and the other deferred tax assets.

At 31 December 2024, the Group's total tax losses were HK$1,187,573,000 (30 June 2024: HK$1,194,194,000) and have no expiry date. The Group did not recognise a deferred tax asset in respect of tax losses amounting to approximately HK$832,216,000 (30 June 2024: HK$833,505,000) as the utilisation of these tax losses is subject to the satisfaction of the loss recoupment rules in the relevant tax jurisdiction as well as other uncertainties which means that their availability for utilisation or realisation is not considered probable.

20. JOINT ARRANGEMENTS

(a) Joint operations and farm-out arrangements

The Group entered into an agreement with Polaris to share costs and risks associated with exploration activities on the Marillana and Ophthalmia tenements in the East Pilbara of Western Australia. Polaris was required to meet certain farm-in obligations including minimum expenditure of A$250,000 and A$150,000 respectively in exploration and development of the tenements in return for a 50% interest in the tenements. Polaris will contribute 50% of costs and capital expenditure going forward and Polaris has been appointed as operator of the joint operation.

The Group does not record any expenditure made by the farmee on its account. It also does not recognise any gain or loss on its exploration and evaluation farm-out.

20. JOINT ARRANGEMENTS (Continued)

(a) Joint operations and farm-out arrangements (Continued)

Particulars of the Group's material joint operation are as follows:

Name of joint operations	Ownership Interest	Principal activities
Marillana Joint Operation (Note (a))	50%	Development and operation of the Marillana iron ore project
Ophthalmia Joint Operation (Note (b))	50%	Development and operation of the Ophthalmia iron ore project

Note a: On 22 April 2021, an unincorporated joint arrangement was formed with Polaris in Australia which is seeking to develop the Marillana iron ore project.

Note b: On 30 November 2021, an unincorporated joint arrangement was formed with Polaris in Australia which is seeking to develop the Ophthalmia iron ore project.

(b) Joint ventures

Details of the Group's interest in a joint venture is as follows:

Name of joint venture	Interest held in share of output	Principal activities
NWIOA Ops. Pty Ltd (Note (c))	37%	Port and related infrastructure

Note c: NWIOA Ops. Pty Ltd is a joint venture incorporated in Australia which is seeking to develop port and related infrastructure on behalf of the North West Iron Ore Alliance ("NWIOA") members.

Management considers the interest in this joint arrangement is not individually material to the Group.

21. EXPENDITURE COMMITMENTS

(a) Exploration commitments

Due to the nature of the Group's operations in exploring and evaluating areas of interest, it is very difficult to accurately forecast the nature or amount of future expenditure, although it will be necessary to incur expenditure to retain present interests in mineral tenements. Expenditure commitments on mineral tenure for the Group can be reduced by selective relinquishment of exploration tenure. As at 31 December 2024, the Group is required to meet or exceed a minimum level of exploration expenditure of A$1,241,000 equivalent to approximately HK$5,980,000 (six months ended 31 December 2023: approximately HK$6,639,000) over the next year to retain current tenements in good standing. Obligations are subject to change upon expiry of the existing exploration tenure and on application for a new tenure.

22. RELATED PARTY DISCLOSURES

(a) Material related party transactions

Except as disclosed within this condensed consolidated financial information, the Group has no material related party transactions during the period (six months ended 31 December 2023: Nil).

(b) Related party balances

The details of the loan from a substantial shareholder is disclosed in Note 16 and is an exempted connected transaction disclosure according to Chapter 14A of the SEHK Listing Rules.

The amounts due from/to related parties included as current assets or current liabilities are unsecured, interest-free and repayable on demand.

(c) Compensation of key management personnel

The remuneration of directors and other members of key management during the period was as follows:

	Six months ended 31 December	
	2024 **HK$'000** **(Unaudited)**	2023 HK$'000 (Unaudited)
Wages, salaries and other short-term welfare	**3,590**	3,315
Post-employment benefits	**169**	155
	3,759	3,470

The remuneration of key management personnel ("KMP") is determined by the Remuneration and Performance Committee having a regard to the position, experience, qualification and performance of the individuals and market trends.

23. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The Group measures financial instruments at fair value at each reporting date. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The carrying values of the loans are materially approximate to their fair values and were determined using Level 3 unobservable inputs. The carrying values of the loans are as follows:

	Carrying amount As at	
	31 December 2024 HK$'000 (Unaudited)	30 June 2024 HK$'000 (Audited)
Non-current		
Loan from a substantial shareholder	**49,499**	38,319
Loans from Polaris	**36,716**	37,437
	86,215	75,756

Management has assessed that the carrying value of cash and cash equivalents, trade receivables, payables, financial assets included in prepayments, other receivables and other current assets, financial liabilities included in trade and other payables are reasonably approximate to their fair values largely due to short term maturities of these instruments.

At each reporting date, the Group analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation process and results are discussed with the audit committee twice a year at interim and annual financial reporting.

The fair values of the financial assets and liabilities are determined at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The fair value of other borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and maturity.

24. INTERIM DIVIDEND

The Board of Directors do not recommend the payment of an interim dividend for the six months ended 31 December 2024 (six months ended 31 December 2023: Nil).

25. EVENTS OCCURRING AFTER BALANCE SHEET DATE

1. On 14 January 2025, the Group drew down US$577,000 (approximately HK$4,489,000) of the revised loan facility of US$4,300,000 (approximately HK$33,454,000) from the substantial shareholder. The loans are unsecured, bear interest at a rate of 17% per annum and are repayable on 31 December 2026.

2. On 23 January 2025, the substantial shareholder has undertaken to increase the existing loan facility of US$4,300,000 (approximately HK$33,454,000) to US$6,800,000 (approximately HK$52,904,000) to satisfy the Company's future working capital requirements. Once drawn down it will be unsecured, bear interest at 17% per annum and will be repayable on 31 December 2026.

3. On 23 January 2025, Brockman Exploration Pty Ltd executed a Tenement Sale Agreement for E47/3285 (a non-core tenement) for A$550,000 (approximately HK$2,688,000).

INDEPENDENT REVIEW REPORT

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To the Board of Directors of Brockman Mining Limited
(Incorporated in Bermuda with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 4 to 34, which comprises the condensed consolidated balance sheet of Brockman Mining Limited (the "Company") and its subsidiaries (together the "Group") as at 31 December 2024 and the related condensed consolidated statements of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, material accounting policy information and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34"). The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, 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 International Standards of Auditing 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.

INDEPENDENT REVIEW REPORT

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with IAS 34.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to Note 2(a) in the interim financial information, which describes the principal conditions that raise doubt about the Group's ability to continue as a going concern. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Ernst & Young

Ernst & Young
Chartered Accountants
Perth, Western Australia
25 February 2025

MANAGEMENT DISCUSSION AND ANALYSIS

NATURE OF OPERATIONS AND PRINCIPAL ACTIVITIES

The Group comprises Brockman Mining Limited ("Brockman" or "Company"), the parent entity, and its subsidiaries (together referred to as the "Group"). Brockman Mining Limited is incorporated in Bermuda as an exempted Company with limited liability and its shares are listed on the Stock Exchange of Hong Kong Limited (the "SEHK") and Australian Securities Exchange (the "ASX").

The principal activities of the Group comprise the 50% owned Marillana Iron Ore Project ("Marillana"), the 50% owned Ophthalmia Iron Ore Project ("Ophthalmia") and 100% owned other regional exploration projects. There have been no significant changes in those activities during the period.

FINANCIAL REVIEW

For the six months ended 31 December 2024, the Group recorded a loss after income tax from continuing operations of approximately HK$19.5 million (six months ended 31 December 2023: HK$10.1 million). The loss after tax was partially due to the exploration and evaluation expenses incurred, including recognition of the Group's share of the joint operation's expenses of HK$3.2 million (six months ended 31 December 2023: HK$4.1 million) in exploration and evaluation expenses, and was partially offset by HK$0.4 million of finance income arising from the adjustment to other payables (six months ended 31 December 2023: HK$2.8 million in additional finance income arising from the treatment of the loans advanced by Polaris to the Group in the previous years). Also, there was an income tax benefit of HK$2.2 million (six months ended 31 December 2023: HK$3.1 million), mainly as a result of the recognition of a deferred tax asset in respect of the Group's Australian tax losses for the current period.

The operating loss of HK$13.0 million (six months ended 31 December 2023: HK$13.0 million) is in line with the previous six months with a continuation of the exploration and evaluation expenditure expensed which includes the Group's share of Joint Operation expenditure.

During the six months ended 31 December 2024, the Group's basic loss per share for the period was HK$0.21 cents (six months ended 31 December 2023: HK$0.11 cents) and the cash outflows from operating activities were HK$10.4 million (six months ended 31 December 2023: HK$10.8 million).

As at 31 December 2024, the Group's net asset value amounted to HK$439.7 million (30 June 2024: HK$498.5 million) and cash at bank was HK$2.0 million (30 June 2024: HK$4.6 million).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

During the interim period, the Brockman and Polaris Joint Operation has completed all on ground technical studies at Marillana, which continues to demonstrate improved outcomes for the project. Ongoing activities are mainly related to refreshment of environmental approvals and hydrological modelling. The Joint Operation between MinRes and Hancock Prospecting Pty Ltd ("Hancock") continues to progress studies and approvals for the new port development at Stanley Point 3 at the port of Port Hedland.

Outside of the Marillana project, the Company continues to advance the exploration activities for the Punda Springs project.

Iron Ore Operations – Western Australia

The loss before income tax benefit and share of loss of the joint venture for the period for this segment attributable to the Group was HK$12.7 million (six months ended 31 December 2023: HK$5.0 million). Total expenditure associated with mineral exploration and evaluation for the period ended 31 December 2024 amounted to HK$4.5 million (six months ended 31 December 2023: HK$6.4 million) and HK$3.6 million (six months ended 31 December 2023: Nil) of finance expense arising from the modification to other payables.

Total expenditure associated with mineral exploration and evaluation by each of the projects in Western Australia for the financial period is summarised as follows:

Project	Six months ended 31 December 2024 HK$'000	2023 HK$'000
Marillana [1]	**2,872**	3,567
Ophthalmia [2]	**1,036**	863
Regional Exploration	**619**	1,992
	4,527	6,422

[1] Includes HK$2.7 million of joint operation expenditure in the 2024 half-year (six months ended 31 December 2023: HK$3.3 million).

[2] Includes HK$0.5 million of joint operation expenditure in the 2024 half-year (six months ended 31 December 2023: HK$0.8 million).

There was no capital and development expenditure incurred during the six months ended 31 December 2024 and 31 December 2023.

Marillana Project Overview

The 50% owned Marillana Iron Ore Project is Brockman's flagship project located in the Hamersley Iron Province within the Pilbara region of Western Australia, approximately 100 km north-west of the township of Newman. The Project is located within granted mining lease M47/1414.

The Project area covers 82 km² bordering the Hamersley Range, where extensive areas of supergene iron ore mineralisation have developed within the dissected Brockman Iron Formation that caps the Range.

Marillana Joint Operation

Formation and scope

In April 2021, the Marillana project became a Joint Operation between Brockman Iron and Polaris (a wholly-owned subsidiary of Mineral Resources Ltd "MinRes"). The terms of the Joint Operation agreement have been detailed in previous annual reports published on the SEHK and ASX platforms.

Initial development works

The initial development works per the Indicative Development Proposal from MinRes (as described in the 2021 Annual Report) are progressing. Confirmatory technical and due diligence studies by Polaris are complete. A critical aspect of these studies was the confirmatory metallurgical testwork on the modified process flow sheet. Polaris drilled a total of 18 Bauer drill holes with a 750 mm diameter for 695 m, producing approximately 622 tonnes of mineralised sample for the metallurgical testwork program. These samples were composited into 3 bulk samples based on geometallurgical parameters and processed through a pilot plant set up at Nagrom Laboratories in Perth, Western Australia. The results from the three pilot plant test runs were positive and consistently demonstrated that the modified process flow sheet could provide enhanced yields of over 45% whilst maintaining product quality above 60.5% Fe. Pilot plant samples were representative of the first three years of ore supply and also the life of mine feed. The yield is a significant improvement over the average 37.3% yield used in the Ore Reserve estimate.

MinRes has finalised the plant design for this modified process flow sheet to be constructed by Polaris (or its related party) once FID is achieved.

MANAGEMENT DISCUSSION AND ANALYSIS

Sinter testwork on the resulting product has shown that Marillana Fines can substitute for other Australian fines products in a typical Chinese coastal steel mill blend whilst maintaining good physical and metallurgical properties and sinter performance. Materials handling testwork for ore, product, waste and immediate process streams has been completed and the results indicate no materials handling issues.

Work continued to focus on development of updated environmental management and monitoring plans to support development of the project. Water and greenhouse gas modelling and management plans are being revised and continued monitoring of ecological communities, weeds and regional hydrological baseline data are also being carried out.

Pump testing of new bores was carried out and a passive seismic survey comprising 216 stations on a 800 m by 200 m grid was completed over the main Marillana deposit. The objective of the survey was to map basement topography and overlying thickness of alluvial, detrital, gravel and other cover units throughout the project area to assist hydrogeological studies and improved ground water modelling (refer to Figure 1).

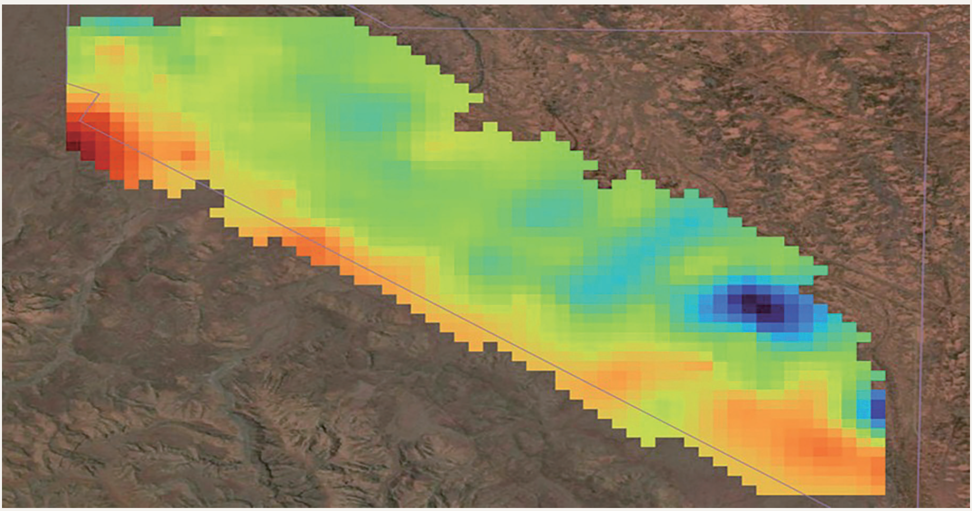

Figure 1 – Depth to basement based on seismic survey (blue is deeper basement)

An extensive Social Surrounds consultation with the Traditional Owners commenced during the interim period. An initial visit to Marillana with the Banjima Traditional Owners was undertaken during October 2024. The visit consisted of nine representatives from the Banjima People, 3 consultants representing Karijini Development Pty Ltd, and four MinRes employees. The engagement covered the key details of the project relating to the existing approvals, and presented information on changes that have been made to the project since that Ministerial approval in 2011, to demonstrate that it will not significantly harm Banjima's social, cultural aesthetic and economic values. This consultation is also important to support the Environmental Protection Agency approval process which includes social surroundings.

The feedback from the Traditional Owners is being reviewed and will be used as guidance in the project's environmental approval and monitoring plans and to provide focus points for the project planning team to address over future months as more detailed planning and development activities continue.

Infrastructure

On 29 November 2021, MinRes entered into an agreement with Hancock and Roy Hill Holdings Pty Ltd ("Roy Hill") in which MinRes and Hancock will jointly investigate the development of a new iron ore export facility at the Port of Port Hedland's Stanley Point Berth 3 ("SP3") in South West Creek. Roy Hill will provide services to both MinRes and Hancock for development and operation of their projects (which includes Marillana), including rail haulage.

The development of the South West Creek Port will be subject to:

(a) A grant by the Pilbara Ports Authority ("PPA") of a capacity allocation for the Project, and all necessary approvals and agreements to develop and operate SP3 in South West Creek and the other associated supporting port infrastructure; and

(b) MinRes and Hancock each electing to take a positive final investment decision to proceed with the Project following the completion of a satisfactory feasibility study.

On 1 February 2022, the Government of Western Australia announced that it had granted a port capacity allocation to the MinRes-Hancock Joint Venture ("HanMin JV"), at SP3 in South West Creek. MinRes has advised that based on this allocation, Marillana has available port capacity to meet the Joint Operation production requirements. The new iron ore export facility at SP3 remains subject to various approvals and agreements to develop and operate, along with the positive final investment decision by MinRes and Hancock. The MinRes – Hancock Joint Venture continues to advance the consents, approvals and engineering studies required to support the final investment decision.

Upon the formation of the HanMin JV, Hancock and MinRes also entered into an agreement with Roy Hill, in which Roy Hill will provide rail and port services to the HanMin JV. The Marillana ore will be transported via road trains to a hub, then via rail on a new rail spur connecting from the hub to the Roy Hill railway. MinRes is advancing studies and pre-development work for a haul road to transport ore to a rail loading facility on the Roy Hill railway.

Under the FJV Agreement, MinRes is to provide the infrastructure solution to transport the ore from the Marillana project to a port stockyard at Port Hedland and loading on to ships for export. The HanMin JV will facilitate this solution for Marillana.

Access agreements and approvals

The key access agreements and approvals required for the infrastructure solution are:

i) Access and heritage agreements with the respective Native Title parties.

ii) Approval from other affected land holders, including pastoral lease holders and interests of other third party holders.

Finalisation of the State and Federal Government ("Government") approvals that are subject to agreement with the Native Title parties. The timing of such approvals from Government will have an impact on FID for the infrastructure solution.

Final investment decision (FID)

HanMin JV FID

It is anticipated that FID will be made when the key access agreements and approvals are completed.

Marillana FID

The studies including engineering design and evaluation have been completed. FID on the Marillana project will be made when the following approvals are completed:

i) Renewal of heritage and environmental approvals, that are subject to the Western Australian Environmental Protection Authority ("EPA") and other Federal authorities;

ii) Approval of the mining proposal from the Department of Mines, Industry, Resources and Safety ("DMIRS");

iii) The HanMin JV FID.

Construction of the infrastructure for the Marillana project is expected to take 26 months after FID.

Ophthalmia Iron Ore Project

The 50% owned Ophthalmia Iron Ore Project located north of Newman in the East Pilbara of Western Australia, is the most significant iron ore project for the Company outside of its flagship Marillana project. The total Mineral Resources at Ophthalmia now stand at 341 Mt grading 59.3% Fe (refer to the announcement dated 1 December 2014 on the ASX platforms).

Development

As part of the amended Agreement with MinRes (refer to the Marillana Joint Operation section above), Brockman and Polaris have agreed to include Ophthalmia in the farm-in agreement, such that Polaris will earn a 50% interest in the Ophthalmia project upon completion of its farm-in obligations. On 8 December 2021, the Company received notification from Polaris that the farm-in obligations had been satisfied and that the Ophthalmia Joint Operation was established.

Polaris has continued a programme of works including mine planning studies, transport corridor studies, environmental surveys and approvals planning. Polaris and Brockman have subsequently agreed to reduce the programme of works at Ophthalmia whilst MinRes finalises arrangements for the new iron ore export facility at SP3 and to allow the parties to prioritise development of the Marillana project.

During the interim period, work has continued on the heritage surveys and approvals, designed to facilitate future work programmes. As such Brockman and Polaris intend to carry out geological mapping and drilling at the Three Pools and Hancock Range prospects in 2025. These prospects are along strike to the south-east from the existing resources at Coondiner and are considered prospective for additions to the overall resource base within the Ophthalmia project.

Punda Springs Iron Ore Project

The 100% owned Punda Springs Iron Ore Project ("Punda Springs") is located north of Newman in the East Pilbara of Western Australia's Pilbara region. Punda Springs is approximately midway between Marillana and Ophthalmia, which provides for the possible future utilisation of the Marillana and Ophthalmia infrastructure solution for transport of the Punda Springs ore to Port Hedland.

Initial exploration activities at Punda Springs identified three areas of surface iron enrichment within the predominantly soil covered tenement. Two of these zones were initially tested in late 2023 by a drilling programme comprising 11 reverse circulation drill holes for a total of 582 m. Holes were 200 m apart on three variably spaced drill traverses (sections) covering a total extent of 5.3 km in an east-west direction. All holes were drilled vertically, and individual hole depths ranged from 36 m to 72 m (Figure 2).

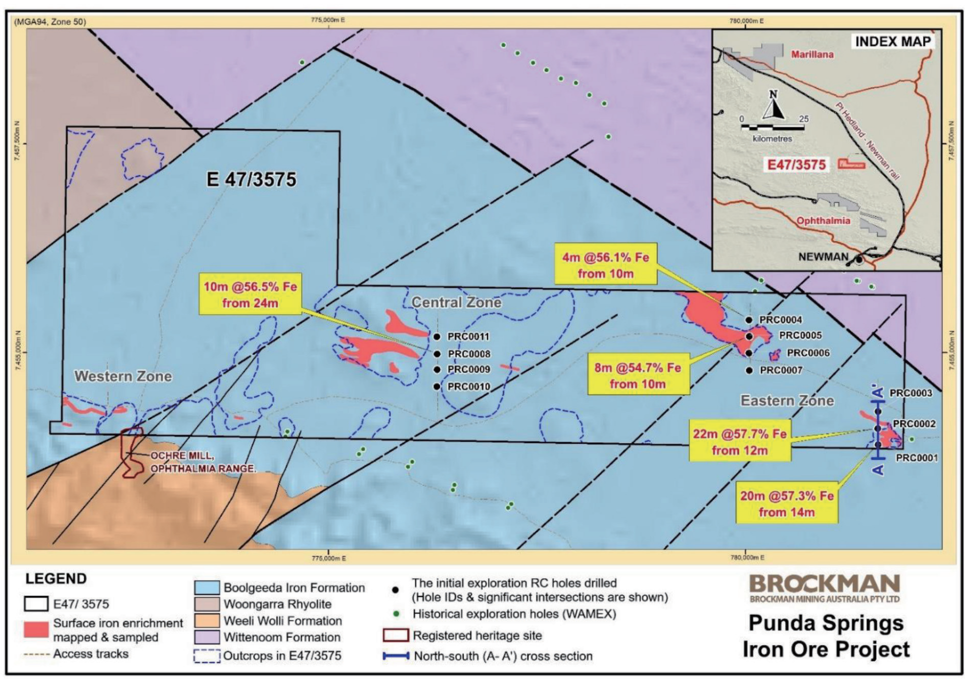

Figure 2 – Punda Springs Iron Ore Project – Drilling, Geology, and Location

Bedded iron ore mineralisation was intersected in six holes and on each of the sections drilled. Significant intersections are listed in (Table 1).

HoleID	Form (m)	To (m)	Width (m)	Fe (%)	SiO_2 (%)	Al_2O_3 (%)	P (%)	S (%)	LOI (%)
PRC0001	14	34	20	57.3	4.8	3.3	0.21	0.02	8.8
PRC0002	12	34	22	57.7	5.5	3.3	0.09	0.03	7.7
PRC0004	10	14	4	56.1	5.9	4.2	0.11	0.03	7.6
PRC0005	10	18	8	54.7	7.2	5.7	0.17	0.01	7.6
PRC0008	24	34	10	56.5	5.7	4.0	0.19	0.01	7.4

Table 1 – Punda Springs Iron Ore Project – Significant Intersections

Mineralisation is interpreted to be hosted by shallowly dipping and gently folded Bolgeeda Iron Formation, meaning that the drill intersections are thought to approximate to true width. A cross section is provided as (Figure 3).

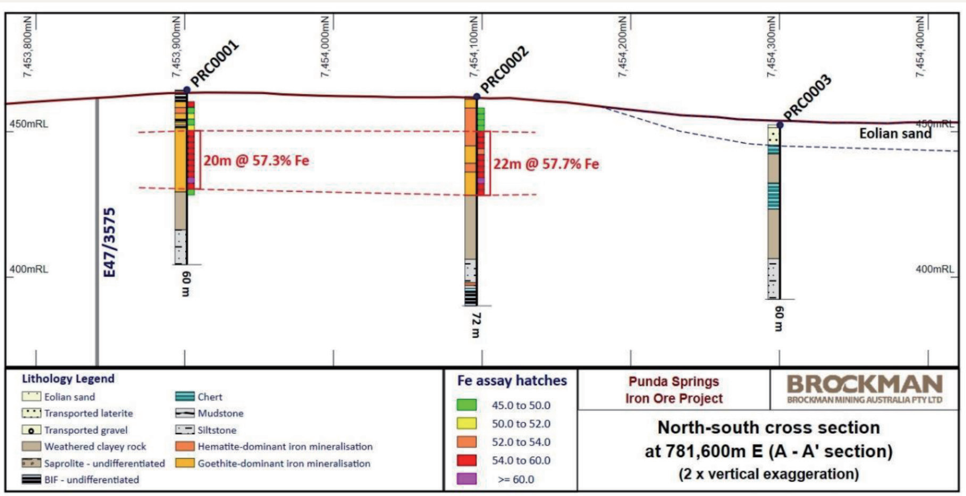

Figure 3 – Cross-section through A – A (see Figure 2 for location)

The results are considered highly promising given the very wide spacing of drill traverses and that only half of the tenement has been tested (the Western zone of surface enrichment remains untested). Further and deeper drilling is required, to establish continuity of the mineralisation intersected to date and to demonstrate that mineralisation extends to the west.

A deeper RC drilling programme of an estimated 15 – 20 holes for 1,500 metres is scheduled for the CY2025. Heritage clearance surveys to facilitate this drilling were carried out in CY2024. The results of this second drill programme will likely determine the economic significance of the mineralisation.

West Pilbara Project

The West Pilbara project comprises three 100% owned tenements centred around Duck Creek, located about 100-130 km WNW of Paraburdoo in the West Pilbara region. Brockman has completed an Inferred Mineral Resource estimate of 21.6 Mt grading 55.9% Fe, for the channel iron ore deposit ("CID") mineralisation of Duck Creek (refer to the announcement 25 May 2018 on the ASX platform). Brockman continues to monitor and investigate feasible infrastructure solutions for this group of tenements.

Future Developments

The Group is principally engaged in the acquisition, exploration and development of iron ore projects in the Pilbara region of Western Australia. The Group's objective is to focus on the development of its iron ore projects in Western Australia which are advancing to the construction phase. The Group operates with long-term business strategy to operate responsibly considering the interests of all stakeholders including its employees and contractors. It aims to produce positive financial outcomes through (i) The Group and MinRes continuing to advance the Marillana and Ophthalmia projects (ii) attention to the Company's Corporate Governance and Social responsibilities, including a focus on ongoing safety and environmental compliance, and ongoing positive interaction with the communities within which it operates.

Staff and remuneration

As at 31 December 2024, the Group has 14 employees (30 June 2024: 14), of which 5 were in Australia (30 June 2024: 5) and 9 in Hong Kong (30 June 2024: 9). Total remuneration cost for the half year including directors' emoluments amounted to HK$6,242,000 (six months ended 31 December 2023: HK$5,739,000).

Remuneration policy

The Group's compensation strategy is to promote a pay-for-performance culture to reward employee performance that will maximise shareholder value in the long term. The Group periodically reviews remuneration packages provided to its employees to ensure that the total compensation is internally equitable, externally competitive and supports the Group's strategy.

We provide training to our employees to improve the skills and professional knowledge they need for our activities and their personal development, including an initial training induction on work safety and environmental protection upon entering the Group, and prior to each exploration activity.

The remuneration policy and packages including share options for the employees, senior management and directors are maintained at market levels and are reviewed periodically by management and the Remuneration and Performance Committee, refer to Note 22(c) of the condensed consolidated financial information and directors' report on pages 54 to 61.

Environmental, Social and Governance and Compliance with Relevant Laws and Regulations

Environmental, Social and Governance

The Company has a comprehensive system of governance. The Company views this as essential to the ongoing operation of the Company, and balancing the interests of the Company's various stakeholders, including shareholders, suppliers, Governments, and the various communities in which the Company operates.

The Group's performance is reported annually and reviewed by the Board, and Audit, Risk Management Committees. Details are outlined in the Risk Management and Internal Control section of the Corporate Governance Report included in the Company's published 2024 Annual Report.

The Board retains the overall responsibility for the Group's Environmental, Social and Governance management and is committed to operating in a manner that contributes to the sustainable development through efficient, balanced, long-term management, while showing due consideration for the well-being of people; protection of the environment; and the need to work closely with the local communities and stakeholders.

The Group recognises its responsibility for minimising the impact of its activities on, and protection of the environment. The Group is committed to developing and implementing sound practices in environmental design and management and actively operates to:

- Work within the legal permitting framework and operate accordance with our environmental management systems;

- Identify, monitor, measure, evaluate and minimise our impact on the surrounding environment;

- Give environmental aspects due consideration in all phases of the Group's projects; and

- Act systemically to improve the planning, execution and monitoring of its environmental performance.

The Company's approach to Environmental, Social and, Governance Reporting is in accordance with Appendix C2 Environmental, Social and Governance Reporting Guide of the SEHK Listing Rules.

The Company's 2024 ESG Report is available on the Company's website www.brockmanmining.com.

Environmental review

The Company is very clear on the need to earn the respect and support of the community by operating in a socially responsible manner, and by demonstrating a tangible commitment to environmental sustainability. The Group's activities are subject to environmental regulations under statutory legislation in relation to its exploration and evaluation activities.

The Company believes that it has adequate systems in place for the management of its requirements under those regulations and is not aware of any breach of such requirements as they apply to the Company.

Health and Safety

Safety is one of the Group's main priorities, and every effort is made to safeguard the health and wellbeing of the Group's employees, together with the people in the communities in which the Group operates. The Group aims to go beyond what is expected to meet local health and safety legislation. The Group's Code of Conduct clearly communicates its commitment towards protecting employee health and safety including conflict resolution and fair dealing.

MANAGEMENT DISCUSSION AND ANALYSIS

Compliance with laws and regulations

During the interim period, the Group has complied with the relevant standards, laws and regulations that have a significant impact on our activities. At the same time, the Group always maintains a safe working environment for our employees in accordance with relevant safety laws and regulations.

LIQUIDITY, FINANCIAL RESOURCES AND GEARING RATIOS

At 31 December 2024, the Group had net assets of HK$439,669,000 (30 June 2024: HK$498,524,000); and a closing market capitalisation of HK$928,023,000 (30 June 2024: HK$955,864,000). The Group assessed whether any indicators of impairment exist and concluded there were no indicators of impairment present, refer to Note 13 of the condensed consolidated financial information.

At 31 December 2024, the Group had HK$2,036,000 in cash and cash equivalents (30 June 2024: HK$4,559,000). At the date of this report, the Group has a loan facility provided by the substantial shareholder with an undrawn balance of US$4,374,000 (approximately HK$33,986,000).

The Group generally finances its short-term funding requirements with equity funding and borrowings, refer to Note 5 of the condensed consolidated financial information. The Group's ability to advance its iron ore project developments is reliant, among other things, on access to appropriate and timely funding.

The current ratio as at 31 December 2024 is 1.53 (30 June 2024: 2.19). The gearing ratio of the Group (long-term debt over equity and long-term debt (excluding non-current liability other payables)) is measured at 0.164 (30 June 2024: 0.13).

During the period, the Group did not engage in the use of any financial instruments for hedging, and there was no hedging instrument outstanding as at 31 December 2024 (30 June 2024: Nil).

CAPITAL STRUCTURE

The Company had no changes in its issued share capital for the interim period. At the date of this report, the Company had 9,280,232,131 (30 June 2024: 9,280,232,131) shares on issue.

PLEDGE OF ASSETS AND CONTINGENT LIABILITIES

As at 31 December 2024 and 30 June 2024, the Group has a Deed of Cross Security for the loans advanced by Polaris to Brockman Iron pursuant to the terms of the Marillana Farm-in Joint Venture Agreement (refer to Note 20 of the condensed consolidated financial information), and the right of use assets which are subject to a lease.

As at 31 December 2024, the Group did not have any material contingent liabilities or financial guarantees (30 June 2024: Nil).

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES OR JOINT VENTURES AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save for those disclosed in the condensed consolidated financial information, there were no other significant investments, held, nor were there material acquisitions or disposal of subsidiaries, associates or joint ventures and future plans for material investments or capital assets during the interim period, and there were no plans authorised by the Board for other material investments or additions of capital assets at the date of this report.

RISK DISCLOSURE

The Group is exposed to various types of risks on an ongoing basis. The Group has adopted policies and procedures designed to manage and mitigate those risks wherever possible. However, it is not possible to avoid or even manage all possible risks.

(a) Commodity price

The fair value of the Group's mining exploration properties in Australia is exposed to fluctuations in expected future iron ore price.

We have not used any commodity derivative instruments or futures for speculation or hedging. Management will review market conditions from time to time and determine the best strategy to deal with the fluctuations in the iron ore price as required.

(b) Liquidity and funding

The Group is exposed to liquidity risk through its financial liabilities and its obligations to make payment on its financial liabilities as and when they fall due. The Group maintains a balance in its approach to funding using debt and/or equity raisings.

The commencement of exploration and development of the iron ore project will depend on whether the Group can secure the necessary funding.

(c) Risk that the project will not be developed

This risk is largely driven by various factors such as commodity prices, government regulations, regulation related to prices, taxes, royalties, land tenure, viable infrastructure solutions, capital raising ability etc. The Group may encounter difficulties in obtaining all approvals necessary for its exploration and evaluation activities. It may also be subject to ongoing obligations to comply with approval requirements, which can incur additional time and costs. The Board will closely monitor the development of the project.

(d) Exchange rate

The Group is exposed to exchange rate risk primarily in relation to our mineral tenements that are denominated in Australian dollars. During the six months ended 31 December 2024, no financial instrument was used for hedging.

As at 31 December 2024 and 30 June 2024, the Group was not exposed to any significant exchange rate risk.

(e) Social and political

The Group is exposed to other risks that include, but are not limited to, cyber-attack and natural disasters, that could have varying degrees of impact on the Group. Where available and appropriate to do so, the Board will seek to minimise exposure using insurance, while actively monitoring the Group's ongoing exposure.

(f) Interest rate

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. Cash flow interest rate risk is the risk that the future cash flow from a financial instrument will fluctuate because of changes in market interest rates. The Group's policy is to manage its exposure to interest rate risk by holding cash in short term, fixed and variable rate deposits with reputable high credit quality financial institutions. The Group analyses its interest rate exposure and consideration is given to potential renewals of existing positions, alternative financing and/or the mix of fixed or variable interest rates.

(g) Credit risk

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. The Group's maximum exposure to credit risk at reporting date in relation to each class of financial asset is the carrying amount of those assets as indicated in the condensed consolidated balance sheet. Credit risk is managed on a group basis and predominantly arises from cash and cash equivalents deposited with banks and financial institutions.

(h) Safety

Lost time injuries, serious workplace accidents may lead to harm to the Group's employees and other persons; with material adverse impact on the business.

The Group continues to work closely with all stakeholders to promote continuous improvements and occupational health and safety ("OHS") with due consideration to evolving scientific knowledge and technology, management practices and community expectations. The Group ensures it maintains compliance with the applicable laws, regulations and standards by:

(i) training and ensuring its employees and contractors understand their obligations and are held accountable for their responsibilities;

(ii) communicating and openly consulting with employees, contractors, government on OHS issues; and

(iii) developing risk management systems to appropriately identify, assess, monitor and control hazards in the workplace.

DIRECTORS' REPORT

The Directors present their report together with the condensed consolidated financial information of the Company and its subsidiaries (the "Group") for the six months ended 31 December 2024 and the Independent Review Report thereon.

REGISTRATION AND LISTING

The Company registered in Bermuda in accordance with Section 14 of the *Companies Act 1981* on 1 February 2002.

The Company's shares were listed on the Main Board of the Stock Exchange Hong Kong Limited ("SEHK") on 5 July 1985 and the Australian Securities Exchange Limited ("ASX") on 11 January 2011.

DIRECTORS

The Directors of the Company during the six months ended 31 December 2024 and up to the date of this report, unless otherwise indicated, were:

Name	Period of Directorship
Non-Executive Directors:	
Kwai Sze Hoi *(Chairman)*	Appointed on 15 June 2012
Ross Stewart Norgard	Appointed on 22 August 2012
Executive Directors:	
Kwai Kwun, Lawrence	Appointed on 13 March 2014
Colin Paterson	Appointed on 25 February 2015
Chan Kam Kwan, Jason *(Company Secretary)*	Appointed on 2 January 2008
Independent Non-Executive Directors:	
David Rolf Welch	Appointed on 15 October 2019
Ko Kit Man, Liza	Appointed on 21 October 2024
Wu Man To	Appointed on 21 October 2024
Yap Fat Suan, Henry	Appointed on 8 January 2014 *(resigned on 21 October 2024)*
Choi Yue Chun, Eugene	Appointed on 12 June 2014 *(resigned on 21 October 2024)*

INTERIM DIVIDEND

The Board of Directors do not recommend the payment of an interim dividend for the six months ended 31 December 2024 (six months ended 31 December 2023: Nil).

CAPITAL STRUCTURE

The Company had no changes in its issued share capital for the interim period.

As at the date of this report, the Company had 9,280,232,131 (30 June 2024: 9,280,232,131) shares on issue.

SHARE DETAILS

Quoted securities

As at 31 December 2024, there were 9,280,232,131 (30 June 2024: 9,280,232,131) fully paid shares on issue.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES AND DEBENTURES

As at 31 December 2024, the interests and short positions of the directors and chief executive and their respective associates in the share capital, and underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance) (the "SFO") as recorded in the register required to be maintained by the Company pursuant to Section 352 of the SFO, or otherwise required to be notified to the Company and the SEHK, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, (the "Model Code") were as follows:

Long positions of ordinary shares of HK$0.10 each of the Company

Name of director	Capacity	Number of issued ordinary shares held	Percentage of the issued share capital of the Company
Mr Kwai Sze Hoi	Jointly (Note)	60,720,000	0.65%
	Beneficial owner	206,072,000	2.22%
	Interests of controlled corporation (Note)	2,426,960,137	26.15%
	Interest of spouse	24,496,000	0.26%
Mr Ross Norgard	Beneficial owner	64,569,834	0.70%
	Interests of controlled corporation	185,017,278	1.99%
Mr Kwai Kwun Lawrence	Beneficial owner	63,408,412	0.68%
Mr Colin Paterson	Beneficial owner	22,073,004	0.24%
	Interest of spouse	13,625,442	0.15%

Note:

The 2,426,960,137 shares were held by Ocean Line Holdings Ltd., a company held 60% by Mr Kwai Sze Hoi and 40% by Ms Cheung Wai Fung (Mr Kwai's spouse). In addition, Mr Kwai and Ms Cheung have a joint direct interest in 60,720,000 shares of the Company.

Save as disclosed above, as at 31 December 2024, none of the directors and chief executive, nor their associates had registered an interest or short position in any shares, underlying shares or debentures of the Company or any of its associated corporations, that was required to be recorded pursuant to section 352 of the SFO, or as otherwise notified to the Company and the SEHK pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 of the SEHK Listing Rules.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Other than as disclosed in section "Directors' and Chief Executives' interest and short positions in shares, underlying shares, and debentures", at no time during the period was the Company, its holding Company, or any of its subsidiaries or fellow subsidiaries, a party to any arrangements to enable the Directors of the Company and their associates to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS INTEREST AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

To the best of directors' knowledge, as at 31 December 2024, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that the following shareholders had notified the Company of relevant interests and short positions of 5% or more of the share capital of the Company:

Long positions of ordinary shares of HK$0.10 each of the Company

Name of shareholder	Nature of interest	Number of shares or underlying shares	Percentage of the issued share capital of the Company
Ocean Line Holdings Ltd ("Ocean Line") (Note 1)	Beneficial owner	2,426,960,137	26.15%
Mr Kwai Sze Hoi (Note 1)	Interest held by controlled corporation	2,426,960,137	26.15%
	Interest held jointly with another person	60,720,000	0.65%
	Beneficial owner	206,072,000	2.22%
	Interest of spouse	24,496,000	0.26%
Cheung Wai Fung (Note 1)	Interest held by controlled corporation	2,426,960,137	26.15%
	Interest held jointly with another person	60,720,000	0.65%
	Beneficial owner	24,496,000	0.26%
	Interest of spouse	206,072,000	2.22%
Luk Kin Peter Joseph	Beneficial owner	531,828,276	5.73%
KQ Resources Limited	Beneficial owner	1,301,270,318	14.02%

Notes:

1. Ocean Line is owned 60% by Mr Kwai Sze Hoi and 40% by Ms Cheung Wai Fung (Mr Kwai's spouse). In addition, Mr Kwai and Ms Cheung have a joint direct interest in 60,720,000 shares.

Save as disclosed above, as at 31 December 2024, no person, other than the directors and chief executive of the Company, whose interests are set out in the section "directors' and chief executives' interest and short positions in shares and underlying shares and debentures", had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to section 336 of the SFO.

SHARE OPTIONS

The 2023 Share Scheme (the "Share Scheme") of the Company was adopted by the Company pursuant to the approval by shareholders at the Annual General Meeting ("AGM") on 18 December 2023.

The binomial option pricing model is a generally accepted method of valuing options. The measurement dates used in the valuation calculations were the dates on which the share options were granted. The values of share options calculated using the binomial option pricing model are subject to certain fundamental limitations, due to the subjective nature of and uncertainty relating to a number of assumptions of the expected future performance input to the model, and certain inherent limitations of the model itself. The value of an option varies with different variables of certain subjective assumptions. Any change to the variables used may materially affect the estimation of the fair value of an option.

The particulars of the Share Scheme are set out in Note 18 to the condensed consolidated financial information and details of the share options outstanding as at 31 December 2024 includes the estimated values of the share options (using the binomial option pricing model), date of grant, vesting period, exercise period and the exercise price of the share options outstanding at the beginning and end of the interim period which have been granted to Eligible Persons under the previous share option scheme are as follows:

	Share Option type	Maximum entitlement of each participant	Outstanding as at 1 July 2024	Granted	Exercised	Cancelled	Forfeited	Lapsed/ Expired	Outstanding as at 31 December 2024	Date of grant of share options	Vesting period of share options	Exercise period of share options	Exercise price (HK$)	Closing price immediately before the date of grant (HK$)
Non-executive directors														
Ross Stewart Norgard	2021A	1,500,000	1,500,000	–	–	–	–	1,500,000	–	29 Jun 2021	29 Jun 2021- 1 Jan 2022	1 Jan 2022- 31 Dec 2024	0.213	0.210
Choi Yue Chun Eugene	2021A	1,500,000	1,500,000	–	–	1,500,000	–	–	–	29 Jun 2021	29 Jun 2021- 1 Jan 2022	1 Jan 2022- 31 Dec 2024	0.213	0.210
Yap Fat Suan Henry	2021A	1,500,000	1,500,000	–	–	1,500,000	–	–	–	29 Jun 2021	29 Jun 2021- 1 Jan 2022	1 Jan 2022- 31 Dec 2024	0.213	0.210
David Rolf Welch	2021A	1,500,000	1,500,000	–	–	–	–	1,500,000	–	29 Jun 2021	29 Jun 2021- 1 Jan 2022	1 Jan 2022- 31 Dec 2024	0.213	0.210
Executive directors														
Chan Kam Kwan Jason	2021A	10,000,000	10,000,000	–	–	–	–	10,000,000	–	29 Jun 2021	29 Jun 2021- 1 Jan 2022	1 Jan 2022- 31 Dec 2024	0.213	0.210
Sub-total		**16,000,000**	**16,000,000**	**–**	**–**	**3,000,000**	**–**	**13,000,000**	**–**					
Employees	2021A	71,000,000	70,000,000	–	–	–	–	70,000,000	–	14 May 2021	14 May 2021- 1 Jan 2022	1 Jan 2022- 31 Dec 2024	0.213	0.207
Sub-total		**71,000,000**	**70,000,000**	**–**	**–**	**–**	**–**	**70,000,000**	**–**					
GRAND TOTAL		**87,000,000**	**86,000,000**	**–**	**–**	**3,000,000**	**–**	**83,000,000**	**–**					
Weighted average price			0.213	–	–	0.213	–	0.213	–					

As at 31 December 2024, all share options have lapsed or were cancelled under the previous share option scheme.

At the beginning and end of the interim period, the number of options and awards available for grant under the Share Scheme is 928,023,213, representing 10% of the issued shares. During the six months ended 31 December 2024, no options and awards were granted under the Share Scheme.

Saved as disclosed above, at no time during the interim period were rights to acquire benefits by means of acquisition of shares in or debentures of the Company granted to any of the directors or respective spouses or minor children or where any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

CHANGE OF DIRECTORS' INFORMATION

Pursuant to Rule 13.51(B)(1) of the SEHK Listing Rules the changes of directors' information of the Company are set out below:

- Ms Ko Kit Man, Liza appointed as an independent non-executive director of the Company on 21 October 2024;
- Mr Wu Man To appointed as an independent non-executive director of the Company on 21 October 2024;
- Mr Yap Fat Suan, Henry resigned as an independent non-executive director of the Company on 21 October 2024; and
- Mr Choi Yue, Chun, Eugene resigned as an independent non-executive director of the Company on 21 October 2024.

The biographical details of Ms. Ko Kit Man, Liza and Mr. Wu Man To are available on the website www.hkexnews.hk announcement dated 21 October 2024.

Save as disclosed above, upon specific enquiry made by the Company and following confirmation from the directors, there were no other changes in the information of the directors required to be disclosed pursuant to Rule 13.51(B)(1) of the SEHK Listing Rules since the Company's last published annual report.

PURCHASE, SALE OR REDEMPTION OF COMPANY'S LISTED SECURITIES

During the six months ended 31 December 2024, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company (six months ended 31 December 2023: Nil).

CORPORATE GOVERNANCE CODE

The Company is committed to maintaining a high standard of Corporate Governance with a framework emphasising the principles of transparency, accountability, and independence. The board of directors of the Company believe that good corporate governance is essential to the success of the Company and enhancement of shareholder value.

Unless otherwise noted, the Company has complied with all aspects of the Corporate Governance Code ("Code") (including the Section headed – "Part 2 – Principles of Good Governance, Code Provisions and Recommended Best Practices") as set out in Appendix C1 of the Rules Governing the Listing of Securities on the SEHK ("the SEHK Listing Rules") and the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations 4th Edition ("the CGPR 4th Edition"), during the six months ended 31 December 2024. The Board will review the current practices at least annually and make appropriate changes if considered necessary.

The exception to this is as follows.

(i) Appendix C1 Code Provision C.2.1, states that the roles of Chairman and chief executive should be separate and should not be performed by the same individual. The position of Chief Executive Officer at the Group level has been vacant during the period. Nonetheless, Mr Colin Paterson, an executive director of the Company, also serves as the Chief Executive Officer of Brockman Mining Australia Pty Ltd (a wholly-owned subsidiary of the Company), and is responsible for the oversight of the core iron ore business activities.

The Board has been structured for an effective composition, with a balance of skills, experience and commitment to adequately discharge its responsibilities and duties. During the six months ended 31 December 2024, three of the eight directors were independent. Whilst this is not a majority of independent non-executive directors, it is believed to be a suitable balance between the composition of executive and non-executive directors with a wide range of expertise and experience.

PUBLICATION OF THE INTERIM RESULTS AND INTERIM REPORT

The interim report is published on the website of SEHK (www.hkexnews.hk), ASX (www.asx.com.au), as well as the website of the Company (www.brockmanmining.com)/(www.irasia.com/listco/hk/brockmanmining). The interim report will be published on the aforementioned websites in due course.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a Securities Trading Policy which applies, inter alia, to all directors. The Securities Trading Policy complies with the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 of the SEHK Listing Rules and the ASX Listing Rules. All directors have confirmed, following a specific inquiry by the Company, that they have complied with the required standard as set out in the Model Code during the six months ended 31 December 2024.

A copy of the Company's Securities Trading Policy is available on the website of the Company.

AUDIT COMMITTEE AND REVIEW OF INTERIM FINANCIAL INFORMATION

As at 31 December 2024, the Audit Committee comprises of three independent non-executive directors Mr. David Rolf Welch, Ms. Ko Kit Man, Liza, and Mr. Wu Man To (the "Audit Committee"). Ms Ko Kit Man, Liza is the Chairperson of the Audit Committee. The Audit Committee has adopted terms of reference which are in line with the Corporate Governance Code. The Audit Committee has reviewed the Group's interim results for the six months ended 31 December 2024, including the accounting principles and practices adopted by the Group.

By Order of the Board
Kwai Sze Hoi
Chairman

Hong Kong, 25 February 2025

DIRECTORS' DECLARATION

The Company is incorporated in Bermuda under the Companies Act 1981 of Bermuda.

This declaration is made in accordance with a resolution of the Directors of the Company dated 25 February 2025. In the Directors' opinion:

(a) The condensed consolidated financial information and notes set out on pages 4 to 34:

(i) comply with International Accounting Standard 34 Interim Financial Reporting and the disclosure requirements of Hong Kong Companies Ordinance;

(ii) give a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the six months ended on that date;

(b) Subject to the matters disclosed in note 2(a), there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Kwai Sze Hoi
Chairman

Hong Kong, 25 February 2025