



Accelerate Resources Limited

ABN 33 617 821 771

Consolidated Interim Financial Report For the Half-Year Ended 31 December 2023

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CORPORATE INFORMATION

Accelerate Resources Limited

ABN 33 617 821 771

Directors & Management

Mr Richard Hill

Non-Executive Chairman

Ms Yaxi Zhan

Executive Director

Mr Grant Mooney

Non-Executive Director

Dr Steve Bodon

Non-Executive Director

Chief Executive Officer

Luke Meter

Company Secretary

Ms Yaxi Zhan

Chief Financial Officer

Beverley Nichols

Registered and Principal Office

Suite 1, 16 Ord Street

West Perth, WA 6005

Telephone: (08) 6248 9663

Website

www.ax8.com.au

Stock Exchange

Australian Securities Exchange (ASX Limited)

Home Exchange Perth

Securities

Code: AX8

Share Registry

Advanced Share Registry

110 Stirling Hwy

Nedlands WA 6009

Australian Telephone: 1300 113 258

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Hall Chadwick WA Audit Pty Ltd

283 Rokeby Road

Subiaco, WA 6008

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DIRECTORS' REPORT

The Directors of Accelerate Resources Limited (“the Company” or “Accelerate”) and its controlled entities (“the Group”), present their interim financial report for the half-year ended 31 December 2023.

DIRECTORS

The names of Directors in office at any time during or since the end of the half-year ended 31 December 2023 were as follows:

Name	Title	Date Appointed
Mr Richard Hill	Non-Executive Chairman	Appointed 3 July 2020
Ms Yaxi Zhan	Executive Director	Appointed 7 March 2017
Mr Grant Mooney	Non-Executive Director	Appointed 1 June 2017
Dr Steve Bodon	Non-Executive Director	Appointed 1 February 2022

PRINCIPAL ACTIVITIES

The Company is a junior exploration Company with Lithium, Manganese and other exploration projects in the portfolio.



Figure 1: Location of the Accelerate Resources' Main Projects.

REVIEW OF OPERATIONS AND RESULTS

1. Karratha Lithium Projects

During the half-year ended 31 December 2023, the Company completed a transformational acquisition of high-grade Lithium Projects near Karratha in the West Pilbara region. The acquisition strengthened the Company’s battery metal strategy and positions the Company within the emerging Roebourne-Karratha lithium belt.

The Karratha Lithium Projects cover circa 90km² of prospective ground situated within the emerging 40km long hard-rock lithium belt between Karratha and Roebourne, West Pilbara (Figure 2), and comprise:

- Prinsep Lithium Project (100%)
- Mt Sholl Project (100%)
- Mt Sholl East Project (75%) and
- Roebourne South Project (75%)

Please refer to the ASX Announcement dated 1 November 2023 for the acquisition terms and conditions.

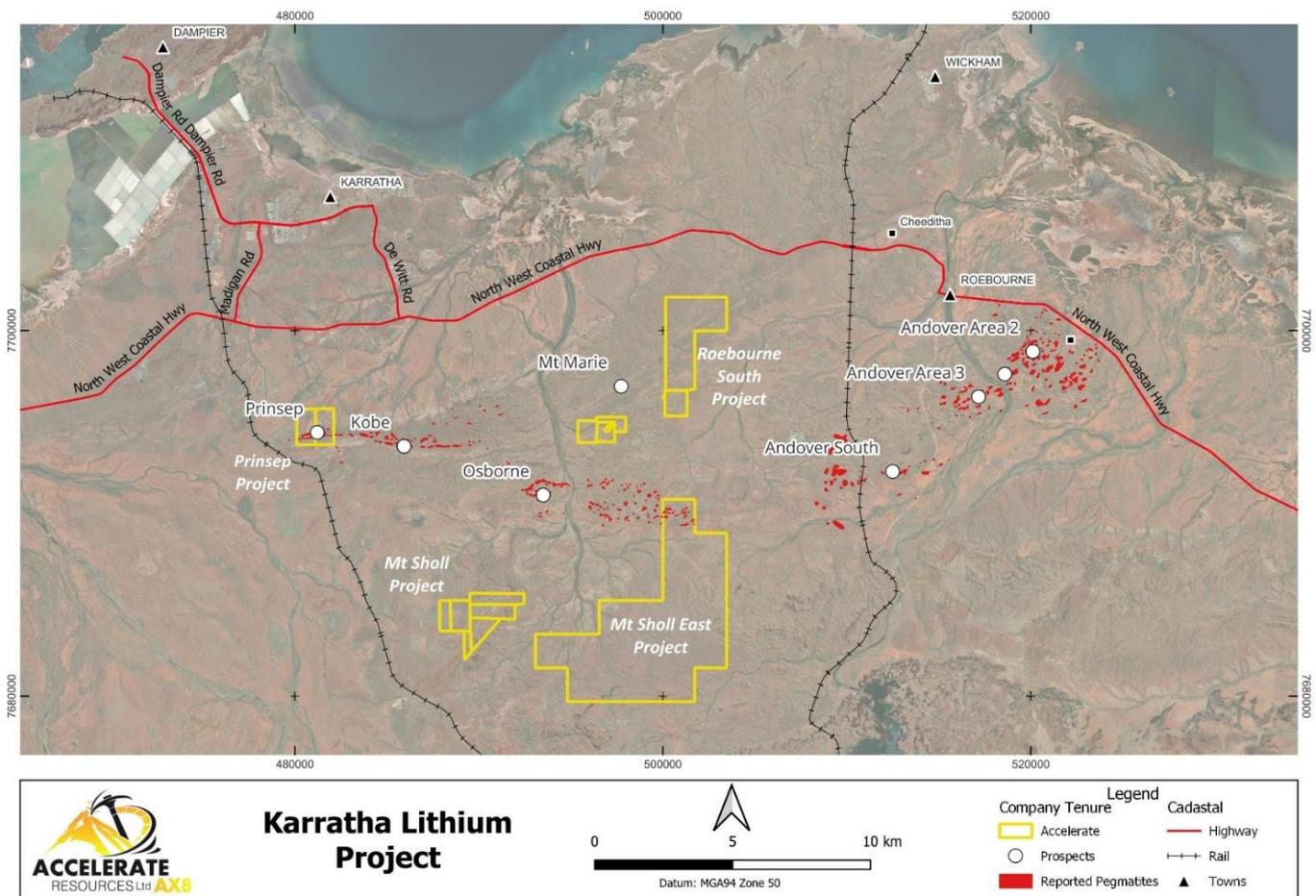


Figure 2: Location of the Karratha Lithium Projects with publicly reported pegmatite occurrences and prospects.

Prinsep Lithium Project

The Prinsep Lithium Project is an advanced drill-ready exploration project situated 15km south of the regional centre of Karratha and 35km west of Azure Minerals' (ASX:AZS) Andover Lithium discovery currently subject to a \$1.7 billion (AUD) takeover offer by SQM and Hancock Prospecting¹.

Field work completed by Accelerate's exploration team has identified two parallel zones of spodumene-rich, lithium-bearing pegmatite systems spanning the entire 2km width of the tenement area (Figure 3). Preliminary rock chip assay results returned up to 2.06% Li₂O (Sample ID AA351) from the Southern Pegmatite System and 1.63% Li₂O (Sample ID AX03083) from the Northern Pegmatite System.

Post 31 December 2023, the Company re-commenced its sampling program at Prinsep with a focus on assessing the continuity and variability of the lithium mineralisation across 650m of northern pegmatite strike, where outcrop ranges between 45-60m wide. Samples were collected every 5m from 4 north-south traverses approximately 200m apart for 42 samples (Figure 3).

Results of the sampling program were very encouraging and confirm that the majority of the 60m wide northern pegmatite outcrop is mineralised, with the majority of assays above 0.5% Li₂O.

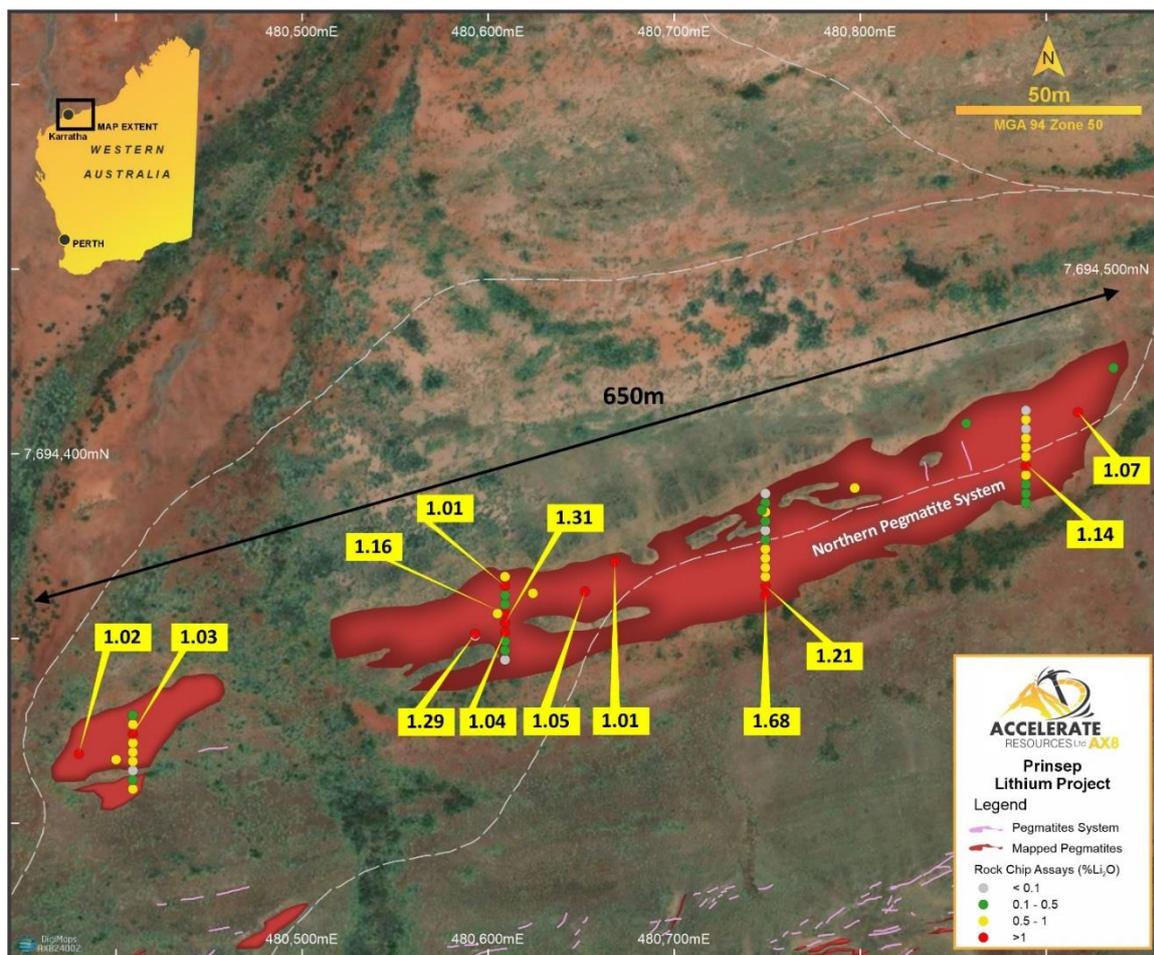


Figure 3: Assay results from the north-south rock chip sample traverses across 650m of strike of the Prinsep northern pegmatite.

Please refer to ASX Announcement dated 15 February 2024 for more details.

¹ ASX: AZS announcement 19th December 2023

Next Steps

The company is actively engaging with the native title holders to finalise exploration agreements and heritage surveys, while Programs of Work have been submitted to the Department of Energy, Mines, Industry Regulation and Safety (DEMIRS) for approval whilst consumables and infrastructure are sourced to ensure rapid drill rig deployment once all permit requirements have been completed.

2. Woodie Woodie North Manganese Project

The Woodie Woodie North Manganese Project is located 240km east of Port Hedland in the Woodie Woodie Manganese corridor, 70km north of the Woodie Woodie Manganese Mine (Figure 4). The projects cover 570km² of prospective ground.

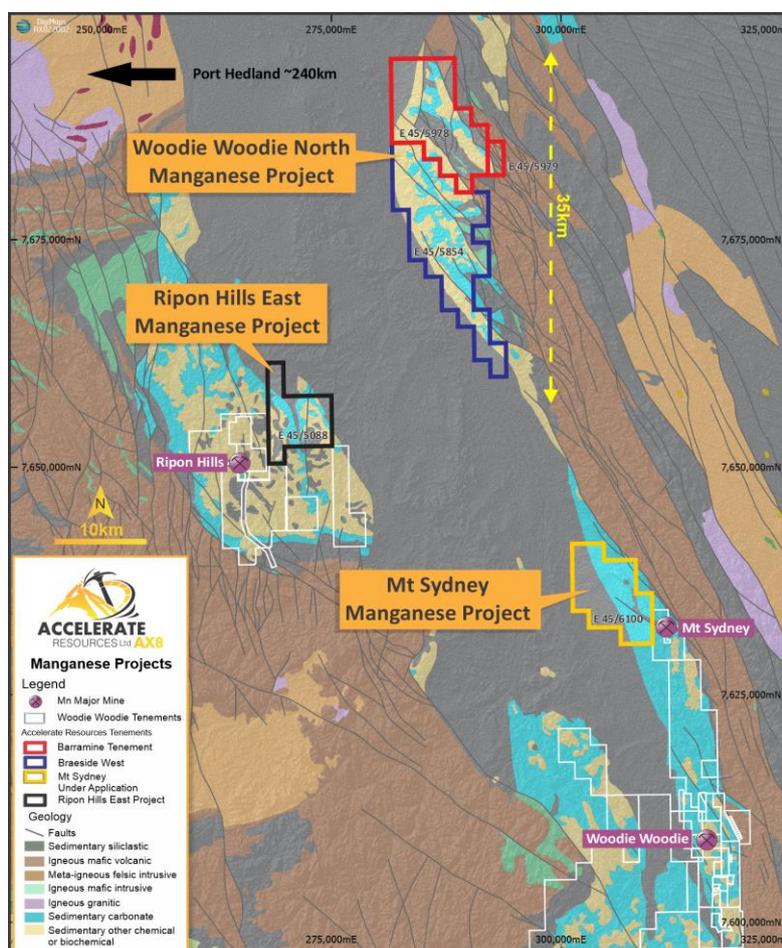


Figure 4: Location of the Woodie Woodie North Project area in the Woodie Woodie Manganese corridor.

During the half-year ended 31 December 2023, the Company completed the 4th Phase of drilling, which comprised extensional and resource definition drilling at Barra North and South (Areas 1, 3 and 4) and Area 42 (Figure 5). Infill drilling at Area 5 in the Gum Creek Corridor was completed to assess the resource potential.

In December 2023 the company announced its maiden inferred Mineral Resources Estimate (MRE) totalling **1.2Mt at 19.1% Mn (at a 15% Mn cut-off)** and Exploration Targets totalling **5.3Mt – 10.7Mt at 10% – 19% Mn** (Figure 5 and Table 1). The MRE was based on the integration of historical drilling data and the Company's recent Phase 1 to 4 Reverse Circulation (RC) drilling campaigns completed during 2022 and 2023 at the Barra North Area 1, Barra South Areas 3 and 4, and Area 42 (Figure 5). The drilling dataset used for the Mineral Resource Estimate comprised a total of 398 drill holes for 26,952m.

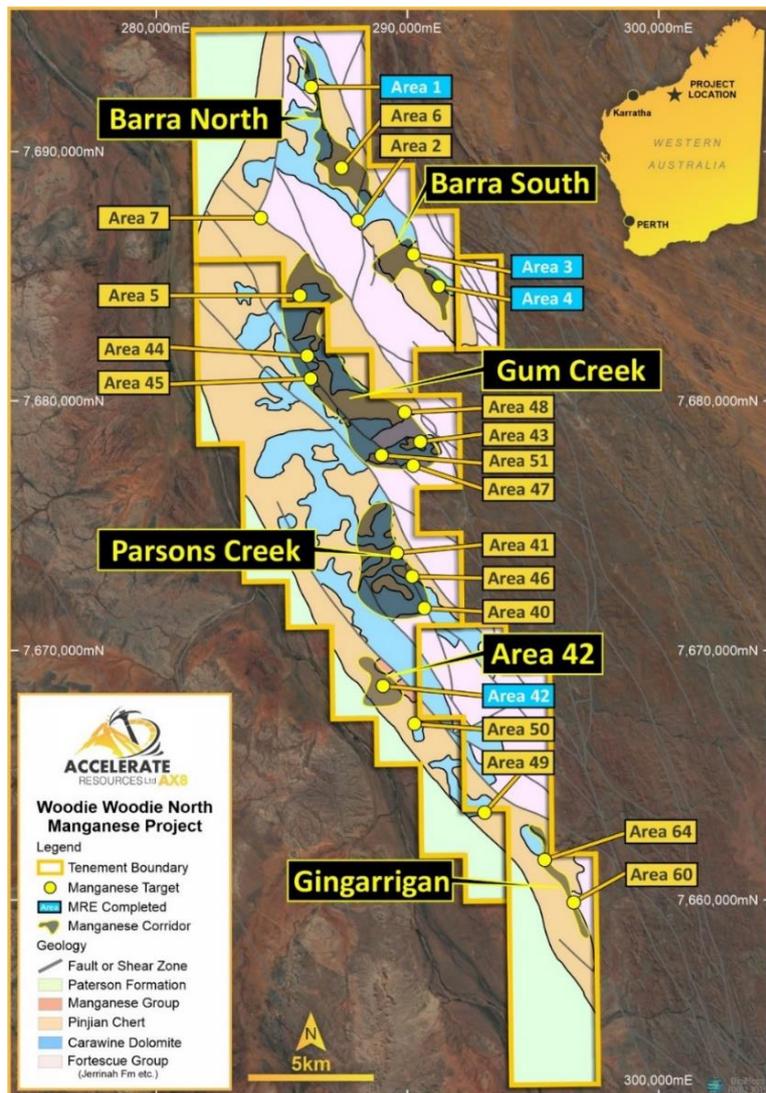


Figure 5: Location of Mineral Resources at Barra North Area 1, Barra South Areas 3 and 4, and Area 42.

The maiden Mineral Resources combined with Exploration Target estimates confirm the Woodie Woodie North Manganese Project’s high-grade and scale potential, and represents a significant step forward.

Table 1 – Summary of Mineral Resource Estimate.

Area	JORC Classification	Tonnes (Mt)	% Mn	% Fe	% SiO ₂	% Al ₂ O ₃	% P
Area 1	Indicated	-	-	-	-	-	-
	Inferred	0.04 (0.2)	17.2 (12.8)	14.6 (15.6)	25.8 (29.5)	2.2 (2.5)	0.1 (0.2)
Sub-total	Indicated + Inferred	0.04 (0.2)	17.2 (12.8)	14.6 (15.6)	25.8 (29.5)	2.2 (2.5)	0.1 (0.2)
Area 3	Indicated	-	-	-	-	-	-
	Inferred	0.3 (1.0)	17.5 (13.3)	20.1 (20.0)	27.9 (35.7)	3.0 (2.8)	0.1 (0.1)
Sub-total	Indicated + Inferred	0.3 (1.0)	17.5 (13.3)	20.1 (20.0)	27.9 (35.7)	3.0 (2.8)	0.1 (0.1)
Area 4	Indicated	-	-	-	-	-	-
	Inferred	0.2 (0.6)	16.1 (12.9)	21.8 (21.7)	34.0 (38.2)	2.3 (2.5)	0.1 (0.1)
Sub-total	Indicated + Inferred	0.2 (0.6)	16.1 (12.9)	21.8 (21.7)	34.0 (38.2)	2.3 (2.5)	0.1 (0.1)
Area 42	Indicated	-	-	-	-	-	-
	Inferred	0.7 (1.2)	20.7 (17.0)	15.6 (13.6)	35.6 (45.1)	3.3 (3.2)	0.1 (0.1)
Sub-total	Indicated + Inferred	0.7 (1.2)	20.7 (17.0)	15.6 (13.6)	35.6 (45.1)	3.3 (3.2)	0.1 (0.1)
TOTAL	Indicated	-	-	-	-	-	-
	Inferred	1.2 (3.0)	19.1 (14.7)	17.6 (17.4)	33.1 (39.6)	3.0 (2.9)	0.1 (0.1)
	Indicated + Inferred	1.2 (3.0)	19.1 (14.7)	17.6 (17.4)	33.1 (39.6)	3.0 (2.9)	0.1 (0.1)

Notes:

- MRE completed by ERM (formerly CSA)
- Mineral Resources reported at cut-offs of 15% Mn and 10% Mn (italics).
- Due to the effects of rounding, the total may not represent the sum of all components.

The results are reported in accordance with the JORC Code (2012 Edition). Please refer to ASX Announcement dated 30 November 2023 for more details.

Future Work Program

A proposed Phase 5 RC drilling program is under consideration for 2024 comprising extensional resource definition drilling to grow the Mineral Resource inventory and follow-up on the recent discovery of large manganese outcrops in the Parsons Creek and Gum Creek corridors (Figure 5).

Proposed metallurgical testwork is also under consideration for possible future scoping to pre-feasibility level technical studies for a beneficiation plant.

3. Comet Project, WA

The Comet Gold Project is located in the central Murchison Goldfield; a historically prolific, yet under-explored, gold-producing region of Western Australia. The Project area is located approximately 650km northeast of Perth mid-way between the active mining centres of Mount Magnet and Meekatharra, close to the well serviced township of Cue in Western Australia (Figure 6).

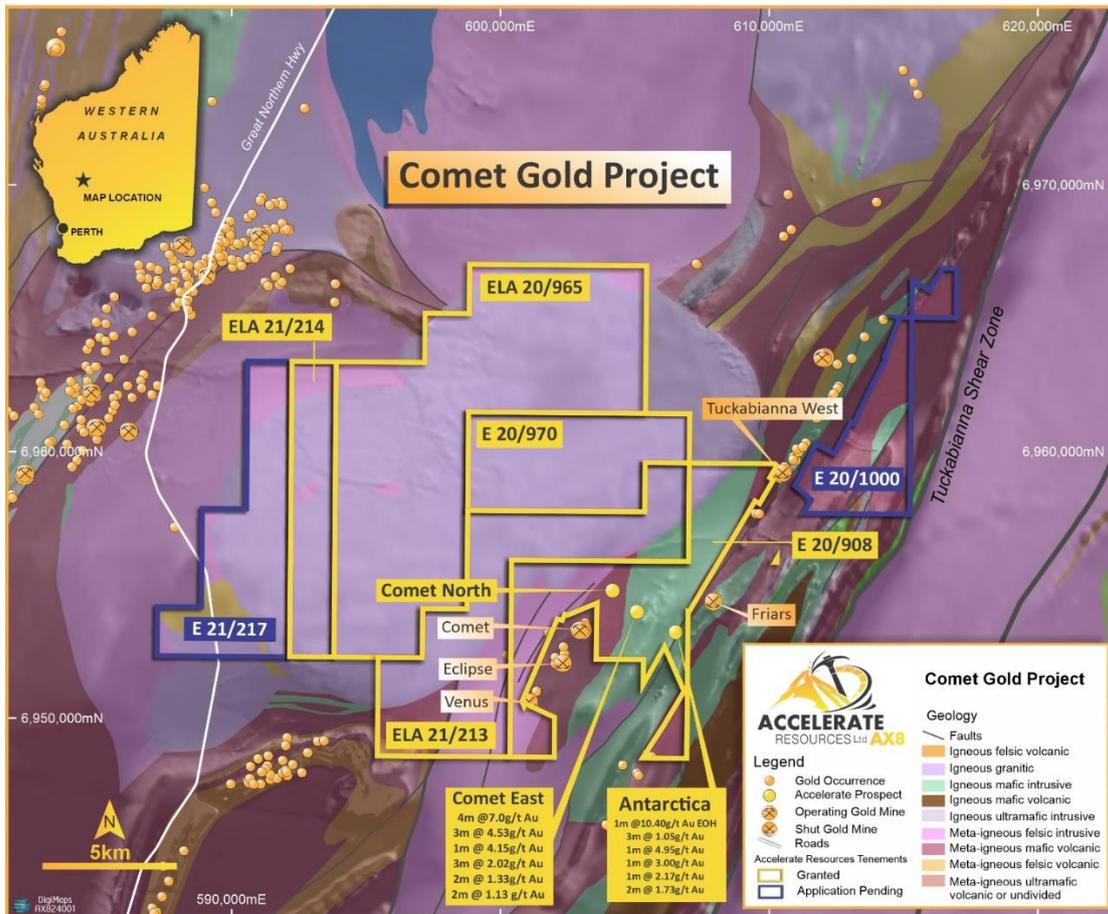


Figure 6: Location of the Comet Project.

The project tenure covers highly prospective portions of the Mount Magnet to Meekatharra Greenstone Belt, including the immediate strike extensions to the Big Bell gold mine and the Tuckabianna Shear Zone. Compilation and analysis of historical RAB and RC drilling data has identified several gold targets and anomalous gold trends within the Comet Project area.

Accelerate undertook the first phase of RC drilling at the Comet Gold Project, returning highly encouraging assay results from shallow drilling at the Comet East prospect in 2020.

CORPORATE

Appointment of New Chief Executive Officer

In order to drive the exploration of the Karratha Lithium Projects and the Company’s exploration strategy, Mr Luke Meter was appointed Chief Executive Officer (CEO) effective from 1 January 2024.

Mr Meter is a highly credentialed geologist and mining executive with more than 18 years of hands-on, exploration, development and corporate experience. Mr Meter has been a key contributor in multiple district scale discoveries and developments including De Grey Mining’s 9.5 Moz Hemi Deposit and Dacian Gold’s 1.2 Moz Jupiter deposit.

Please see ASX announcement date 21 November 2023 for further details.

Capital Raising

During the period, the Company completed a capital raising of A\$3.6 million (before costs) and issued 180,000,000 fully paid ordinary shares at an issue price of A\$0.02 per share (Placement).

Proceeds from the Placement, together with existing cash, will be applied primarily to exploration activities within the newly acquired, highly prospective Karratha Lithium Projects, as well as progressing the East Pilbara Lithium Project and Woodie Woodie North Manganese Project. General working capital and costs of the Offer will also be included.

Please see ASX announcement date 6 October 2023 for further details.

DIVIDENDS

There were no dividends paid, recommended, or declared during the half-year ended 31 December 2023.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There are no significant changes in the state of affairs of the Group.

EVENTS SUBSEQUENT TO REPORTING PERIOD

On 24 January 2024, the Company issued 1,000,000 fully paid ordinary shares upon conversion of Performance Rights.

On 24 January 2024, the Company announced 500,000 Performance Rights had expired.

On 8 February 2024, the Company issued 35,869,565 fully paid ordinary shares and 160,217,391 Performance Shares to the Mt Sholl Shareholders in consideration for the Mt Sholl Acquisition.

On 28 February 2024, the Company announced the sale of two Exploration licenses in the East Pilbara (E45/6278 and E45/6280) to FMG Resources Pty Ltd (Fortescue) for a cash consideration of A\$300,000.

On 11 March 2024, the Company announced that it had executed a Native Title and Heritage Exploration Agreement with the Ngarluma Aboriginal Corporation (NAC) over the transformational and drill ready Prinsep Lithium Project.

No other matter or circumstance has arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial periods.

OPERATING RESULTS FOR THE PERIOD

The loss after tax for the half-year ended 31 December 2023 was \$1,713,050 (2022: \$1,558,680 loss).

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the *Corporations Act 2001*.

On behalf of the directors



Yaxi Zhan

Executive Director

Date: 15 March 2024

Perth

To the Board of Directors,

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead audit director for the review of the financial statements of Accelerate Resources Limited for the half-year ended 31 December 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- any applicable code of professional conduct in relation to the review.

Yours Faithfully,

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD



CHRIS NICOLOFF CA
Director

Dated this 15th day of March 2024
Perth, Western Australia

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the half-year ended 31 December 2023

	Note	Consolidated	
		31 December 2023 \$	31 December 2022 \$
Revenue			
Other income		-	-
Expenses			
Corporate and professional expenses		(156,252)	(121,061)
Director and employee benefits		(384,656)	(140,994)
Administration expenses		(162,215)	(115,232)
Other expenses		(212,425)	(47,468)
Depreciation expenses		(13,833)	(1,547)
Share based payment expense		(495,419)	(46,850)
Impairment of exploration expenditure		-	(1,000,000)
Exploration expenditure		(239,523)	(85,528)
Exploration expenditure written off		(48,727)	-
Loss before income tax expenses		(1,713,050)	(1,558,680)
Income tax expense		-	-
Loss after income tax for the half-year		(1,713,050)	(1,558,680)
Other comprehensive income for the half-year			
Changes in fair value of financial assets – fair value OCI		-	(10,664)
Total comprehensive loss for the half-year		(1,713,050)	(1,569,344)
Basic and Diluted Loss per share (cents per share)	9	(0.39)	(0.56)

The accompanying notes form part of this financial report

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

		Consolidated	
		31 December	30 June
		2023	2023
	Note	\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	3	2,896,760	2,037,164
Other assets	4	272,034	153,444
Total Current Assets		3,168,794	2,190,608
Non-Current Assets			
Other non-current assets	4	1,236,261	1,236,261
Exploration and evaluation expenditure	5	5,812,246	4,499,391
Plant and equipment		110,825	108,660
Total Non-Current Assets		7,159,332	5,844,312
TOTAL ASSETS		10,328,126	8,034,920
LIABILITIES			
Current Liabilities			
Trade and other payables	6	214,663	320,768
Provisions		97,720	100,464
Total Current Liabilities		312,383	421,232
TOTAL LIABILITIES		312,383	421,232
NET ASSETS		10,015,743	7,613,688
EQUITY			
Issued capital	7	19,805,185	16,169,011
Reserves	8	3,274,486	2,795,555
Accumulated losses		(13,063,928)	(11,350,878)
TOTAL EQUITY		10,015,743	7,613,688

The accompanying notes form part of this financial report

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half-year ended 31 December 2023

		Issued Capital	Reserves	Accumulated Losses	Total
	Note	\$	\$	\$	\$
Balance as at 1 July 2022		12,948,619	2,454,799	(9,042,556)	6,360,862
Loss for the half-year		-	-	(1,558,680)	(1,558,680)
Other comprehensive income		-	(10,664)	-	(10,664)
Total Comprehensive Loss for the half-year		-	(10,664)	(1,558,680)	(1,569,344)
Shares issued	7	3,386,400	-	-	3,386,400
Share issue costs	7	(203,340)	-	-	(203,340)
Performance rights issued		-	6,414	-	6,414
Options issued	8	-	40,436	-	40,436
Balance as at 31 December 2022		16,131,679	2,490,985	(10,601,236)	8,021,428
Balance as at 1 July 2023		16,169,011	2,795,555	(11,350,878)	7,613,688
Loss for the half-year		-	-	(1,713,050)	(1,713,050)
Other comprehensive income		-	-	-	-
Total Comprehensive Loss for the half-year		-	-	(1,713,050)	(1,713,050)
Shares issued	7	3,844,500	-	-	3,844,500
Share issue costs	7	(405,146)	-	-	(405,146)
Performance rights issued		-	238,853	-	238,853
Conversion of performance rights		196,820	(196,820)	-	-
Options issued	8	-	436,898	-	436,898
Balance as at 31 December 2023		19,805,185	3,274,486	(13,063,928)	10,015,743

The accompanying notes form part of this financial report

CONSOLIDATED STATEMENT OF CASH FLOWS

For the half-year ended 31 December 2023

		31 December 2023	31 December 2022
	Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(1,349,530)	(640,429)
Other income received		-	-
Net cash (used in) operating activities		(1,349,530)	(640,429)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for exploration and evaluation expenditures		(1,160,012)	(1,332,630)
Amounts advanced to external party		-	-
Purchase of plant and equipment		(15,998)	(12,659)
Net cash (used in) / from investing activities		(1,176,010)	(1,345,289)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares	7	3,610,000	3,000,000
Share issue costs	7	(224,864)	(162,904)
Net cash from financing activities		3,385,136	2,837,096
Net increase in cash and cash equivalents		859,596	851,378
Cash and cash equivalents at the beginning of the half-year		2,037,164	2,313,957
Cash and cash equivalents at the end of the half-year	3	2,896,760	3,165,335

The accompanying notes form part of this financial report

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT

NOTE 1: GENERAL INFORMATION

Accelerate Resources Limited and its controlled entities is a public company listed on the Australian Securities Exchange (trading under the symbol 'AX8'), incorporated and operating in Australia.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The half-year interim report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half-year report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the annual financial report for the year ended 30 June 2023 and any public announcements made by the Group during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

Basis of preparation

The financial statements have been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the financial statements are consistent with those adopted and disclosed in the Group's annual financial report for the year ended 30 June 2023, except for the impact of the Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Changes in Accounting Policy, Accounting Standards and Interpretations

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

NOTE 3: CASH AND CASH EQUIVALENTS

	Consolidated 31 December 2023 \$	Consolidated 30 June 2023 \$
Cash at bank	2,896,760	2,037,164

NOTE 4: OTHER ASSETS

	Consolidated 31 December 2023 \$	Consolidated 30 June 2023 \$
CURRENT		
GST receivable	114,085	83,912
Deposit	46,000	46,000
Prepayments	94,588	23,532
Security bond	17,361	-
	272,034	153,444
NON-CURRENT		
Other non-current asset – Vytas Resources Pty Ltd ¹	1,236,261	1,236,261
	1,236,261	1,236,261

¹ Pursuant to the binding term sheet entered into with Vytas Resources Pty Ltd (“Vytas”) on 2 September 2021, Accelerate made available \$250,000 to Vytas in order to fund the work program on the Tambellup and Midwest Silica Sand Projects, preparing for Vytas’ initial public offering and contributions to working capital.

The Company announced on 30 November 2021, that the transaction had completed and Accelerate had been issued 27,120,000 shares, equal to 33% interest in Vytas.

NOTE 5: EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated 31 December 2023 \$	Consolidated 30 June 2023 \$
Exploration and evaluation expenditure – Western Australia	5,812,246	4,499,391
	5,812,246	4,499,391
<i>Exploration and evaluation expenditure – Western Australia</i>	\$	
Balance as at 1 July 2023	4,499,391	
Additions ¹	1,361,582	
Exploration expenditure written off	(48,727)	
Balance as at 31 December 2023	5,812,246	

NOTE 6: TRADE AND OTHER PAYABLES

	Consolidated 31 December 2023 \$	Consolidated 30 June 2023 \$
Trade payables	100,653	230,257
Accruals	69,069	35,460
Other payables	44,941	55,051
	214,663	320,768

NOTE 7: ISSUED CAPITAL

	31 December 2023 No.	30 June 2023 No.	31 December 2023 \$	30 June 2023 \$
Fully paid ordinary shares	573,101,756	379,601,756	19,985,467	16,169,011

<i>Movements in Issued Capital</i>	Date	Issue price \$	Shares No.	Amount \$
Balance as at 1 July 2023			379,601,756	16,169,011
Shares issued for public relation services	25/08/2023	0.023	1,000,000	23,000
Share Placement – tranche 1	12/10/2023	0.02	85,400,439	1,708,009
Shares for acquisition of Karratha Lithium Project	01/11/2023	0.025	6,000,000	150,000
Share Placement – tranche 2	04/12/2023	0.02	95,099,561	1,901,991
Shares issued to Director	04/12/2023	0.041	1,500,000	61,500
Shares issued on conversion of performance rights	04/12/2023	0.029	500,000	14,500
Shares issued upon conversion of performance rights	12/12/2023	0.04558	4,000,000	182,320
Share Issue Costs				(405,146)
Balance as at 31 December 2023			573,101,756	19,805,185

NOTE 8: RESERVES

	31 December 2023 \$	30 June 2023 \$
Option reserve	3,217,919	2,781,021
Performance rights reserve	56,567	14,534
	3,274,486	2,795,555

NOTE 8: RESERVES (CONTINUED)

<i>Movements in Option Reserve</i>	Options No.	Amount \$
Balance as at 1 July 2023	91,321,376	2,781,021
Options issued to Directors ¹	6,500,000	236,666
Options issued to Lead Managers ²	5,000,000	180,332
Options expired ³	(5,000,000)	-
Options vested	-	19,900
Balance as at 31 December 2023	97,821,376	3,217,919

¹ On 30 November 2023, the Company issued 6,500,000 unlisted options exercisable at \$0.05 each, expiring 30 November 2026 to Directors of the Company.

² On 4 December 2023, the Company issued 5,000,000 unlisted options exercisable at \$0.04 each, expiring 4 December 2025 were issued to the Placement Lead Managers.

³ On 6 September 2023, 5,000,000 unlisted options exercisable at \$0.06 lapsed unexercised.

The Black-Scholes and Monte Carlo option pricing models were used to value the options and the following table lists the inputs to the model used for the valuation of the options:

Grant Date	Expiry Date	Exercise Price	Share Price		Expected Volatility	Risk-free Interest Rate	Fair Value per Option
			at Grant Date	Expected			
23/11/2020	27/11/2024	\$0.0957	\$0.063	98.3%	0.20%	\$0.0381	
16/11/2021	16/11/2024	\$0.0593	\$0.048	100%	1.02%	\$0.0278	
01/02/2022	01/02/2025	\$0.059	\$0.038	100%	1.23%	\$0.0203	
22/04/2022	22/10/2024	\$0.10	\$0.049	100%	2.7%	\$0.0210	
28/12/2022	28/12/2024	\$0.05	\$0.023	100%	3.42%	\$0.0081	
27/01/2023	27/01/2025	\$0.05	\$0.029	100%	3.17%	\$0.0117	
27/01/2023	01/12/2024	\$0.05	\$0.029	100%	3.17%	\$0.0111	
28/11/2023	30/11/2026	\$0.05	\$0.058	91%	4.14%	\$0.0364	
28/11/2023	04/12/2025	\$0.04	\$0.058	97%	4.14%	\$0.0361	

NOTE 8: RESERVES (CONTINUED)

Summary of options granted as at 31 December 2023 are as follows:

Grant Date	Expiry Date	Exercise Price	Balance at 1 Jul 2023	Granted	Exercised	Expired / Forfeited / Other	Balance at 31 Dec 2023
30/08/2020	02/09/2023	\$0.06	5,000,000	-	-	(5,000,000)	-
23/11/2020	27/11/2024	\$0.0957	9,000,000	-	-	-	9,000,000
16/11/2021	16/11/2024	\$0.0593	4,500,000	-	-	-	4,500,000
01/02/2022	01/02/2025	\$0.059	1,000,000	-	-	-	1,000,000
22/04/2022	22/10/2024	\$0.10	10,000,000	-	-	-	10,000,000
28/12/2022	28/12/2024	\$0.05	53,571,376	-	-	-	53,571,376
28/12/2022	28/12/2024	\$0.05	5,000,000	-	-	-	5,000,000
27/01/2023	27/01/2025	\$0.05	2,250,000	-	-	-	2,250,000
27/01/2023	01/12/2024	\$0.05	1,000,000	-	-	-	1,000,000
28/11/2023	30/11/2026	\$0.05	-	6,500,000	-	-	6,500,000
28/11/2023	04/12/2025	\$0.04	-	5,000,000	-	-	5,000,000
			91,321,376	11,500,000	-	(5,000,000)	97,821,376

<i>Movements in Performance Rights Reserve</i>	Performance Rights	Amount
	No.	\$
Balance as at 1 July 2023	1,500,000	14,534
Performance rights issued to Directors ⁴	22,500,000	213,425
Performance rights issued to a consultant ⁴	5,000,000	8,178
Performance rights issued to an employee ⁵	6,000,000	10,000
Performance rights vested	-	7,250
Performance rights converted	(4,500,000)	(196,820)
Performance rights expired	(500,000)	-
Balance as at 31 December 2023	30,000,000	56,567

⁴ On 4 December 2023, the Company granted 27,500,000 performance rights expiring 29 November 2025 to Directors and a Consultant of the Company.

⁵ On 27 December 2023, the Company granted 6,000,000 performance rights expiring 29 November 2025 to an employee of the Company.

NOTE 9: EARNINGS PER SHARE

	Company 2023 \$	Company 2022 \$
Loss after income tax (used in calculating both basic and diluted loss per share)	(1,713,050)	(1,558,680)
	Cents	Cents
Basic loss per share (cents)	(0.39)	(0.56)
Diluted loss per share (cents)	(0.39)	(0.56)
	Number	Number
Weighted average number of ordinary shares used in calculating basic and diluted EPS	434,045,904	280,211,483

NOTE 10: SEGMENT REPORTING

The Group has identified its operating segments based on the internal reports that are used by the Board (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

The operating segments are identified by the Board based on the phase of operation within the mining industry. For management purposes, the Group identified only one segment, being exploration assets in Australia. The Group is domiciled in Australia.

NOTE 11: CONTINGENT ASSETS AND LIABILITIES

At 31 December 2023, there was contingent consideration payable of 8,000,000 ordinary shares relating to the acquisition of Halcyon Resources Pty Ltd on 18 November 2019. These contingent consideration shares are payable based on Accelerate announcing on ASX platform upon shipment(s) of 50,000 tons of Kaolin Clay or derived product from the Project (E70/4969).

There were no contingent assets at 31 December 2023 (30 June 2023: nil).

NOTE 12: COMMITMENTS

Operating lease commitments consist of various mining tenement leases in Western Australia (Woodie Woodie North Manganese Project, Comet Gold Project, Pilbara Lithium Project, Karratha Lithium Projects)

The Group has annual minimum expenditure commitments of \$616,320 (30 June 2023: \$473,000). This is excluding the commitment relating to the Mt Read Cobalt Project due to the project value written down to nil.

NOTE 13: EVENTS SUBSEQUENT TO REPORTING PERIOD

On 24 January 2024, the Company issued 1,000,000 fully paid ordinary shares upon conversion of Performance Rights.

On 24 January 2024, the Company announced 500,000 Performance Rights had expired.

On 8 February 2024, the Company issued 35,869,565 fully paid ordinary shares and 160,217,391 Performance Shares to the Mt Sholl Shareholders in consideration for the Mt Sholl Acquisition.

On 28 February 2024, the Company announced the sale of two Exploration licenses in the East Pilbara (E45/6278 and E45/6280) to FMG Resources Pty Ltd (Fortescue) for a cash consideration of A\$300,000.

On 11 March 2024, the Company announced that it had executed a Native Title and Heritage Exploration Agreement with the Ngarluma Aboriginal Corporation (NAC) over the transformational and drill ready Prinsep Lithium Project.

Apart from the above, no matter or circumstance has arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial periods.

DIRECTORS' DECLARATION

In the opinion of the Directors of Accelerate Resources Limited:

1. The consolidated financial statements and notes, as set out within this financial report, are in accordance with the *Corporations Act 2001* including:
 - (a) complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and
 - (b) giving a true and fair view of the Group's financial position as at 31 December 2023 and its performance for the half-year then ended.
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors made pursuant to Section 303(5)(a) of the *Corporations Act 2001*.

On behalf of the directors



Yaxi Zhan
Executive Director

Perth
Dated: 15 March 2024

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ACCELERATE RESOURCES LIMITED

Conclusion

We have reviewed the accompanying half-year financial report of Accelerate Resources Limited ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the condensed consolidated statement of financial position as at 31 December 2023, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other selected explanatory notes, and the directors' declaration.

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

- a. Giving a true and fair view of the Accelerate Resources Limited financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134: *Interim Financial Reporting* and *Corporations Regulations 2001*.

Basis for Conclusion

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

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

Responsibility of the Directors for the Financial Report

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

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD



CHRIS NICOLOFF CA
Director

Dated this 15th day of March 2024
Perth, Western Australia