
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of March 2025

Commission File Number: 001-41973

Critical Metals Corp.
(Exact name of registrant as specified in its charter)

c/o Maples Corporate Services (BVI) Limited
Kingston Chambers, PO Box 173, Road Town
Tortola, British Virgin Islands
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F Form 40-F

EXPLANATORY NOTE

As previously disclosed by Critical Metals Corp. (the “Company”), it currently holds 42% of the outstanding equity interests in Tanbreez Mining Greenland A/S (“Tanbreez”) pursuant to that certain amended and rested Heads of Agreement (the “Heads of Agreement”) with Rimbal Pty Ltd (“Rimbal”).

If the Company invests \$10 million in exploration expense in Tanbreez within the next two years from the date of the Heads of Agreement, the Company will have the option to increase its stake in Tanbreez to 92.5% by issuing additional ordinary shares to Rimbal with a value equal to \$116 million at such time. The closing of the Stage 2 interest in Tanbreez is subject to other customary closing conditions, including additional governmental approvals by the Greenland government. There is no guarantee that the Company’s acquisition of the Stage 2 Interest will occur.

This Report on Form 6-K (the “Form 6-K”) is being furnished in order to include the audited financial statements of Tanbreez for the years ended December 31, 2024 and 2023, the unaudited interim financial statements of Tanbreez for the half years ended June 30, 2024 and 2023, and the unaudited pro forma financial information of the Company after giving effect to the acquisition of Tanbreez, all of which are attached to this Form 6-K as Exhibits 99.1, 99.2 and 99.3, respectively.

The information furnished in Exhibits 99.1, 99.2 and 99.3 to this Form 6-K shall be deemed to be filed with the Securities and Exchange Commission (the “SEC”) and is hereby incorporated by reference into the Company’s registration statements on Form S-8 (File No. 333-280017) (including any prospectuses forming a part of such registration statement) and to be a part thereof from the date on which this Form 6-K is furnished, to the extent not superseded by documents or reports subsequently filed or furnished.

Cautionary Note Regarding Forward Looking Statements

This Form 6-K contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Forward-looking statements include, without limitation, statements regarding the ability to consummate the Stage 2 acquisition of Tanbreez, the ability to achieve necessary governmental consents to consummate the acquisition of the Stage 2 interest of Tanbreez, the benefits of the acquisition of Tanbreez, the financial position, financial performance, business strategy, expectations of our business and the plans and objectives of management for future operations. These statements constitute projections, forecasts and forward-looking statements, and do not guarantee performance. Such statements can be identified by the fact that they do not relate strictly to historical or current facts. When used in this news release, forward-looking statements may be identified by the use of words such as “estimate,” “plan,” “project,” “forecast,” “intend,” “will,” “expect,” “anticipate,” “believe,” “seek,” “target,” “designed to” or other similar expressions that predict or indicate future events or trends or that are not statements of historical facts. In addition, any statements that refer to projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements.

Forward-looking statements are subject to known and unknown risks and uncertainties and are based on potentially inaccurate assumptions that could cause actual results to differ materially from those expected or implied by the forward-looking statements. Actual results could differ materially from those anticipated in forward-looking statements for many reasons, including the factors discussed under the “Risk Factors” section in the Company’s Annual Report on Form 20-F filed with the SEC and the other documents filed, or to be filed, by the Company with the SEC. These forward-looking statements are based on information available as of the date of this news release, and expectations, forecasts and assumptions as of that date involve a number of judgments, risks and uncertainties. Accordingly, forward-looking statements should not be relied upon as representing our views as of any subsequent date, and we do not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date they were made, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

EXHIBIT INDEX

| Exhibit No. | Description |
|--------------------|--|
| 23.1 | Consent of Marcum LLP. |
| 99.1 | Audited Financial Statements of Tanbreez Mining Greenland A/S for the years ended December 31, 2024 and 2023. |
| 99.2 | Unaudited Interim Financial Statements of Tanbreez Mining Greenland A/S for the half years ended June 30, 2024 and 2023. |
| 99.3 | Unaudited Pro Forma Condensed Financial Information. |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Critical Metals Corp.

By: /s/ Tony Sage

Name: Tony Sage

Title: Chief Executive Officer and
Executive Chairman

Date: March 28, 2025

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM'S CONSENT

We consent to the incorporation by reference in registration statement on Form S-8 (Reg. No. 333-280017) of Critical Metals Corp. (the "Company") of our report dated March 28, 2025, with respect to our audits of the financial statements of Tanbreez Mining Greenland A/S ("Tanbreez") as of December 31, 2024 and 2023, which report includes an explanatory paragraph as to Tanbreez's ability to continue as a going concern, appearing in the Report of Foreign Private Issuer on Form 6-K of the Company dated March 28, 2025.

/s/ Marcum LLP

Marcum LLP
Houston, Texas
March 28, 2025

TANBREEZ MINING GREENLAND A/S
FINANCIAL STATEMENTS AND REPORT FOR
THE YEAR END DECEMBER 31, 2024 AND 2023

TANBREEZ MINING GREENLAND A/S
Index to the Financial Statements

| | |
|---|------|
| Management Statement | F-3 |
| Report of Independent Registered Public Accounting Firm | F-4 |
| Statements of Comprehensive Loss | F-6 |
| Statements of Financial Position | F-7 |
| Statements of Changes in Equity | F-8 |
| Statements of Cash Flows | F-9 |
| Notes to the Financial Statements | F-10 |

MANAGEMENT'S STATEMENT

Today the Board of Directors and Executive Board have discussed and approved the Financial Statements of TANBREEZ MINING GREENLAND A/S for the financial year January 1st – December 31st, 2024, and 2023.

The Financial Statements are presented in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

In our opinion the Financial Statements give a true and fair view of the Company's assets, liabilities and financial position on December 31, 2024 and 2023, as well as the results of the Company's operations and cash flows for the financial year ended December 31, 2024, and 2023.

Nuuk, March 28, 2025

Executive Board:

Gregory Bennett Barnes

Board of Directors:

Bolette Erna Mage Nielsen
Chairman

Gregory Bennett Barnes

Antony William Paul Sage

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of
Tanbreez Mining Greenland A/S

Opinion on the Financial Statements

We have audited the accompanying statements of financial position of Tanbreez Mining Greenland A/S (the “Company”) as of December 31, 2024 and 2023, the related statements of comprehensive loss, changes in equity and cash flows for each of the two years in the period ended December 31, 2024 and 2023, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2024 and 2023, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Explanatory Paragraph – Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As more fully described in Note 2, the Company has a significant working capital deficiency, has incurred significant losses and needs to raise additional funds to meet its obligations and sustain its operations. These conditions raise substantial doubt about the Company’s ability to continue as a going concern. Management’s plans in regard to these matters are also described in Note 2. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Key Audit Matters

The key audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the board of directors and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of key audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the key audit matters below, providing separate opinions on the key audit matters or on the accounts or disclosures to which they relate.

Key Audit Matter Description

As of December 31, 2024 and 2023, the Company has deferred exploration and evaluation expenditure of DKK 219.5 million and DKK 203.04 million, respectively, which is assessed at least annually for impairment. We identified the asset as a significant portion of the Company's operations comprising the majority of assets as a key audit matter due to the significant nature of the transaction. The nonoperation of the plant has led to the impairment test being subject to significant judgements and estimates applied by management. This annual impairment test is considered to be a key audit matter due to the complexity of the accounting requirements and the significant judgement required in determining the key assumptions, including estimates of future mining volumes and prices, operating costs, capital expenditure and discount rate, to be used to estimate the recoverable amount.

How the Key Audit Matter Was Addressed in the Audit

Our audit procedures related to the evaluation of impairment of deferred exploration and evaluation expenditure, included the following, among others:

- We evaluated management's assessment on the impairment of deferred exploration and evaluation expenditure
- We involved the Marcum Valuation Group to assist in evaluation of the appropriateness of the weighted average cost of capital used and whether the rate applied in the valuation model is appropriate.
- We evaluated the appropriateness of the assumptions applied to key inputs such as mining volume and prices, operating costs, discount rates, which included comparing these inputs with externally derived data.
- We performed sensitivity analysis, which included assessing the effect of reasonable possible reductions in discount rates and forecast cash flows to evaluate the impact on the value of the mining project.
- We evaluated the adequacy of the financial statement disclosures.

/s/ Marcum LLP
Marcum LLP

We have served as the Company's auditor since 2024.

Houston, Texas
March 28, 2025

TANBREEZ MINING GREENLAND A/S
STATEMENTS OF COMPREHENSIVE LOSS
FOR THE YEAR ENDED DECEMBER 31, 2024 AND 2023

| | <u>Note</u> | <u>2024</u> <u>DKK</u> | <u>2023</u> <u>DKK</u> |
|--|-------------|---------------------------|---------------------------|
| Exploration expenditure expensed | | (4,446,213) | (2,405,397) |
| Legal fee | | (2,282,144) | (2,790,126) |
| Accounting and audit fees | | (2,649,975) | (634,268) |
| Other advisory fees | | (5,275) | (2,866) |
| Other administration expense | | (10,000) | (10,500) |
| Management service fee to parent company | | (1,201,746) | (1,164,754) |
| Occupancy expenses | | (500,253) | (504,097) |
| Other financial income | 4 | 6,038,670 | 5,183,412 |
| Other financial expenses | 5 | (432,461) | (165,510) |
| Loss before income tax | | (5,489,397) | (2,494,106) |
| Income tax expense | 6 | - | - |
| Loss after income tax | | (5,489,397) | (2,494,106) |
| Other comprehensive income | | - | - |
| Total comprehensive loss for the year | | (5,489,397) | (2,494,106) |
| Loss per share for the year | | | |
| Basic loss per share | 12 | (110) | (50) |
| Diluted loss per share | 12 | (110) | (50) |

The above Statements of Comprehensive Loss is to be read in conjunction with the Notes to the Financial Statements.

TANBREEZ MINING GREENLAND A/S
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024 AND 2023

| | <u>Note</u> | <u>2024</u> <u>DKK</u> | <u>2023</u> <u>DKK</u> |
|---|-------------|---------------------------|---------------------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash and cash equivalents | 7 | 335,358 | (36) |
| Total Current Assets | | 335,358 | (36) |
| Non-Current Assets | | | |
| Deferred exploration and evaluation expenditure | 8 | 219,533,759 | 203,035,744 |
| Total Non-Current Assets | | 219,533,759 | 203,035,744 |
| TOTAL ASSETS | | 219,869,117 | 203,035,708 |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Trade and other payables | 9 | 11,533,703 | 5,217,230 |
| Loan from Group companies | 10 | 195,697,346 | 179,691,013 |
| TOTAL LIABILITIES | | 207,231,049 | 184,908,243 |
| NET ASSETS | | 12,638,068 | 18,127,465 |
| EQUITY | | | |
| Share capital | 11 | 5,000,000 | 5,000,000 |
| Share premium | | 45,500,000 | 45,500,000 |
| Accumulated deficit | | (37,861,932) | (32,372,535) |
| TOTAL EQUITY | | 12,638,068 | 18,127,465 |

The above Statements of Financial Position is to be read in conjunction with the Notes to the Financial Statements.

TANBREEZ MINING GREENLAND A/S
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

| | <u>Share capital</u> DKK | <u>Share Premium</u> DKK | <u>Accumulated deficit</u> DKK | <u>Total Equity</u> DKK |
|---------------------------------------|---------------------------------|---------------------------------|---------------------------------------|--------------------------------|
| At January 1, 2023 | 5,000,000 | 45,500,000 | (29,878,429) | 20,621,571 |
| Loss for the year | - | - | (2,494,106) | (2,494,106) |
| Total comprehensive loss for the year | - | - | (2,494,106) | (2,494,106) |
| At December 31, 2023 | 5,000,000 | 45,500,000 | (32,372,535) | 18,127,465 |
| At January 1, 2024 | 5,000,000 | 45,500,000 | (32,372,535) | 18,127,465 |
| Loss for the year | - | - | (5,489,397) | (5,489,397) |
| Total comprehensive loss for the year | - | - | (5,489,397) | (5,489,397) |
| At December 31, 2024 | 5,000,000 | 45,500,000 | (37,861,932) | 12,638,068 |

The above Statements of Changes in Equity is to be read in conjunction with the Notes to the Financial Statements.

TANBREEZ MINING GREENLAND A/S
STATEMENTS OF CASH FLOW
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

| | <u>Note</u> | <u>2024</u> <u>DKK</u> | <u>2023</u> <u>DKK</u> |
|--|-------------|---------------------------|---------------------------|
| Cashflow from operating activities | | | |
| Payments to suppliers | 14 | (5,210,334) | (3,059,804) |
| Net cash used in operating activities | | (5,210,334) | (3,059,804) |
| Cash flows used in investing activities | | | |
| Payment for exploration and evaluation | 8 | (16,498,015) | (2,077,960) |
| Cash flows used in investing activities | | (16,498,015) | (2,077,960) |
| Cash flows from financing activities | | | |
| Loan proceeds from Group companies | 10 | 22,043,743 | 5,137,262 |
| Net cash provided by financing activities | | 22,043,743 | 5,137,262 |
| Net increase/(decrease) in cash and cash equivalents | | 335,394 | (502) |
| Cash and cash equivalents at beginning of year | | (36) | 466 |
| Cash and cash equivalents at end of year | | 335,358 | (36) |

The above Statements of Cash Flows is to be read in conjunction with the Notes to the Financial Statements.

TANBREEZ MINING GREENLAND A/S
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

1. CORPORATE INFORMATION

Tanbreez Mining Greenland A/S (the “Company”, or “Tanbreez”) is a Private Limited Company incorporated and domiciled in Greenland. The Company is registered with number A/S469935 and registered office at Noorlernut 0100-001, P.O. Box 1815, 39 Nuuk, Greenland. The majority shareholder of the Company is Rimbal Pty Ltd (the “Parent”, or “Rimbal”), a Proprietary Limited Company incorporated in Australia. The principal activities of the Company are the extracting of raw material to trade and other related activities.

The exploration activities of the Company is conducted under an exploration license (2006-04) located in Greenland obtained in 2001 by the Parent and transferred to the Company in 2011 (the “Tanbreez Project”). The Company obtained a 30-year exploitation license (2020-54) in September 2020 for the Tanbreez Project. The exploitation permit gives the Company the right to exploit rare earth elements found in the eudialyte mineral. The Company is currently focused on developing the Tanbreez Project.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

a) Basis of preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The Company is a for-profit entity for the purpose of preparing the financial statements.

The financial statements are presented in Danish Kroner (DKK), which is also the Company’s functional currency.

The financial statements have also been prepared on the accruals basis and historical cost basis.

The accounting policies set out below have been applied consistently to all periods presented in the financial report except where stated.

b) Going Concern

The financial statements of the Company have been prepared on a going concern basis which contemplates the continuity of normal business activities and the realization of assets and the settlement of liabilities in the ordinary course of business.

For the year ended 31 December 2024, the Company incurred a loss after income tax of DKK 5,489,397 (31 December 2023: DKK 2,494,106), net cash outflows from operating activities of DKK 5,210,334 (31 December 2023: DKK 3,059,804), a working capital deficit (excluding loans with Group companies) of DKK 11,198,345 (31 December 2023: DKK 5,217,266) and at that date had cash on hand of DKK 335,358 (31 December 2023: DKK 36 negative).

On July 19, 2024, Critical Metals Corp (“Critical Metals” or “CRML”) signed an amended and restated Heads of Agreement (“HOA”) with the Parent, pursuant to which CRML would acquire up to a 92.50% interest in the Company. CRML currently holds 42% of the issued capital of the Company. Under the terms of the HOA, Critical Metals is required to invest expenditure of US\$10 million on exploration expenditure within 2 years from the date of the HOA in order to have the right to acquire from the Parent an additional 50.50% equity interest in Tanbreez in exchange for ordinary shares of CRML with a value equal to \$116.0 million at such time.

The Company's ability to continue as a going concern and to continue to fund its planned expanded activities is dependent on raising further capital, funds received from Critical Metals, continued support from related party creditors, continued support from nonrelated parties in respect to the payment of overdue amounts and reducing operational costs and spend on exploration.

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

The Directors believe that it is reasonably foreseeable that the Company will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following factors:

- Funding from Critical Metals pursuant to the HOA; and
- Ability to defer exploration expenditures.

Should the Company not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the Company not continue as a going concern.

c) Application of new and revised accounting standards

Changes in accounting policies on initial application of accounting standards

During the year ended 31 December 2024, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the IASB that are relevant to the Company and effective for the full year reporting periods beginning on or after 1 January 2024. As a result of this review, the Directors have applied all new and amended Standards and Interpretations that were effective as at 1 January 2024 as set out below:

| Title | Summary | Application date for the Company |
|---|---|----------------------------------|
| Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) | The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy. Examples of when an accounting policy is likely to be material are added. To support the amendment, the Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2. This standard has not had a material impact on the Company's financial statements and disclosures | 1 January 2024 |

New accounting standards and interpretation not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Company. The Group's assessment of the impact of these new standards and interpretations has not identified any impact.

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

d) Significant accounting judgement, estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Deferred exploration and evaluation expenditure

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgement in determining whether it is likely that future economic benefits are likely from future exploitation or sale or where activities have not reached a stage which permits a reasonable assumption of the existence of reserves.

Determining of functional and presentation currency

The financial statements are presented in Danish Kroner ("DKK"). The Company is organized under the laws of Greenland and the Company's common shares are issued in accordance with Greenland Laws and denominated in DKK. Based on the primary indicators in IAS 21 The Effects of Change in Foreign Exchange Rates, the Danish Kroner has been determined as the functional currency of the Company, because Danish Kroner is the primary economic environment in which an entity operates and the one in which it primarily generates and expends cash. The primary economic environment is Greenland and the currency of Greenland is DKK. Therefore the functional and presentation currency of the Company has been determined to be DKK reflecting the current principal equity, financing structure and economic environment.

Income taxes

The Company is subject to income taxes in Greenland where it has its operations.

Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company estimates its tax liabilities based on the Company's understanding of the tax laws in Greenland. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

The Company recognises deferred tax assets relating to carried forward tax losses to the extent there are sufficient taxable temporary differences (deferred tax liabilities) relating to the same taxation authority against which the unused tax losses can be utilised. However, utilisation of the tax losses also depends on the ability of the entity to satisfy certain tests at the time the losses are recouped.

Deferred taxation

Potential future income tax benefits have not been brought to account at December 31, 2024 and 2023 because the Directors do not believe that it is appropriate to regard realisations of future income tax benefits as probable within the next 3 - 5 years.

e) Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

f) Impairment of assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless that asset's value in use cannot be estimated to be close to its fair value less costs to sell and it does not generate cash inflows that are largely independent of those from other assets or group of assets. In which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying value does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

During the years ended December 31, 2024 and 2023 the Company has undertaken a review for the impairment of assets and not identified any triggers of impairment.

g) Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred tax is provided on all temporary differences at the reporting date between the tax basis of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences except:

- When the deferred tax liability arises from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither the accounting profit nor taxable profit or loss; or
- When the taxable temporary difference arises from the initial recognition of goodwill; or
- When the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which the deductible temporary differences or unused tax losses and tax offsets can be utilised, except:

- When the deductible temporary difference giving rise to the asset arises from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither accounting profit nor taxable income; or
- When the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset when they relate to the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

h) Foreign Currency

All foreign currency transactions occurring during the financial year are recognised at the exchange rate in effect at the date of the transaction. Foreign currency monetary items at reporting date are translated at the exchange rate existing at reporting date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Exchange differences are recognised in the profit or loss in the period in which they arise except those exchange differences which relate to assets under construction for future productive use which are included in the cost of those assets where they are regarded as an adjustment to interest costs on foreign currency borrowings.

i) Trade and other payables

Trade payables and other accounts payable are carried at amortised cost and represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of those goods and services.

j) Loans from Group Companies

Loans from Group Companies refer to entities that are either directly or indirectly controlled by the parent company or are under common control within the same group structure.

Loans from Group Companies are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Loans from Group Companies are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statement of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

During the years ended December 31, 2024 and 2023 the loans from Group Companies are not interest bearing and payable on demand.

k) Exploration and evaluation expenditure

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

- the rights to tenure of the area of interest are current; and
- at least one of the following conditions is also met:
 - o the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or
 - o exploration and evaluation activities in the area of interest have not at the balance date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortised of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

During years ended December 31, 2024 and 2023 the Company has undertaken a review for the impairment of assets and not identified any triggers of impairment.

l) Share capital

Ordinary shares are classified as equity.

m) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Board of Directors who is responsible for making strategic decisions.

3. SEGMENT INFORMATION

IFRS 8 Operating Segments requires operating segments to be identified on the basis of internal reports that are regularly reviewed by the Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. In the case of the Company the CODM are the executive management team and all information reported to the CODM is based on the results of the Company as one operating segment, as the Company's activities relate to mineral exploration. Accordingly, the Company has only one reportable segment.

4. FINANCIAL INCOME

| | <u>2024</u> | <u>2023</u> |
|---|------------------|------------------|
| | DKK | DKK |
| Unrealized foreign exchange gains (note 10) | 6,037,410 | 5,183,412 |
| Bank interest received | 1,260 | - |
| | <u>6,038,670</u> | <u>5,183,412</u> |

5. FINANCIAL EXPENSES

| | <u>2024</u> | <u>2023</u> |
|---|------------------|------------------|
| | DKK | DKK |
| Interest expenses relating to creditor payments | (370,639) | (165,510) |
| Unrealized foreign exchange losses | (61,822) | - |
| | <u>(432,461)</u> | <u>(165,510)</u> |

6. INCOME TAX

| | <u>2024</u> | <u>2023</u> |
|--|-------------|-------------|
| | DKK | DKK |
| Income Tax Expense | | |
| Tax payable for the year | - | - |
| Change in deferred tax, current year | (139,320) | 547,691 |
| Change in deferred tax prior years and other adjustments | - | 5,143,189 |
| Adjustment for not capitalized deferred tax | 139,320 | (5,690,880) |
| | <u>-</u> | <u>-</u> |
| Income tax expense | <u>-</u> | <u>-</u> |

| | <u>2024</u> | <u>2023</u> |
|---|---------------------|---------------------|
| | DKK | DKK |
| Deferred tax | | |
| Deferred tax is per carrying item: | | |
| Exploration and evaluation costs | 54,883,440 | 50,758,936 |
| Unrealized exchange rate positions | 6,111,548 | 4,602,195 |
| Tax losses carried forward | <u>(64,698,664)</u> | <u>(58,925,488)</u> |
| Deferred tax | <u>(3,703,676)</u> | <u>(3,564,357)</u> |
| Adjustment for not capitalized deferred tax | <u>3,703,676</u> | <u>3,564,357</u> |
| Recognised deferred tax | <u>-</u> | <u>-</u> |

A reconciliation of income tax expense/(benefit) applicable to accounting profit/(loss) before income as at the statutory income tax rate to income tax expense/(benefit) at the Company's effective income tax rate for the year is as follows:

| | <u>2024</u> | <u>2023</u> |
|--|----------------|--------------------|
| | DKK | DKK |
| Loss for the year | (5,489,397) | (2,494,106) |
| Permanent adjustments (not tax deductible) | 4,932,119 | 4,684,869 |
| Adjustment for assessed value of tax losses carried forward Recognized as not recoverable within 3-5 years | <u>557,278</u> | <u>(2,190,763)</u> |
| Effective tax on taxable income | <u>-</u> | <u>-</u> |

All tax items are related to Greenland where the corporate income tax rate is 25%.

According to Greenland Tax legislation, tax losses can be carried forward indefinitely subject to the condition that the primary business objective of the Company remains the same and the shareholder structure remains the same as the period of the realized loss to the period where the loss is utilized. If changes occur in the primary business objective or shareholder structure, then the loss can be maintained subject to application and the determination of the Greenland Tax Agency. The Company has received approval from the Greenland Tax Agency confirming that the losses can be maintained following the heads of agreement entered into with Critical Metals on 19 July 2024 (refer to note 15).

This means that should the temporary differences related to the mine-asset and/or the unrealized exchange rate differences be realized, the tax losses can be utilized.

However, given the fact that the Company does not budget or expect a revenue stream within the next 3 – 5 years, the management has found that the net value of the deferred tax asset DKK 3,703,676 and DKK 3,564,357 should not be recognized in the financial statements for the periods ending December 31, 2024 and 2023 respectively.

7. CASH AND CASH EQUIVALENTS

| | <u>2024</u> | <u>2023</u> |
|--------------|----------------|-------------|
| | DKK | DKK |
| Cash at bank | <u>335,358</u> | <u>(36)</u> |
| | <u>335,358</u> | <u>(36)</u> |

Cash at bank earns interest at floating rates based on daily bank deposit rates.

8. DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

| | <u>2024</u> | <u>2023</u> |
|---------------------------------|---------------------------|---------------------------|
| | DKK | DKK |
| Balance at beginning of period | 203,035,744 | 200,957,784 |
| Expenditure incurred | 16,498,015 | 2,077,960 |
| Balance at end of period | <u>219,533,759</u> | <u>203,035,744</u> |

Deferred exploration and evaluation expenditure relates to a mining project in South Greenland. The Company holds an exploitation license for the project and intends to progress with the development of the Tanbreez Project. The recoupment of costs carried forward in relation to the area of interest in the exploration and evaluation phases is dependent upon the successful development and commercial exploitation or sale of the area.

9. TRADE AND OTHER PAYABLES

| | <u>2024</u> | <u>2023</u> |
|---|--------------------------|-------------------------|
| | DKK | DKK |
| Trade creditors | 10,952,117 | 5,159,187 |
| Trade creditors – related party (BMN Company ApS) | 38,829 | 58,043 |
| Accruals | 542,757 | - |
| Balance at end of period | <u>11,533,703</u> | <u>5,217,230</u> |

The Company's normal trade credit terms ranges from 30 to 60 days. Other credit terms are assessed and approved on a case-to-case basis.

10. GROUP COMPANIES

| | <u>2024</u> | <u>2023</u> |
|-----------------------------------|---------------------------|---------------------------|
| | DKK | DKK |
| Loans from Group Companies | | |
| Rimbal Pty Ltd | 189,622,505 | 178,229,077 |
| Westrip Holdings Ltd | 1,464,582 | 1,461,936 |
| Critical Metals Corp | 4,610,259 | - |
| Balance at end of period | <u>195,697,346</u> | <u>179,691,013</u> |
| | <u>2024</u> | <u>2023</u> |
| | DKK | DKK |
| Balance at beginning of period | 179,691,013 | 179,737,163 |
| Drawdown on loan | 22,043,743 | 5,137,262 |
| Foreign exchange | (6,037,410) | (5,183,412) |
| Balance at end of period | <u>195,697,346</u> | <u>179,691,013</u> |

Group companies refer to entities that are either directly or indirectly controlled by the parent company or are under common control within the same group structure and measured at amortised cost.

11. SHARES

| | <u>2024</u> | <u>2024</u> |
|-------------------------------|---------------|------------------|
| | No of Shares | DKK |
| Opening balance | 50,000 | 5,000,000 |
| Balance at end of year | 50,000 | 5,000,000 |

| | <u>2023</u> | <u>2023</u> |
|-------------------------------|---------------|------------------|
| | No of Shares | DKK |
| Opening balance | 50,000 | 5,000,000 |
| Balance at end of year | 50,000 | 5,000,000 |

Terms and conditions of contributed equity

Fully paid ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from sale of all surplus assets in proportion to the number of paid up shares held.

Fully paid ordinary shares entitle their holder to one vote, either in person or by proxy, at any shareholders' meeting of the Company.

At 31 December 2024 and 2023, all shares on issue in the Company are fully paid.

12. LOSS

| | <u>2024</u> | <u>2023</u> |
|---|-------------|-------------|
| | DKK | DKK |
| Loss used in the calculation of basic and dilutive loss per share | (5,489,397) | (2,494,106) |

| | <u>2024</u> | <u>2023</u> |
|------------------------|-------------|-------------|
| | DKK | DKK |
| Loss per share | | |
| Basic loss per share | (110) | (50) |
| Diluted loss per share | (110) | (50) |

| | <u>2024</u> | <u>2023</u> |
|-----------------------------------|--------------|--------------|
| | No of Shares | No of Shares |
| Weighted average number of shares | 50,000 | 50,000 |

13. COMMITMENTS AND CONTINGENCIES

Exploration Commitments

On October 11, 2024 the Government of Greenland signed addendum no. 4 to license no. 2020-54 with approval of the following time limits:

- The exploitation plan and closure plan shall be prepared no later than December 31, 2025.

- Financial security and company guarantee for the licensee’s fulfillment of obligations under and in relation to license 2020-54 shall be provided no later than June 30, 2026.
- No later than December 31, 2028 the licensee shall commence exploitation.

Contingencies

The Company has no contingent liabilities as at 31 December 2024 (31 December 2023: Nil).

14. CASHFLOW INFORMATION

| | <u>2024</u> | <u>2023</u> |
|--|---------------------------|---------------------------|
| | DKK | DKK |
| Reconciliation from net loss after tax to net cash used in operations | | |
| Net loss | (5,489,397) | (2,494,106) |
| Unrealized gain on foreign currency | (6,037,410) | (5,183,412) |
| Change in trade payables | <u>6,316,473</u> | <u>4,617,714</u> |
| Net cash (used in) operating activities | <u>(5,210,334)</u> | <u>(3,059,804)</u> |

15. RELATED PARTIES AND INTERCOMPANY TRANSACTIONS

Rimbal Pty Ltd (Rimbal)

The Company has entered into a management service agreement with Rimbal, which is a related party due to common ownership. Under the terms of the agreement, Rimbal provides management, administrative, and support services to the entity. The key terms of the agreement include:

- The payment terms of the agreement state that invoices must be paid within 14 days of receipt, and all sums payable shall be made in Australian Dollars (“AUD”). The agreement is renewable annually, subject to mutual consent.
- As per December 31 each year the Parties shall adjust the Service Fee for the past year in order for the total annual Service Fee to reflect the actual costs incurred by Rimbal and the actual benefit of the Company in the past year. Moreover, the Parties shall re-evaluate and agree on a preliminary Service Fee (“Preliminary Service Fee”) for the following year reflect the expected benefit for the Company and any salary adjustments of the Rimbal management and all other relevant facts and circumstances and the estimated costs in providing the Services.

The Company has entered into a “Cost Contribution Agreement” with Rimbal dated July 11, 2014. The key terms of the agreement include:

- Rent is charged by Rimbal to Tanbreez and is calculated at arms-length and consistent with the office space that is occupied and used by Tanbreez.
- Management service fees are charged by Rimbal to Tanbreez
- The Cost Contribution Agreement is ongoing and can be terminated by either party by providing 3 months written notice.

During the year ended 31 December 2024, Rimbal recharged expenses, consulting fees, rent and other expenses to the Company of DKK 13,615,707 (31 December 2023: DKK 6,354,698).

As at 31 December 2024, the amount owing to Rimbal is DKK 189,622,505 (31 December 2023: DKK 178,229,077) (refer note 10).

As at 31 December 2024, Rimbal currently holds 50.5% of the issued capital of the Company.

Westrip Holdings Ltd (Westrip)

Westrip Holdings Ltd acted as a vehicle to fund the development of the Tanbreez Project license, previously owned by Rimbal. The management of the Tanbreez Project was transferred to Rimbal's Perth office. Subsequently, all rights previously held by Westrip were transferred to Rimbal. Westrip's sole remaining activity relates to the recovery of funds. These funds are being repaid to Rimbal via legal arrangements facilitated by the Company's legal counsel.

During the year ended 31 December 2024, Westrip recharged amounts to the Company of DKK 2,294 (31 December 2023: nil).

As at 31 December 2024, the amount owing to Westrip is DKK 1,464,582 (31 December 2023: DKK 1,461,936) (refer note 10).

BMN Company ApS (BMN)

BMN Company ApS (BMN) engages with Rimbal in connection with project-related transactions and services.

During the year ended 31 December 2024, BMN recharged amounts to the Company of DKK 88,715 (31 December 2023: nil).

As at 31 December 2024, the amount owing to BMN is DKK 38,829 (31 December 2023: DKK 58,043) (refer note 9).

Critical Metals Corp (CRML)

On July 19, 2024, CRML entered into the HOA with the Parent, pursuant to which CRML would acquire up to a 92.50% interest in the Company. CRML currently holds 42% of the issued capital of the Company. Under the terms of the HOA, Critical Metals is required to invest expenditure of US\$10 million on exploration expenditure within 2 years from the date of the HOA in order to have the right to acquire from the Parent an additional 50.50% equity interest in Tanbreez in exchange for ordinary shares of CRML with a value equal to \$116.0 million at such time.

During the year ended 31 December 2024, CRML advanced funds of DKK 4,609,876 (31 December 2023: nil) to the Company under the terms of the HOA.

As at 31 December 2024, the amount advanced by CRML to the Company was DKK 4,610,259 (31 December 2023: nil).

European Lithium Ltd

As at 31 December 2024, European Lithium Ltd (ASX: EUR) holds approximately 74% of the issued capital of Critical Metals. On 5 October 2022, the Company entered into a binding term sheet with EUR to acquire 5% of the issued capital of Tanbreez from Rimbal. On 6 February 2023, the Company entered into a second binding term sheet with EUR to acquire an additional 2.5% of the issued capital of Tanbreez from Rimbal. EUR currently holds 7.5% of the issued capital of the Company.

16. FINANCIAL INSTRUMENTS

a) Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which revenues and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2 to the financial statements.

b) Financial risk exposures and management

The main risks the Company is exposed to through its financial instruments are credit risk, foreign currency risk, and liquidity risk.

c) Credit risk exposures

Credit risk represents the loss that would be recognised if the counterparties default on their contractual obligations resulting in financial loss to the Company. The Company has adopted the policy of only dealing with creditworthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults.

Cash at bank is held with high credit quality financial institutions.

d) Liquidity risk

The Company manages liquidity risk by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities. Surplus funds are generally only invested in short term bank deposits.

Contractual maturities of financial liabilities

| | | Less than 6 months DKK | 6 - 12 months DKK | Between 1 and 2 years DKK | Between 2 and 5 years DKK | Over 5 years DKK | Total contractual cashflows DKK | Carrying amount of liabilities DKK |
|------------------------------|-------------|---------------------------------------|----------------------------------|--|--|---------------------------------|--|---|
| Financial Liabilities | | | | | | | | |
| Trade and other payables | 2024 | 11,533,703 | - | - | - | - | 11,533,703 | 11,533,703 |
| Loan from Group companies | 2024 | 195,697,346 | - | - | - | - | 195,697,346 | 195,697,346 |
| Trade and other payables | 2023 | 5,217,230 | - | - | - | - | 5,217,230 | 5,217,230 |
| Loan from Group companies | 2023 | 179,691,013 | - | - | - | - | 179,691,013 | 179,691,013 |
| Total | 2024 | 207,231,049 | - | - | - | - | 207,231,049 | 207,231,049 |
| | 2023 | 184,908,243 | - | - | - | - | 184,908,243 | 184,908,243 |

e) Foreign currency risk

The Company operates internationally and is exposed to foreign exchange risk arising from commercial transactions. The Group converted assets and liabilities into the functional currency where balances were denominated in a currency other than the DKK.

f) Overview of financial instruments

Set out below is an overview of financial instruments, other than cash and short-term deposits, held by the Company as at 31 December 2024:

| | At Amortised Cost DKK | Fair Value | |
|------------------------------|-----------------------------|----------------------------------|---|
| | | Through profit or loss DKK | Through other comprehensive income DKK |
| Financial liabilities | | | |
| Trade and other payables | 11,533,703 | - | - |
| Loan from Group companies | 195,697,346 | - | - |
| Total liabilities | 207,231,049 | - | - |

Set out below is an overview of financial instruments, other than cash and short-term deposits, held by the Company as at 31 December 2023:

| | At Amortised Cost DKK | Fair Value | |
|------------------------------|-----------------------------|----------------------------------|---|
| | | Through profit or loss DKK | Through other comprehensive income DKK |
| Financial liabilities | | | |
| Trade and other payables | 5,217,230 | - | - |
| Loan from Group companies | 179,691,013 | - | - |
| Total liabilities | 184,908,243 | - | - |

17. EVENTS AFTER THE REPORTING DATE

On 13 March 2025, Critical Metals announced the maiden mineral resource estimate (MRE) in accordance with Regulation SK-1300 for the Tanbreez Project.

No other matters or circumstances have arisen since the end of the financial year which significantly altered or may significantly alter the operations of the Company, the results of those operations or the state of affairs of the Company in financial years subsequent to 31 December 2024.

TANBREEZ MINING GREENLAND A/S
FINANCIAL STATEMENTS AND REPORT FOR
THE HALF YEAR ENDED JUNE 30, 2024 AND 2023

TANBREEZ MINING GREENLAND A/S
Index to the Financial Statements

| | |
|---|-----|
| Management Statement | F-3 |
| Statement of Comprehensive Loss | F-4 |
| Statements of Financial Position | F-5 |
| Statements of Changes in Equity | F-6 |
| Statements of Cash Flows | F-7 |
| Notes to the Financial Statements | F-8 |

MANAGEMENT'S STATEMENT

Today the Board of Directors and the Executive Board have discussed and approved the Financial Statements of TANBREEZ MINING GREENLAND A/S for the period January 1st – June 30th, 2024, and 2023.

The Financial Statements are presented in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

In our opinion, the Financial Statements give a true and fair view of the Company's assets, liabilities and financial position on June 30, 2024 and 2023, as well as the results of the Company's operations and cash flows for the periods ended June 30, 2024, and 2023.

Nuuk, March 28, 2025

Executive Board:

Gregory Bennett Barnes

Board of Directors:

Bolette Erna Maqe Nielsen
Chairman

Gregory Bennett Barnes

Antony William Paul Sage

TANBREEZ MINING GREENLAND A/S
STATEMENTS OF COMPREHENSIVE LOSS
FOR THE HALF YEAR ENDED JUNE 30, 2024 AND 2023 (UNAUDITED)

| | <u>Note</u> | <u>JUNE 2024</u> <u>DKK</u> | <u>JUNE 2023</u> <u>DKK</u> |
|---|-------------|--------------------------------|--------------------------------|
| Exploration expenditure expensed | | (4,362,983) | (772,526) |
| Legal fee | | (1,684,361) | (2,827,398) |
| Accounting and audit fees | | (129,345) | (568,693) |
| Other advisory fees | | (3,706) | (654) |
| Other administration expense | | (5,000) | (3,000) |
| Management service fee to parent company | | (481,451) | (637,937) |
| Occupancy expenses | | (249,806) | (252,049) |
| Other financial income | 4 | 37,440 | 2,100,672 |
| Other financial expenses | 5 | (266,841) | (1,602) |
| Loss before income tax | | (7,146,053) | (2,963,187) |
| Income tax expense | 6 | - | - |
| Loss after income tax | | (7,146,053) | (2,963,187) |
| Other comprehensive income | | - | - |
| Total comprehensive loss for the half year | | (7,146,053) | (2,963,187) |
| Loss per share for the half year | | | |
| Basic loss per share | 12 | (143) | (59) |
| Diluted loss per share | 12 | (143) | (59) |

The above Statements of Comprehensive Loss is to be read in conjunction with the Notes to the Financial Statements.

TANBREEZ MINING GREENLAND A/S
STATEMENTS OF FINANCIAL POSITION
AS AT JUNE 30, 2024 AND DECEMBER 31, 2023 (UNAUDITED)

| | <u>Note</u> | <u>JUNE 2024</u> <u>DKK</u> | <u>DECEMBER 2023</u> <u>DKK</u> |
|---|-------------|--------------------------------|------------------------------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash and cash equivalents | 7 | 343 | (36) |
| Total Current Assets | | 343 | (36) |
| Non-Current Assets | | | |
| Deferred exploration and evaluation expenditure | 8 | 204,678,645 | 203,035,744 |
| Total Non-Current Assets | | 204,678,645 | 203,035,744 |
| TOTAL ASSETS | | 204,678,988 | 203,035,708 |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Trade and other payables | 9 | 1,724,815 | 5,217,230 |
| Loan from Group companies | 10 | 191,972,761 | 179,691,013 |
| TOTAL LIABILITIES | | 193,697,576 | 184,908,243 |
| NET ASSETS | | 10,981,412 | 18,127,465 |
| EQUITY | | | |
| Share capital | 11 | 5,000,000 | 5,000,000 |
| Share premium | | 45,500,000 | 45,500,000 |
| Accumulated deficit | | (39,518,588) | (32,372,535) |
| TOTAL EQUITY | | 10,981,412 | 18,127,465 |

The above Statements of Financial Position is to be read in conjunction with the Notes to the Financial Statements.

TANBREEZ MINING GREENLAND A/S
STATEMENTS OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED JUNE 30, 2024 AND 2023 (UNAUDITED)

| DKK | Share capital | Share Premium | Accumulated Deficit | Total Equity |
|--|--------------------------|--------------------------|--------------------------------|-------------------------|
| At January 1, 2023 | 5,000,000 | 45,500,000 | (29,878,429) | 20,621,571 |
| Loss for the period | - | - | (2,963,187) | (2,963,187) |
| Total comprehensive loss for the half year | - | - | (2,963,187) | (2,963,187) |
| At June 30, 2023 | 5,000,000 | 45,500,000 | (32,841,616) | 17,658,384 |
| At January 1, 2024 | 5,000,000 | 45,500,000 | (32,372,535) | 18,127,465 |
| Loss for the period | - | - | (7,146,053) | (7,146,053) |
| Total comprehensive loss for the half year | - | - | (7,146,053) | (7,146,053) |
| At June 30, 2024 | 5,000,000 | 45,500,000 | (39,518,588) | 10,981,412 |

The above Statements of Changes in Equity is to be read in conjunction with the Notes to the Financial Statements.

TANBREEZ MINING GREENLAND A/S
STATEMENTS OF CASH FLOW
FOR THE HALF YEAR ENDED JUNE 30, 2024 AND 2023 (UNAUDITED)

| | <u>Note</u> | <u>JUNE 2024</u> DKK | <u>JUNE 2023</u> DKK |
|---|-------------|----------------------------|---------------------------|
| Cashflow from operating activities | | | |
| Payments to suppliers | 14 | (10,432,369) | (89,695) |
| Net cash used in operating activities | | <u>(10,432,369)</u> | <u>(89,695)</u> |
| Cash flows used in investing activities | | | |
| Payment for exploration and evaluation | 8 | (1,642,901) | (1,175,989) |
| Cash flows used in investing activities | | <u>(1,642,901)</u> | <u>(1,175,989)</u> |
| Cash flows from financing activities | | | |
| Loan proceeds from Group companies | 10 | 12,075,649 | 1,266,083 |
| Net cash provided by financing activities | | <u>12,075,649</u> | <u>1,266,083</u> |
| Net increase in cash and cash equivalents | | 379 | 399 |
| Cash and cash equivalents at beginning of year | | (36) | 466 |
| Cash and cash equivalents at end of period | | <u>343</u> | <u>865</u> |

The above Statements of Cash Flows is to be read in conjunction with the Notes to the Financial Statements.

TANBREEZ MINING GREENLAND A/S
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED JUNE 30, 2024 and 2023 AND DECEMBER 31, 2024 (UNAUDITED)

1. CORPORATE INFORMATION

Tanbreez Mining Greenland A/S (the “Company”, or “Tanbreez”) is a Private Limited Company incorporated and domiciled in Greenland. The Company is registered with number A/S469935 and registered office at Noorlernut 0100-001, P.O. Box 1815, 39 Nuuk, Greenland. The majority shareholder of the Company is Rimbal Pty Ltd (the “Parent”, or “Rimbal”), a Proprietary Limited Company incorporated in Australia. The principal activities of the Company are the extracting of raw material to trade and other related activities.

The mining activities of the Company is conducted under an exploration license (2006-04) obtained in 2001 by the Parent and transferred to the Company in 2011 (the “Tanbreez Project”). The Company obtained a 30-year exploitation license (2020-54) in September 2020 for the Tanbreez Project. The exploitation permit gives Tanbreez Mining Greenland A/S the right to exploit elements found in the eudialyte mineral. The Company is currently focused on developing the Tanbreez rare earths project in Greenland.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

a) Basis of preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The Company is a for-profit entity for the purpose of preparing the financial statements.

The financial statements are presented in Danish Kroner (DKK), which is also the Company’s functional currency.

The financial statements has also been prepared on the accruals basis and historical cost basis.

The accounting policies set out below have been applied consistently to all periods presented in the financial report except where stated.

b) Going Concern

The financial statements of the Company have been prepared on a going concern basis which contemplates the continuity of normal business activities and the realization of assets and the settlement of liabilities in the ordinary course of business.

For the half year ended 30 June 2024, the Company incurred a loss after income tax of DKK 7,146,053 (30 June 2023: DKK 2,963,187), net cash outflows from operating activities of DKK 10,432,369 (30 June 2023: DKK 89,695), a working capital deficit (excluding loans with Group companies) of DKK 1,724,815 (31 December 2023: DKK 5,217,230) and at that date had cash on hand of DKK 343 (31 December 2023: DKK 36 negative).

On July 19, 2024, Critical Metals Corp (“Critical Metals” or “CRML”) signed an amended and restated Heads of Agreement (“HOA”) with the Parent, pursuant to which CRML would acquire up to a 92.50% interest in the Company. CRML currently holds 42% of the issued capital of the Company. Under the terms of the HOA, Critical Metals is required to invest expenditure of US\$10 million on exploration expenditure within 2 years from the date of the HOA in order to have the right to acquire from the Parent an additional 50.50% equity interest in Tanbreez in exchange for ordinary shares of CRML with a value equal to \$116.0 million at such time.

The Company’s ability to continue as a going concern and to continue to fund its planned expanded activities is dependent on raising further capital, funds received from Critical Metals, continued support from related party creditors, continued support from nonrelated parties in respect to the payment of overdue amounts and reducing operational costs and spend on exploration.

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

The Directors believe that it is reasonably foreseeable that the Company will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following factors:

- Funding from Critical Metals pursuant to the HOA; and
- Ability to defer exploration expenditures.

Should the Company not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the Company not continue as a going concern.

c) Application of new and revised accounting standards

Changes in accounting policies on initial application of accounting standards

During the half year ended 30 June 2024, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the IASB that are relevant to the Company and effective for the full year reporting periods beginning on or after 1 January 2024. As a result of this review, the Directors have applied all new and amended Standards and Interpretations that were effective as at 1 January 2024 as set out below:

| Title | Summary | Application date for the Company |
|---|---|----------------------------------|
| Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) | The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy. Examples of when an accounting policy is likely to be material are added. To support the amendment, the Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2. This standard has not had a material impact on the Company's financial statements and disclosures | 1 January 2024 |

New accounting standards and interpretation not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2024 reporting periods and have not been early adopted by the Company. The Group's assessment of the impact of these new standards and interpretations has not identified any impact.

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

d) Significant accounting judgement, estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Deferred exploration and evaluation expenditure

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgement in determining whether it is likely that future economic benefits are likely from future exploitation or sale or where activities have not reached a stage which permits a reasonable assumption of the existence of reserves.

Determining of functional and presentation currency

The financial statements are presented in Danish Kroner ("DKK"). The Company is organized under the laws of Greenland and the Company's common shares are issued in accordance with Greenland Laws and denominated in DKK. Based on the primary indicators in IAS 21 The Effects of Change in Foreign Exchange Rates, the Danish Kroner has been determined as the functional currency of the Company, because Danish Kroner is the primary economic environment in which an entity operates and the one in which it primarily generates and expends cash. The primary economic environment is Greenland and the currency of Greenland is DKK. Therefore the functional and presentation currency of the Company has been determined to be DKK reflecting the current principal equity, financing structure and economic environment.

Income taxes

The Company is subject to income taxes in Greenland where it has its operations.

Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company estimates its tax liabilities based on the Company's understanding of the tax laws in Greenland. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

The Company recognises deferred tax assets relating to carried forward tax losses to the extent there are sufficient taxable temporary differences (deferred tax liabilities) relating to the same taxation authority against which the unused tax losses can be utilised. However, utilisation of the tax losses also depends on the ability of the entity to satisfy certain tests at the time the losses are recouped.

Deferred taxation

Potential future income tax benefits have not been brought to account at June 30, 2024 and 2023 because the Directors do not believe that it is appropriate to regard realisations of future income tax benefits as probable within the next 3 – 5 years.

e) Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

f) Impairment of assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless that asset's value in use cannot be estimated to be close to its fair value less costs to sell and it does not generate cash inflows that are largely independent of those from other assets or group of assets. In which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying value does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

During the half year ended June 30, 2024 and 2023 the Company has undertaken a review for the impairment of assets and not identified any triggers of impairment.

g) Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences except:

- When the deferred tax liability arises from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither the accounting profit nor taxable profit or loss; or
- When the taxable temporary difference arises from the initial recognition of goodwill; or
- When the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which the deductible temporary differences or unused tax losses and tax offsets can be utilised, except:

- When the deductible temporary difference giving rise to the asset arises from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither accounting profit nor taxable income; or
- When the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset when they relate to the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

h) Foreign Currency

All foreign currency transactions occurring during the financial year are recognised at the exchange rate in effect at the date of the transaction. Foreign currency monetary items at reporting date are translated at the exchange rate existing at reporting date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Exchange differences are recognised in the profit or loss in the period in which they arise except those exchange differences which relate to assets under construction for future productive use which are included in the cost of those assets where they are regarded as an adjustment to interest costs on foreign currency borrowings.

i) Trade and other payables

Trade payables and other accounts payable are carried at amortised cost and represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of those goods and services.

j) Loans from Group Companies

Loans from Group Companies refer to entities that are either directly or indirectly controlled by the parent company or are under common control within the same group structure.

Loans from Group Companies are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Loans from Group Companies are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statement of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

During the half year ended June 30, 2024 and 2023 the loans from Group Companies are not interest bearing and payable on demand.

k) Exploration and evaluation expenditure

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

- the rights to tenure of the area of interest are current; and
- at least one of the following conditions is also met:
 - o the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or
 - o exploration and evaluation activities in the area of interest have not at the balance date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortised of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

During the half year ended June 30, 2024 and 2023 the Company has undertaken a review for the impairment of assets and not identified any triggers of impairment.

l) Share capital

Ordinary shares are classified as equity.

m) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Board of Directors who is responsible for making strategic decisions.

3. SEGMENT INFORMATION

IFRS 8 Operating Segments requires operating segments to be identified on the basis of internal reports that are regularly reviewed by the Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. In the case of the Company the CODM are the executive management team and all information reported to the CODM is based on the results of the Company as one operating segment, as the Company's activities relate to mineral exploration. Accordingly, the Company has only one reportable segment.

4. FINANCIAL INCOME

| | HALF YEAR ENDED 30 JUNE 2024 DKK | HALF YEAR ENDED 30 JUNE 2023 DKK |
|---|--|--|
| Unrealized foreign exchange gains | - | 2,100,671 |
| Interest income relating to creditor payments | 37,440 | - |
| Bank interest received | - | 1 |
| | <u>37,440</u> | <u>2,100,672</u> |

5. FINANCIAL EXPENSES

| | HALF YEAR ENDED 30 JUNE 2024 DKK | HALF YEAR ENDED 30 JUNE 2023 DKK |
|---|--|--|
| Interest expenses relating to creditor payments | (621) | (1,602) |
| Other foreign exchange movements | (60,121) | - |
| Unrealized foreign exchange losses | (206,099) | - |
| | <u>(266,841)</u> | <u>(1,602)</u> |

6. INCOME TAX

A reconciliation of income tax expense/(benefit) applicable to accounting profit/(loss) before income as at the statutory income tax rate to income tax expense/(benefit) at the Company's effective income tax rate for the year is as follows:

| | HALF YEAR ENDED 30 JUNE 2024 DKK | HALF YEAR ENDED 30 JUNE 2023 DKK |
|--|--|--|
| Loss for the year | (7,146,053) | (2,963,187) |
| Permanent adjustments (not tax deductible) | 1,813,705 | 4,955,284 |
| Adjustment for assessed value of tax losses carried forward Recognized as not recoverable within 3-5 years | 5,332,348 | 1,992,097 |
| Effective tax on taxable income | <u>-</u> | <u>-</u> |

7. CASH AND CASH EQUIVALENTS

| | 30 JUNE | 31 DECEMBER |
|--------------|----------------|--------------------|
| | 2024 | 2023 |
| | DKK | DKK |
| Cash at bank | 343 | (36) |
| | 343 | (36) |

Cash at bank earns interest at floating rates based on daily bank deposit rates.

8. DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

| | 30 JUNE | 31 DECEMBER |
|---------------------------------|--------------------|--------------------|
| | 2024 | 2023 |
| | DKK | DKK |
| Balance at beginning of period | 203,035,744 | 200,957,784 |
| Expenditure incurred | 1,642,901 | 2,077,960 |
| Balance at end of period | 204,678,645 | 203,035,744 |

Deferred exploration and evaluation expenditure relates to a mining project in South Greenland. The Company holds an exploitation license for the project and intends to progress with the development of the Tanbreez Project. The recoupment of costs carried forward in relation to the area of interest in the exploration and evaluation phases is dependent upon the successful development and commercial exploitation or sale of the area.

9. TRADE AND OTHER PAYABLES

| | 30 JUNE | 31 DECEMBER |
|---|------------------|--------------------|
| | 2024 | 2023 |
| | DKK | DKK |
| Trade creditors | 1,740,616 | 5,159,187 |
| Trade creditors – related party (BMN Company ApS) | (15,801) | 58,043 |
| Balance at end of period | 1,724,815 | 5,217,230 |

The Company's normal trade credit terms ranges from 30 to 60 days. Other credit terms are assessed and approved on a case-to-case basis.

10. GROUP COMPANIES

| | 30 JUNE | 31 DECEMBER |
|-----------------------------------|--------------------|--------------------|
| | 2024 | 2023 |
| | DKK | DKK |
| Loans from Group Companies | | |
| Rimbal Pty Ltd | 190,508,179 | 178,229,077 |
| Westrip Holdings Ltd | 1,464,582 | 1,461,936 |
| Balance at end of period | 191,972,761 | 179,691,013 |

| | 30 JUNE 2024 | 31 DECEMBER 2023 |
|---------------------------------|-------------------------|-----------------------------|
| | DKK | DKK |
| Balance at beginning of period | 179,691,013 | 179,737,163 |
| Drawdown on loan | 12,075,649 | 5,137,262 |
| Foreign exchange | 206,099 | (5,183,412) |
| Balance at end of period | 191,972,761 | 179,691,013 |

Group companies refer to entities that are either directly or indirectly controlled by the parent company or are under common control within the same group structure and measured at amortised cost.

11. SHARES

| | 30 JUNE 2024 | 30 JUNE 2024 |
|---------------------------------|-------------------------|-------------------------|
| | No of Shares | DKK |
| Opening balance | 50,000 | 5,000,000 |
| Balance at end of period | 50,000 | 5,000,000 |

| | 31 DECEMBER 2023 | 31 DECEMBER 2023 |
|---------------------------------|-----------------------------|-----------------------------|
| | No of Shares | DKK |
| Opening balance | 50,000 | 5,000,000 |
| Balance at end of period | 50,000 | 5,000,000 |

Terms and conditions of contributed equity

Fully paid ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from sale of all surplus assets in proportion to the number of paid up shares held.

Fully paid ordinary shares entitle their holder to one vote, either in person or by proxy, at any shareholders' meeting of the Company.

At 30 June 2024 and 2023, all shares on issue in the Company are fully paid.

12. LOSS

| | HALF YEAR ENDED 30 JUNE 2024 | HALF YEAR ENDED 30 JUNE 2023 |
|---|---|---|
| | DKK | DKK |
| Loss used in the calculation of basic and dilutive loss per share | (7,146,053) | (2,963,187) |

| | HALF YEAR ENDED 30 JUNE 2024 DKK | HALF YEAR ENDED 30 JUNE 2023 DKK |
|-----------------------------------|--|--|
| Loss per share | | |
| Basic loss per share | (143) | (59) |
| Diluted loss per share | (143) | (59) |
| | <u>2024</u> | <u>2023</u> |
| | No of Shares | No of Shares |
| Weighted average number of shares | 50,000 | 50,000 |

13. COMMITMENTS AND CONTINGENCIES

Commitments

The Company has no commitments as at 30 June 2024 (31 December 2023: Nil).

Contingencies

The Company has no contingent liabilities as at 30 June 2024 (31 December 2023: Nil).

14. CASHFLOW INFORMATION

| | JUNE 2024 DKK | JUNE 2023 DKK |
|--|---------------------|------------------|
| Reconciliation from net loss after tax to net cash used in operations | | |
| Net loss | (7,146,053) | (2,963,187) |
| Unrealized gain on foreign currency | 206,099 | (2,100,671) |
| Change in trade payables | (3,492,415) | 4,974,163 |
| Net cash used in operating activities | <u>(10,432,369)</u> | <u>(89,695)</u> |

15. RELATED PARTIES AND INTERCOMPANY TRANSACTIONS

Rimbal Pty Ltd (Rimbal)

The Company has entered into a management service agreement with Rimbal, which is a related party due to common ownership. Under the terms of the agreement, Rimbal provides management, administrative, and support services to the entity. The key terms of the agreement include:

- The payment terms of the agreement state that invoices must be paid within 14 days of receipt, and all sums payable shall be made in Australian Dollars ("AUD"). The agreement is renewable annually, subject to mutual consent.
- As per December 31 each year the Parties shall adjust the Service Fee for the past year in order for the total annual Service Fee to reflect the actual costs incurred by Rimbal and the actual benefit of the Company in the past year. Moreover, the Parties shall re-evaluate and agree on a preliminary Service Fee ("Preliminary Service Fee") for the following year reflect the expected benefit for the Company and any salary adjustments of the Rimbal management and all other relevant facts and circumstances and the estimated costs in providing the Services.

The Company has entered into a “Cost Contribution Agreement” with Rimbal dated July 11, 2014. The key terms of the agreement include:

- Rent is charged by Rimbal to Tanbreez and is calculated at arms-length and consistent with the office space that is occupied and used by Tanbreez.
- Management service fees are charged by Rimbal to Tanbreez
- The Cost Contribution Agreement is ongoing and can be terminated by either party by providing 3 months written notice.

During the half year ended 30 June 2024, Rimbal recharged expenses, consulting fees, rent and other expenses to the Company of DKK 8,257,632 (year ended 31 December 2023: DKK 6,354,698).

As at 30 June 2024, the amount owing to Rimbal is DKK 190,508,179 (31 December 2023: DKK 178,229,077) (refer note 10).

Westrip Holdings Ltd (Westrip)

Westrip Holdings Ltd. acted as a vehicle to fund the development of the Tanbreez Project license, previously owned by Rimbal. The management of the Tanbreez project was transferred to Rimbal’s Perth office. Subsequently, all rights previously held by Westrip were transferred to Rimbal. Westrip’s sole remaining activity relates to the recovery of funds. These funds are being repaid to Rimbal via legal arrangements facilitated by the Company’s legal counsel.

During the half year ended 30 June 2024, Westrip recharged amounts to the Company of DKK 2,294 (31 December 2023: nil).

As at 30 June 2024, the amount owing to Westrip is DKK 1,464,582 (31 December 2023: DKK 1,461,936) (refer note 10).

BMN Company ApS (BMN)

BMN Company ApS (BMN) engages with Rimbal in connection with project-related transactions and services.

During the half year ended 30 June 2024, BMN recharged amounts to the Company of nil (31 December 2023: nil).

As at 30 June 2024, the amount receivable from BMN is DKK 15,801 (31 December 2023: amount owing DKK 58,043) (refer note 9).

16. FINANCIAL INSTRUMENTS

a) Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which revenues and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2 to the financial statements.

b) Financial risk exposures and management

The main risks the Company is exposed to through its financial instruments are credit risk, foreign currency risk, and liquidity risk.

c) Credit risk exposures

Credit risk represents the loss that would be recognised if the counterparties default on their contractual obligations resulting in financial loss to the Company. The Company has adopted the policy of only dealing with creditworthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults.

Cash at bank is held with high credit quality financial institutions.

d) Liquidity risk

The Company manages liquidity risk by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities. Surplus funds are generally only invested in short term bank deposits.

Contractual maturities of financial liabilities

| | | Less than 6 months DKK | 6 - 12 months DKK | Between 1 and 2 years DKK | Between 2 and 5 years DKK | Over 5 years DKK | Total contractual cashflows DKK | Carrying amount of liabilities DKK |
|------------------------------|------------------|---------------------------------------|----------------------------------|--|--|---------------------------------|--|---|
| Financial Liabilities | | | | | | | | |
| Trade and other payables | June 2024 | 1,724,815 | - | - | - | - | 1,724,815 | 1,724,815 |
| Loan from Group companies | June 2024 | 191,972,761 | - | - | - | - | 191,972,761 | 191,972,761 |
| Trade and other payables | Dec 2023 | 5,217,230 | - | - | - | - | 5,217,230 | 5,217,230 |
| Loan from Group companies | Dec 2023 | 179,691,013 | - | - | - | - | 179,691,013 | 179,691,013 |
| Total | June 2024 | 193,697,576 | - | - | - | - | 193,697,576 | 193,697,576 |
| | Dec 2023 | 184,908,243 | - | - | - | - | 184,908,243 | 184,908,243 |

e) Foreign currency risk

The Company operates internationally and is exposed to foreign exchange risk arising from commercial transactions. The Group converted assets and liabilities into the functional currency where balances were denominated in a currency other than the DKK.

f) Overview of financial instruments

Set out below is an overview of financial instruments, other than cash and short-term deposits, held by the Company as at 30 June 2024:

| | <u>At Amortised Cost DKK</u> | <u>Fair Value</u> | |
|------------------------------|--------------------------------------|---|---|
| | | <u>Through profit or loss DKK</u> | <u>Through other comprehensive income DKK</u> |
| Financial liabilities | | | |
| Trade and other payables | 1,724,815 | - | - |
| Loan from Group companies | 191,972,761 | - | - |
| Total liabilities | 193,697,576 | - | - |

Set out below is an overview of financial instruments, other than cash and short-term deposits, held by the Company as at 31 December 2023:

| | <u>At Amortised Cost DKK</u> | <u>Fair Value</u> | |
|------------------------------|--------------------------------------|---|---|
| | | <u>Through profit or loss DKK</u> | <u>Through other comprehensive income DKK</u> |
| Financial liabilities | | | |
| Trade and other payables | 5,217,230 | - | - |
| Loan from Group companies | 179,691,013 | - | - |
| Total liabilities | 184,908,243 | - | - |

17. EVENTS AFTER THE REPORTING DATE

On July 19, 2024, Critical Metals Corp (“Critical Metals” or “CRML”) signed an amended and restated Heads of Agreement (“HOA”) with the Parent, pursuant to which CRML would acquire up to a 92.50% interest in the Company. CRML currently holds 42% of the issued capital of the Company. Under the terms of the HOA, Critical Metals is required to invest expenditure of US\$10 million on exploration expenditure within 2 years from the date of the HOA in order to have the right to acquire from the Parent an additional 50.50% equity interest in Tanbreez in exchange for ordinary shares of CRML with a value equal to \$116.0 million at such time.

On October 11, 2024 the Government of Greenland signed addendum no. 4 to license no. 2020-54 with approval of the following time limits:

- The exploitation plan and closure plan shall be prepared no later than December 31, 2025.
- Financial security and company guarantee for the licensee’s fulfillment of obligations under and in relation to license 2020-54 shall be provided no later than June 30, 2026.
- No later than December 31, 2028 the licensee shall commence exploitation.

On 13 March 2025, Critical Metals Corp announced the maiden mineral resource estimate (MRE) in accordance with Regulation SK-1300 report for the Tanbreez Project.

No other matters or circumstances have arisen since the end of the period which significantly altered or may significantly alter the operations of the Company, the results of those operations or the state of affairs of the Company in the period subsequent to 30 June 2024.

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

The unaudited pro forma condensed combined balance sheet as of December 31, 2024, combines the unaudited historical condensed consolidated balance sheet of CRML as of December 31, 2024 with the unaudited historical balance sheet of Tanbreez as of December 31, 2024, giving effect to stage 2 of the HOA, as if it had been consummated as of that date.

The unaudited pro forma condensed combined statement of operations for the six months ended December 31, 2024 combines the unaudited historical condensed consolidated statement of operations of CRML for the six months ended December 31, 2024 with the unaudited historical statement of operations of Tanbreez for the trailing six months ended December 31, 2024 (compiled with the audited statement of operations for the twelve months ended December 31, 2024 less the unaudited condensed statement of operations for the six month period ended June 30, 2024 of Tanbreez), giving effect to the Business Combination, as if it had been consummated as of July 1, 2023, the earliest period presented.

The unaudited pro forma condensed combined statement of operations for the fiscal year ended June 30, 2024 combines the audited historical condensed consolidated statement of operations of CRML for the fiscal year ended June 30, 2024, with the unaudited historical statement of operations of Tanbreez for the trailing twelve months ended June 30, 2024 (compiled with the audited statement of operations for the year ended December 31, 2023 less the unaudited condensed statement of operations for the six month period ended June 30, 2023 plus the unaudited condensed statement of operations for the six months ended June 30, 2024 of Tanbreez), giving effect to the Business Combination, as if it had been consummated as of July 1, 2023, the earliest period presented.

The historical financial information has been adjusted to give pro forma effect to events that relate to material financing transactions consummated after December 31, 2024, and pro forma adjustments that are directly attributable to Stage 2 of the HOA. The adjustments presented on the unaudited pro forma condensed combined financial statements have been identified and presented to provide relevant information necessary for an accurate understanding of the combined company upon consummation of stage 2 of the HOA.

The historical financial consolidated statements of CRML and Tanbreez have been prepared in accordance with IFRS as issued by the IASB. The condensed combined pro forma financial information reflects IFRS and in USD, the basis of accounting used by the registrant. The historical financial statement of Tanbreez have been reported using Danish Krone (DKK) and have been converted to US Dollar (USD) to reflect the reporting of CRML in USD. The adjustments presented in the pro forma condensed combined financial information have been identified and presented to provide relevant information necessary for an accurate understanding of CRML after giving effect to stage 2 of the HOA.

The unaudited pro forma condensed combined financial information is for illustrative purposes only. The financial results may have been different had the companies always been combined. You should not rely on the unaudited pro forma condensed combined financial information as being indicative of the historical results that would have been achieved had the companies always been combined or the future results that the combined company will experience. CRML held 42% of and Tanbreez as of December 31, 2024 and applied the equity method on its investment in Tanbreez. CRML recognizes its initial investment at cost and recognized the increases and decreases in the carrying amount of the investment based on its share of Tanbreez's profit or losses after acquisition through CRML's own Statement or Profit and Loss. The pro forma adjustments reflect the elimination equity method and reflects the impact of 100% consolidation of Tanbreez.

This information should be read together with the following:

- the historical unaudited condensed consolidated financial statements of CRML as of December 31, 2024 and for the six months ended December 31, 2024;
 - the historical audited consolidated financial statements of CRML as of June 30, 2024 and for the year ended June 30, 2024;
 - the historical audited financial statements of Tanbreez as of December 31, 2024 and 2023 and for the years ended December 31, 2024 and 2023;
 - the historical unaudited condensed financial statements of Tanbreez as of June 30, 2024 and for the six months ended June 30, 2024 and 2023;
-

Anticipated Accounting Treatment

The Business Combination will be accounted for as consolidation, in accordance with IFRS. CRML equity interest in Tanbreez will increase to 92.5% upon completion of Stage 2 Interest. At this point in time, CRML is anticipated to control Tanbreez by essence of:

- Equity ownership being 92.5%
- Responsible for funding operations
- Have the ability to appoint the Directors of Tanbreez

European Lithium Ltd (ASX: EUR) will continue to retain a 7.5% equity interest in Tanbreez. This results in a dilution of CRML's ownership interest and is required to be accounted for as an equity transaction. Noting that upon completion of Stage 2 Interest, CRML will control Tanbreez and as such will consolidate 100% of Tanbreez. The amount of non-controlling interest in Tanbreez, being the 7.5% held by EUR, will be accounted for as a non-controlling interest.

CRML was determined to be the accounting acquirer under IFRS 10 and IFRS 3. Although there is a higher level of judgement when it comes to the analysis of the conditions set forth in IFRS 3, we believe that the indicators of relative voting rights, composition of governing body, composition of senior management, terms of exchange, relative size, and other factors favored CRML as the accounting acquirer under IFRS 3. Therefore, the Tanbreez is considered to be the accounting acquiree.

Further, in accordance with IFRS 3, the transaction is considered an asset acquisition, as opposed to a business combination, taking into account the following factors:

- Input – Whilst the project has an exploitation license granted and a 4.7 billion ton multi-element estimate resources, additional work is required in a number of areas including converting resource to proven or probable reserve, converting the resource to SK-1300, completing a bankable feasibility study (BFS), establishing a mine plan, purchasing mining equipment etc.
- Process – Greg Barnes, Director of the Vendor has been appointed as a strategic advisor to CRML in accordance with the HOA. With the exception of Anna Wingall, no other employees or systems have transferred over with the acquisition.
- Output – Tanbreez is not sufficiently advanced to produce goods or generate income from the sale of product and appears to be lacking the necessary inputs and processes to generate the desired output being REE or production.

Based on the above, Tanbreez does not meet the definition of a business under IFRS 3 because it lacks substantive processes as defined by IFRS 3. Thus, the transaction is to be accounted for as an asset acquisition within the scope of IFRS 3. As such the purchase consideration will be allocated to the assets and liabilities identified based on the relative fair value, no goodwill will be recognized, transaction cost are capitalized as part of the purchase price consideration.

**UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET
AS OF DECEMBER 31, 2024**

| | <u>CRML (Historical)</u> | <u>Tanbreez (Historical)</u> | <u>Transaction Accounting Adjustments</u> | <u>Pro Forma Combined</u> |
|---|------------------------------|----------------------------------|---|-------------------------------|
| ASSETS | | | | |
| Current assets | | | | |
| Cash and cash equivalents | \$ 149,480 | \$ 46,704 | \$ - | \$ 196,184 |
| Other receivables | 402,664 | - | - | 402,664 |
| Total current assets | 552,144 | 46,704 | - | 598,848 |
| Non-current assets | | | | |
| Restricted cash and other deposits | 15,020,046 | - | - | 15,020,046 |
| Property and plant and equipment, net | 1,097 | - | - | 1,097 |
| Deferred exploration and evaluation expenditure | 34,619,150 | 30,573,808 | - | 65,192,958 |
| Exploration license | 95,769,243 | - | 130,122,627 | A 225,891,870 |
| Investment in associate | 344,953 | - | - | 344,953 |
| Right of use asset | 25,035 | - | - | 25,035 |
| Total non-current assets | 145,779,524 | 30,573,808 | 130,122,627 | 306,475,959 |
| Total assets | \$ 146,331,668 | \$ 30,620,512 | \$ 130,122,627 | \$ 307,074,807 |
| LIABILITIES | | | | |
| Current liabilities | | | | |
| Trade and other payables | \$ 11,896,646 | \$ 1,606,264 | \$ - | \$ 13,502,910 |
| Provisions | 25,111 | - | - | 25,111 |
| Lease liability | 10,012 | - | - | 10,012 |
| Funding from related party | 6,008,590 | - | - | 6,008,590 |
| Warrants liability | 39,758,952 | - | - | 39,758,952 |
| Loan from Group companies | - | 27,254,182 | - | 27,254,182 |
| Total current liabilities | 57,699,311 | 28,860,446 | - | 86,559,757 |
| Non-current liabilities | | | | |
| Offtake prepayment | 15,000,000 | - | - | 15,000,000 |
| Lease liability | 17,951 | - | - | 17,951 |
| Total non-current liabilities | 15,017,951 | - | - | 15,017,951 |
| Total liabilities | 72,717,262 | 28,860,446 | - | 101,577,708 |
| Net Assets | 73,614,406 | 1,760,066 | 130,122,627 | 205,497,099 |
| EQUITY | | | | |
| Share capital | 89,490 | 763,000 | (763,000) | A 107,473 |
| Share premium | 141,908,409 | 6,943,300 | 17,983 | A 257,890,426 |
| Unissued Capital | 45,734,183 | - | 109,038,717 | A 45,734,183 |
| Reserves | 56,989,260 | (306,388) | 306,388 | A 56,989,260 |
| Accumulated deficit | (171,106,936) | (5,639,846) | 5,639,846 | A (171,106,936) |
| Total equity | 73,614,406 | 1,760,066 | 114,239,934 | 189,614,406 |
| Non-controlling interests | - | - | 15,882,693 | 15,882,693 |
| Total equity | \$ 73,614,406 | \$ 1,760,066 | \$ 130,122,627 | \$ 205,497,099 |

**UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS
SIX MONTHS ENDED DECEMBER 31, 2024**

| | <u>CRML (Historical)</u> | <u>Tanbreez (Historical)</u> | <u>Transaction Accounting Adjustments</u> | <u>Pro Forma Combined</u> |
|--|------------------------------|----------------------------------|---|-------------------------------|
| Other income | \$ 359,859 | \$ - | \$ - | \$ 359,859 |
| Foreign exchange | 913,268 | - | - | 913,268 |
| Consultants and professional services expenses | (972,010) | (452,636) | - | (1,424,646) |
| Travel and entertainment | (146,805) | - | - | (146,805) |
| Directors' fees | (688,768) | - | - | (688,768) |
| Share based payments to directors and management | (17,922,048) | - | - | (17,922,048) |
| Compliance and regulatory fees | (389,033) | - | - | (389,033) |
| Administration expenses | (165,589) | (105,504) | - | (271,093) |
| Promotion, IR and PR expenses | (182,589) | - | - | (182,589) |
| Insurance | (1,345,240) | - | - | (1,345,240) |
| Finance costs | 157,639 | (24,040) | - | 133,599 |
| Finance income | - | 871,075 | - | 871,075 |
| Depreciation expense | (871) | - | - | (871) |
| Depreciation expense – leased assets | (5,098) | - | - | (5,098) |
| Share of net profits of associate | 1,714 | - | - | 1,714 |
| Merger expenses | - | - | - | - |
| Listing expense | - | - | - | - |
| Exploration expenditure expensed | (238,309) | (12,081) | - | (250,390) |
| Gain on fair value of warrants | 6,148,162 | - | - | 6,148,162 |
| Share of net profits of JV accounted for using the equity method | 100,994 | - | (100,994) | AA - |
| Other expenses | (3,730) | (36,352) | - | (40,082) |
| Loss before income tax | (14,378,454) | 240,462 | (100,994) | (14,238,986) |
| Income tax expense | - | - | - | - |
| Loss after tax | (14,378,454) | 240,462 | (100,994) | (14,238,986) |
| Net income attributed to non-controlling interest | - | - | 18,035 | BB 18,035 |
| Net loss attributed to CRML | <u>\$ (14,378,454)</u> | <u>\$ 240,462</u> | <u>\$ (119,029)</u> | <u>\$ (14,257,021)</u> |
| Other comprehensive loss, net of income tax Items that may be reclassified to profit or loss Exchange differences on translation of foreign operations | (1,640,314) | (58,019) | - | (1,698,333) |
| Other comprehensive loss for the period, net of income tax | <u>(1,640,314)</u> | <u>(58,019)</u> | <u>-</u> | <u>(1,698,333)</u> |
| Total comprehensive loss for the period | <u>\$ (16,018,768)</u> | <u>\$ 182,443</u> | <u>\$ (100,994)</u> | <u>\$ (15,937,319)</u> |
| Pro forma weighted average number of shares outstanding - basic and diluted | | | | <u>107,472,723</u> |
| Pro forma loss per share - basic and diluted | | | | <u>\$ (0.13)</u> |

UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS
FISCAL YEAR ENDED JUNE 30, 2024

| | CRML (Historical) | Tanbreez (Historical) | Transaction Accounting Adjustments | Pro Forma Combined |
|--|------------------------------|----------------------------------|---|-------------------------------|
| Other income | \$ 117,660 | \$ - | \$ - | \$ 117,660 |
| Foreign exchange | 41,715 | - | - | 41,715 |
| Consultants and professional services expenses | (1,382,645) | (267,176) | - | (1,649,821) |
| Travel and entertainment | (47,701) | - | - | (47,701) |
| Directors' fees | (136,901) | - | - | (136,901) |
| Share based payments to directors and management | (608,156) | - | - | (608,156) |
| Compliance and regulatory fees | (426,325) | - | - | (426,325) |
| Administration expenses | (14,933) | (148,917) | - | (163,850) |
| Promotion, IR and PR expenses | (191,403) | - | - | (191,403) |
| Insurance | (773,820) | - | - | (773,820) |
| Finance costs | (36,675,866) | (62,478) | - | (36,738,344) |
| Finance income | - | 452,570 | - | 452,570 |
| Depreciation expense | (6,642) | - | - | (6,642) |
| Depreciation expense – leased assets | (19,359) | - | - | (19,359) |
| Share of net profits of associate | (2,263) | - | - | (2,263) |
| Merger expenses | (9,373,737) | - | - | (9,373,737) |
| Listing expense | (77,266,809) | - | - | (77,266,809) |
| Exploration expenditure expensed | (159,685) | (869,675) | - | (1,029,360) |
| Gain on fair value of warrants | (20,559,781) | - | - | (20,559,781) |
| Share of net profits of JV accounted for using the equity method | - | - | AA | - |
| Other expenses | (1,602) | (72,792) | - | (74,394) |
| Loss before income tax | (147,488,253) | (968,468) | - | (148,456,721) |
| Income tax expense | - | - | - | - |
| Loss after tax | (147,488,253) | (968,468) | - | (148,456,721) |
| Net loss attributed to non-controlling interest | - | - | (72,635) | BB (72,635) |
| Net loss attributed to CRML | \$ (147,488,253) | \$ (968,468) | \$ 72,635 | \$ (148,384,086) |
| Other comprehensive loss, net of income tax Items that may be reclassified to profit or loss Exchange differences on translation of foreign operations | (820,434) | (56,082) | - | (876,516) |
| Other comprehensive loss for the period, net of income tax | (820,434) | (56,082) | - | (876,516) |
| Total comprehensive loss for the period | \$ (148,308,687) | \$ (1,024,550) | \$ - | \$ (149,333,237) |
| Pro forma weighted average number of shares outstanding - basic and diluted | | | | 107,472,723 |
| Pro forma loss per share - basic and diluted | | | | \$ (1.38) |

NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS

Note 1 — Description of the Business Combination

On 19 July 2024, CRML entered into an amended and restated heads of agreement to acquire up to 92.5% of the issued capital of Rimbal Pty Ltd (Vendor) which is the registered holder of 92.5% of the issued capital of Tanbreez Mining Greenland A/S (Tanbreez) which holds the only exploitation permit for rare earths in Greenland (HOA). The HOA was comprised of the following stages:

1. Initial Investment of US\$5,000,000 to acquire a 5.55% equity interest in Tanbreez
2. Stage 1 interest – Issue of US\$90,000,000 of shares in CRML subject to holding lock until 28 February 2025 to acquire a 36.45% equity interest in Tanbreez
3. Stage 2 interest – Issue of US\$116,000,000 of shares in CRML equal to 95% of the closing price of CRML shares on the date upon which CRML meets a minimum of US\$10 million on the permit within 2 years to acquire a 50.50% equity interest in Tanbreez.

Under the terms of the HOA, CRML has the right to appoint two directors to the board of Tanbreez. On 2 July 2024, Tony Sage was appointed as CRML's representative on the Board of Tanbreez.

The Vendor is a company controlled by geologist Gregory Barnes. Under the terms of the HOA, at completion of Stage 1 Interest, Gregory Barnes was appointed Strategic advisor to the board of CRML.

As at 31 December 2024, the CRML Group had completed the Initial Investment and Stage 1 interest and held an interest of 42.0% interest in Tanbreez. In addition, CRML's controlling entity European Lithium Limited holds a 7.5% interest in Tanbreez and consequently held a 49.5% interest in Tanbreez as at 31 December 2024. As at 31 December 2024, consistent accounting policies have been applied in respect to the accounting of Tanbreez by the Group.

Note 2 — Basis of Presentation

The adjustments presented on the pro forma combined financial statements have been identified and presented to provide an understanding of CRML upon consummation of the stage 2 of the HOA for illustrative purposes.

The following unaudited pro forma condensed combined financial information has been prepared in accordance with Article 11 of Regulation S-X as amended by the final rule, Release No. 33-10786 "Amendments to Financial Disclosures about Acquired and Disposed Businesses." Release No. 33-10786 replaces the existing pro forma adjustment criteria with simplified requirements to depict the accounting for the transaction ("Transaction Accounting Adjustments") and present the reasonably estimable synergies and other transaction effects that have occurred or are reasonably expected to occur ("Management's Adjustments"). CRML has elected not to present Management's Adjustments and will only be presenting Transaction Accounting Adjustments in the following unaudited pro forma condensed combined financial information. The historical financial information has been adjusted to reflect the pro forma adjustments that are directly attributable to the stage 2 of the HOA as described below.

Note 3 — Accounting for the Business Combination

The Business Combination will be accounted for as consolidation, in accordance with IFRS. CRML equity interest in Tanbreez will increase to 92.5% upon completion of Stage 2 Interest. At this point in time, CRML is anticipated to control Tanbreez by essence of:

- Equity ownership being 92.5%
- Responsible for funding operations
- Have the ability to appoint the Directors of Tanbreez

European Lithium Ltd (ASX: EUR) will continue to retain a 7.5% equity interest in Tanbreez. This results in a dilution of CRML's ownership interest and is required to be accounted for as an equity transaction. Noting that upon completion of Stage 2 Interest, CRML will control Tanbreez and as such will consolidate 100% of Tanbreez. The amount of non-controlling interest in Tanbreez, being the 7.5% held by EUR, will be accounted for as a non-controlling interest.

CRML was determined to be the accounting acquirer under IFRS 10 and IFRS 3. Although there is a higher level of judgement when it comes to the analysis of the conditions set forth in IFRS 3, we believe that the indicators of relative voting rights, composition of governing body, composition of senior management, terms of exchange, relative size, and other factors favored CRML as the accounting acquirer under IFRS 3. Therefore, the Tanbreez is considered to the accounting acquiree.

Further, in accordance with IFRS 3, the transaction is considered an asset acquisition, as opposed to a business combination, taking into account the following factors:

- Input – Whilst the project has an exploitation license granted and a 4.7 billion ton multi-element estimate resources, additional work is required in a number of areas including converting resource to proven or probable reserve, converting the resource to SK-1300, completing a bankable feasibility study (BFS), establishing a mine plan, purchasing mining equipment etc.
- Process – Greg Barnes, Director of the Vendor has been appointed as a strategic advisor to CRML in accordance with the HOA. With the exception of Anna Wingall, no other employees or systems have transferred over with the acquisition.
- Output – Tanbreez is not sufficiently advanced to produce goods or generate income from the sale of product and appears to be lacking the necessary inputs and processes to generate the desired output being REE or production.

Based on the above, Tanbreez does not meet the definition of a business under IFRS 3 because it lacks substantive processes as defined by IFRS 3. Thus, the transaction is to be accounted for as an asset acquisition within the scope of IFRS 3. As such the purchase consideration will be allocated to the assets and liabilities identified based on the relative fair value, no goodwill will be recognized, transaction cost are capitalized as part of the purchase price consideration.

Purchase Price Allocation (PPA)

The fair value of Tanbreez identifiable net assets was determined as follows:

| (In USD thousands) | Carrying Value |
|--|-----------------------|
| Consideration: | |
| Cash paid | \$ 5,000 |
| Stage 1 shares FV | 90,000 |
| Stage 2 share FV | 116,000 |
| Transaction cost and other | 769 |
| Total Consideration Paid | 211,769 |
| Noncontrolling interest 7.5% of consideration | 15,882 |
| Total Consideration | \$ 227,651 |
| Cash & Cash Equivalents | \$ 47 |
| Deferred exploration and evaluation expenditure | 30,573 |
| Total Assets Acquired | 30,620 |
| Liabilities Assumed | (28,860) |
| Net Assets Acquired | \$ 1,760 |
| Difference allocated to Exploration license | \$ 225,891 |

The difference between the total consideration paid and the noncontrolling interest less the net assets acquired was allocated to the Exploration license held by Tanbreez.

Note 4 — Tanbreez Conversion and Presentation Alignment from DKK to USD

The historical financial information of Tanbreez has been prepared in Danish Krone (DKK) and is being converted to US Dollars (USD) for the purposes of the unaudited pro forma condensed consolidated financial information to conform with the historical financial information of CRML.

| As of December 31, 2024 (in thousands) | IFRS before conversion (in DKK) | DKK to USD Exchange Rate as of December 31, 2024 | IFRS after conversion to (in USD) |
|---|--|---|--|
| ASSETS | | | |
| Current assets: | | | |
| Cash | \$ 335 | 0.139267 | \$ 47 |
| Restricted Cash | 219,534 | 0.139267 | 30,573 |
| Total assets | \$ 219,869 | | \$ 30,620 |
| LIABILITIES | | | |
| Current liabilities: | | | |
| Accounts payable and accrued liabilities | \$ 11,534 | 0.139267 | \$ 1,606 |
| Loans from Group companies | 195,697 | 0.139267 | 27,254 |
| Total liabilities | 207,231 | | 28,860 |
| Net assets | \$ 12,638 | | \$ 1,760 |
| EQUITY | | | |
| Share capital | 5,000 | | 763 |
| Share premium | 45,500 | | 6,943 |
| Reserves | - | | (306) |
| Accumulated deficit | (37,862) | | (5,640) |
| Total equity | \$ 12,638 | | \$ 1,760 |

| For the Six Months Ended December 31, 2024 (in thousands) | IFRS before conversion (in DKK) | DKK to USD Average Exchange Rate for the six months ended December 31, 2024 | IFRS after conversion to (USD) |
|--|--|--|---|
| Operating expenses | | | |
| Exploration expenditures expensed | \$ (83) | 0.145149 | \$ (12) |
| Legal fees | (598) | 0.145149 | (87) |
| Accounting and audit fees | (2,521) | 0.145149 | (366) |
| Other advisory fees | (2) | 0.145149 | (1) |
| Other administrative fees | (5) | 0.145149 | (1) |
| Management service fee to parent company | (720) | 0.145149 | (104) |
| Other advisory fees | (250) | 0.145149 | (36) |
| Other financial income | 6,001 | 0.145149 | 871 |
| Other financial expense | (166) | 0.145149 | (24) |
| Net income | \$ 1,656 | | \$ 240 |
| Other comprehensive income | - | | (58) |
| Total comprehensive income | \$ 1,656 | | \$ 182 |

| For the Year Ended June 30, 2024 (in thousands) | IFRS before conversion (in DKK) | DKK to USD Average Exchange Rate for the six months ended December 31, 2024 | IFRS after conversion to (USD) |
|--|--|--|---|
| Operating expenses | | | |
| Exploration expenditures expensed | \$ (5,996) | 0.145046 | \$ (870) |
| Legal fees | (1,647) | 0.145046 | (239) |
| Accounting and audit fees | (195) | 0.145046 | (28) |
| Other advisory fees | (6) | 0.145046 | (1) |
| Other administrative fees | (13) | 0.145046 | (2) |
| Management service fee to parent company | (1,008) | 0.145046 | (146) |
| Other advisory fees | (502) | 0.145046 | (73) |
| Other financial income | 3,120 | 0.145046 | 453 |
| Other financial expense | (431) | 0.145046 | (62) |
| Net loss | \$ (6,678) | | \$ (968) |
| Other comprehensive income | - | | (56) |
| Total comprehensive income | \$ (6,678) | | \$ (1,024) |

Note 5 — Adjustments to Unaudited Pro Forma

Condensed Combined Balance Sheet as of December 31, 2024

The pro forma notes and adjustments, based on preliminary estimates that could change materially as additional information is obtained, are as follows:

- A. Reflects the issuance of 17,983,102 shares (number of shares that would be issued if Stage 2 of the HOA was resolved as of December 31, 2024, based on 95% of the closing price of CRML of \$6.79 as of December 31, 2024). As such the financial statements of CRML are adjusted with the issuing of shares to acquire an additional 50.5% stake in Tanbreez. As a result of the share issuance CRML increasing its total ownership to 92.5%. As a result, Tanbreez will be consolidated into the Company's financial statements. The transaction is accounted for under IFRS 3 as an asset acquisition and reflecting the net assets acquired and the exploration license against the cumulative purchase price consideration. See Note 3 above for the purchase price allocation.

In accordance with IFRS, the Company anticipates electing to measure Non-Controlling Interest (NCI) using the proportional share of net assets method. Following this transaction, European Lithium Ltd. would retain a 7.5% NCI in Tanbreez.

Adjustments to Unaudited Pro Forma Condensed Combined Statement of Operations for the Six Months Ended December 31, 2024 and for the Year Ended June 30, 2024

The pro forma notes and adjustments, based on preliminary estimates that could change materially as additional information is obtained, are as follows:

(AA) Reflects the elimination of share of profit of JV under the equity method as it is now 100% consolidated.

(BB) To recognize the non-controlling interest portion of earnings held by European Lithium Ltd of 7.5%.

Note 6 — Net Earnings (Loss) per Share

Represents the earnings (loss) per share calculated using the historical weighted average shares outstanding, and the issuance of additional shares in connection with stage 2 of the HOA, assuming the shares were outstanding since July 1, 2023. The impact of stage 2 of the HOA is being reflected as if it had occurred at the beginning of the period presented, the calculation of weighted average shares outstanding for basic and diluted earnings (loss) per share assumes that the shares issued in connection with stage 2 of the HOA have been outstanding for the entire period presented.

The following table sets out the share ownership of CRML following the issuance of 17,983,102 shares under stage 2 of the HOA on a pro forma basis: (Six Months Ended December 31, 2024 and the twelve months ended June 30, 2024)

| | Six Months Ended December 31, 2024 | Twelve Months Ended June 30, 2024 |
|---|---|--|
| Net loss per share | | |
| Net loss attributed to CRML | \$ (14,257,020) | \$ (148,384,086) |
| Weighted average shares outstanding – Pro forma basic and diluted | 107,472,723 | 107,472,723 |
| Net loss per share – Basic | \$ (0.13) | \$ (1.38) |
| Net loss per share - Diluted | \$ (0.13) | \$ (1.38) |