evresources

Interim Financial Report

FOR THE HALF YEAR ENDED 31 DECEMBER 2022

ASX:EVR

evresources.com.au

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Corporate Directory

Directors
Mr Luke Martino – Non-Executive Chairman
Mr Adrian Paul – Executive Director
Mr Navinderjeet Singh – Executive Director
Mr Steven Dellidis – Non-Executive Director
Ms Lynette Suppiah – Non-Executive Director

Company Secretary
Ms Louisa Martino

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Bankers
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Share Registry
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ASX Code – EVR

Frankfurt Exchange; R1E.F
Berlin Exchange; R1E.B
Stuttgart Exchange; R1E.SG

Directors' Report

The Directors' present their report together with the financial report of EV Resources Limited (ASX: EVR) and its controlled entities ("the Company", "EVR" or "consolidated entity") for the half year ended 31 December 2022.

Directors

The names and the particulars of the Directors who held office during and up to the date of this report are disclosed below.

L Martino	(Non-Executive Chairman)
A Paul	(Executive Director)
N Singh	(Executive Director)
S Dellidis	(Non-Executive Director)
L Suppiah	(Non-Executive Director)

Significant changes in the state of affairs

In the Opinion of the Directors, there were no significant changes in the state of affairs of the Group which have not been disclosed elsewhere in this report.

Review of Operations

In the six months to December 31, EVR was focused on exploration activities across its portfolio of battery materials assets, whilst also progressing acquisition and other corporate objectives aimed at consolidating and further enhancing the value of its projects around the world.

Don Enrique Project

Copper (EVR 50% interest)

During the reporting period, EVR undertook exploration at the Don Enrique Copper Project in Peru after extensive engagement with the nearby communities, who are also contributing labour to the Project[1].

The Project consists of four licences covering 1,800Ha, in an area 21km northeast of Jauja, and approximately 260km from the Nation's capital, Lima.

The exploration programme commenced with underground sampling in a series of 4 exploration crosscuts, which neatly allows evaluation of the 2 separate and parallel hydrothermal breccia orebodies estimated to vary between 5-20 metres in width, over a 1500 metre outcropping strike, and separated by an andesite parting typically 90 metres in width.

A magnetic geophysics programme subsequently commenced in the reporting period. In total, 28.8 line km of Induced Polarisation (IP) testwork and a further 46.8 line km of ground magnetics were conducted along the breccia structures to test what is interpreted, after mapping and geochemical sampling, to be a potential porphyry structure. The ground magnetics programme was completed shortly before the end of the reporting period.

All underground sample results were received in late November[2], while results for surface sampling directly along the strike of the breccia orebody are awaited.

New Standard Project

Copper (EVR 33.3% Interest, 124 Acres and 100% interest, 2,996 acres)

EVR completed a second sampling programme at its New Standard Project, located in Arizona USA, during the period[3].

Assay results from the 130 samples collected from surface and accessible underground sources returned copper values ranging up to 13.1% Cu and averaging 1.41% Cu, whilst gold values returned up to 27.1g/t, averaging 0.43g/t. Seven of the samples taken were split into three separate assays with 144 assays recorded in total.

The Company has also identified that much of the copper potential lies around the Old Pride Mine in the eastern half of the project area. This second program followed the Company's sampling campaign reported in March 2022 where 60 surface samples were taken from within the New Standard Claims and in untenured surrounding areas.

[1] ASX Announcement 30 August 2022 - Exploration Commences at Don Enrique Copper-Silver-Gold Project

[2] ASX Announcement 21 November 2022 - Confirmed Copper-Silver Zones at Don Enrique Paves Way for Drilling Program

[3] ASX Announcement 15 September 2022 - Further High-Grade Copper Samples at the New Standard Copper Project

The results from the initial campaign were promising with 26 of the 60 samples returning copper values greater than 1% to a maximum of 16.8% and 16 gold results greater than 0.1g/t gold to a maximum of 16.95g/t[4].

The next step for the Project will be the planning of a geophysics programme which will evaluate and determine the potential of this project area to host a sulphide orebody. This will involve the evaluation of optimal methodologies and the availability of suitably skilled specialists will be investigated.

Shaw River Project

Lithium (EVR 100% interest)

EVR acquired the remaining 20% of E45/5849, "Shaw River", held by Supergene Pty Ltd during the period, gaining complete ownership of the Shaw River Project tenement. The acquisition consideration was 3,000,000 Ordinary EVR shares issued at $0.03 per share.

The Shaw River Project, located 220km from Port Hedland and 70km from Marble Bar, comprises exploration license E45/5849 comprising 22 blocks. The tenement area has a strong history of successful mining of alluvial tin and tantalum as part of the Shaw River Tin Field and demonstrated potential for lithium and rare earth minerals.

Subsequent sampling was undertaken at Shaw River during the December half-year, to provide better evidence of economic-grade lithium mineralisation in areas that indicated potential based on a prior initial field visit. A further 26 samples (Sh00032 to Sh00057) were collected from several areas across the project.

The Hillside/Paterson area returned assay grades to 212ppm Li during the initial reconnaissance visit. During the latest field trip, a number of small pits were located that had previously not been investigated.

The pits were sunk on several muscovite-rich pegmatites that occur in clusters. Results for samples collected returned up to 1615ppm Li and 819ppm Sn, with low K/Rb ratios for several samples indicating a high level of fractionisation. The elevated tin values may have been the reason for excavation of the pits.

Khartoum Project

Tin-Tungsten (EVR 100% interest)

During the reporting period, EVR received rock chip results from fieldwork undertaken earlier in 2022 at various prospects within the Khartoum Tin-Silver-Tungsten Project, located in Northern Queensland.

Several high-grade tin and base metal results were returned from rock chip samples collected in April and May from outcrop and historic mine workings including tin values from historic mines to 4.62% in the Brownville area, 5.02% in the Stannary Hills area and 1.53% in the California area.

Additionally, high-grade base metal results returned values of 4.66% Cu, 24.4% Zn, 4.62% W, 211ppm Ag, 196ppm in (Brownville) and 3.69% Pb (Stannary Hills).

The Company also received results from the initial RC drilling campaign for the Boulder Prospect area, comprising 23 holes for 2781 metres. Results were from several areas at shallow depths, and the tin mineralisation targeted in the Boulder area was granite-greisen-hosted bulk tonnage zones that have lower grades than the structurally controlled quartz vein-hosted mineralisation found in areas such as Stannary Hills.

Significant results included:

- 31m at 0.26% Sn and 62m at 0.18% Sn
- Higher-grade drill results of 7m at 0.54% Sn (incl. 2m at 1.46% Sn) and 5m at 0.71% Sn

EVR also undertook reconnaissance fieldwork in areas of historic tungsten mines during the reporting period, to determine the potential for economic tungsten mineralisation within the Khartoum Project.

Those results included:

- Tungsten values to 2.03% in Fingertown tungsten zone
- Tin values to 3.96% at Geebung and 0.49% at Mary Ann

Follow up sampling has been conducted in both areas with results pending.

[4] ASX Announcement 15 March 2022 - Spectacular Copper and Gold Results from New Standard

Christina Project

Tin-Tungsten (EVR acquiring 100% interest)

An exclusive three-month option to acquire the Christina Project, located in Morocco, was extended during the period, to the granting of an exploitation licence or 1 January 2023[5]. The Company had previously agreed to a three month option in May 2022 to acquire the Project, to be paid in staged payments amounting to US$500,000.

EVR subsequently worked with Skiait Mining S.A (the 100% owner of Christina), to convert a portion of the 3 Exploration Licences covering 48km^2 to an Exploitation Licence. EVR is awaiting the final documentation from the government confirming the Environmental Permit.

Following the signing of the Option agreement on 25 May 2022, EVR mobilised a team of geologists to carry out extensive mapping and sampling on site. An initial eight samples were taken for due diligence purposes and a further 404 samples were taken over a widespread area.

In September 2022, the Company received the results from the eight samples taken from selected locations on surface and underground at the Project. Three samples (EZ-06, EZ-07, EZ-08) were collected from the quartz veined material, both on old surface stockpiles and from underground and returned assays of up to 2.19% Sn (tin) and 44.2% WO3 (tungsten) which demonstrate a compelling exploration project.

Other mineralogical samples taken from host granite revealed anomalous tin and tungsten grades. 100 further samples were dispatched to ALS laboratories in Ireland.

In November, EVR reported an update for analytical results of the first 100 rock samples collected, ranging up to 15.9% W and 0.41% Sn, with elevated Sn typically coincident with high W values[6].

Mapping of structure and geology, as well as the collection of the first 100 samples, initially focussed on the better-known central areas of the concessions, where most of the historical mining had occurred. Mapping and sampling activities were subsequently extended to the north and south, in the process outlining multiple mineralised veins that apparently had previously never been explored nor mined.

The mapping campaign delineated a NW-SE trending, 1–- 3 km wide corridor of roughly E-W striking frequently mineralised quartz veins and micro veins. The length of this mineralised corridor is 8km, representing a potentially substantial system.

An additional 338 samples from frequently well-mineralised veins, micro veins and granite were collected from the north-western and south-eastern areas of the concessions. The samples have been despatched for analysis and results are awaited.

EVR's exploration team is currently designing a reconnaissance-style diamond drilling programme of approximately 2,000m to test the down-dip extension of mineralised quartz veins and to drill into interpreted structural traps.

Austrian Projects

Lithium (EVR 80% interest)

During the reporting period, EVR received sampling results from various prospects within the Eastern Alps Lithium Satellite Projects (located in Austria) held by EV Resources GmbH, which is owned 80% by the Company and 20% by European Lithium Limited (ASX:EUR)[7].

Following initial and encouraging assay results returning high-grade Lithium (Li_2O) values in 2019[8], EV Resources GmbH engaged technical consultants for a mapping and rock chip sampling campaign to define trenching and drilling targets in selected Austrian satellite lithium exploration projects. These project areas in the south and southeast of Austria are Millstätter Seerücken (Edling, Kreuzstein, Lugins-Land in Carinthia province), St. Radegund (Garrach, Ehrenfels, Rabnitzberg in Styria province) and Defereggen Valley (Ratzell, Glanzalm, Poling in the Tirol province).

The Company's technical consultant collected 39 rock chip samples from numerous outcropping pegmatites. Pegmatite outcrop sample results returned high-grade Li_2O values with a highest value returning 3.24 % Li_2O and an average value over mineralised samples (samples with grades < 0.1 % Li_2O excluded) being 1.65 % Li_2O. The fieldwork also included the

[5] ASX Announcement 21 September 2022 - High Grade Samples Received from the Christina Tin-Tungsten Project

[6] ASX Announcement 17 November 2022 - Further High-Grade Results at the Christina Tin-Tungsten Project

[7] ASX Announcement 8 September 2022 - High-Grade Lithium Samples up to 3.24% Li2O at Austrian Lithium Projects

[8] ASX Announcement 14 March 2019 - Initial Sampling on Austrian Eastern Alps Lithium Projects

recording of structural planes and the mapping of host rock to assist in locating potential drill sites.

Pilbara Project

Lithium (EVR acquiring 100% interest)

No further work was carried out during the quarter.

Yanamina Project

Gold and Silver (EVR 100% interest)

EVR continues to work with the local representatives to understand the potential impacts on the community from mining activities; however, progress has been hindered by restrictions in place due to the COVID pandemic.

Tierra Blanca (EVR option to acquire 100% interest)

No further work was carried out during the reporting period, and the Company has elected to discontinue exploration.

Serbian Permits (EVR 22% interest)

EVR continues to hold 22% in Balkan Mining and Minerals (ASX:BMM) who holds 100% of the Serbian lithium licences.

Corporate

Austrian Lithium Projects

EVR advised during the period that in respect of its Austrian Lithium Projects (Weinebene and Easter Alps Projects), it had waived its first right of refusal to acquire EUR's 20% of the Austrian Lithium Projects[9].

EUR subsequently announced the merger of its assets with NASDAQ listed Sizzle Acquisition Corp., a US special purpose acquisition company (NASDAQ:SZZL) ("Sizzle"). The merger will provide for the development of EUR's Wolfsberg Project which is located immediately adjacent to the Weinebene and Eastern Alps Projects.

The proximity of the Weinebene and Eastern Alps Projects to EUR's Wolfsberg Project creates substantial optionality and potential synergistic development and production scenarios for both parties.

EVR has previously entered into a Collaboration Agreement with EUR which includes the establishment of a Technical Advisory Committee to enhance the projects for the purpose of jointly collaborating in connection with the Weinebene and Eastern Alps Projects and sharing information to identify the best options to advance those assets and operations.

This will continue and includes making recommendations for exploration programs, budgets and development scenarios in relation to the assets and operations.

Significant Events After the Balance Date

Subsequent to the end of the reporting period, EVR announced that it has entered an agreement for a $25 million investment commitment from Sapphire Global Energy Fund, LLC ("Investor" or "Sapphire") ("Capital Commitment")[10].

The proceeds from the capital investment will be used to strategically acquire projects and as working capital to develop further the Company's current portfolio, including but not limited to drilling campaigns and funding towards JORC compliant mineral resource estimates of the projects.

In addition, on 25 February 2023, 20,000,000 Performance Rights held by Directors expired.

Compliance Statements

Don Enrique Copper Project

This half-year report contains information on the Don Enrique Copper Project extracted from ASX market announcements dated 28 February 2022 and 30 August 2022 and reported in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ("2012 JORC Code"). EVR confirms that it is not aware of any new information or data that materially affects the information included in the original ASX market announcement.

Khartoum Tin-Silver-Tungsten Project

This half-year report contains information on the Khartoum Tin-Silver-Tungsten Project extracted from ASX market announcements dated 26 October 2021, 22 March 2022, 6

[9] ASX Announcement 26 October 2022 - Austrian Lithium Projects

[10] ASX Announcement 07 February 2023 – EVR Secures $25M Investment Commitment

September 2022 and 24 October 2022 and reported in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ("2012 JORC Code"). EVR confirms that it is not aware of any new information or data that materially affects the information included in the original ASX market announcement.

New Standard Copper Project

This half-year report contains information on the New Standard Copper Project extracted from ASX market announcements dated 15 March 2022 and 15 September 2022 and reported in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ("2012 JORC Code"). EVR confirms that it is not aware of any new information or data that materially affects the information included in the original ASX market announcement.

Austrian Lithium Project

This half-year report contains information on the Weinebene and Eastern Alps Projects extracted from ASX market announcement dated 8 September 2022 and reported in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ("2012 JORC Code"). EVR confirms that it is not aware of any new information or data that materially affects the information included in the original ASX market announcement.

Christina Project

This half-year report contains information on the Christina project extracted from an ASX market announcements dated 21 September 2022 and 17 November 2022 and reported in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ("2012 JORC Code"). EVR confirms that it is not aware of any new information or data that materially affects the information included in the original ASX market announcement.

Shaw River Lithium Project

This half-year report contains information on the Shaw River Project extracted from an ASX market announcements dated 23 December 2021 and 25 October 2022 and reported in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ("2012 JORC Code"). EVR confirms that it is not aware of any new information or data that materially affects the information included in the original ASX market announcements.

Auditor's Independence Declaration

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 10 for the half-year ended 31 December 2022.

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

Adrian Paul
Executive Director

Dated this 15th day of March 2023

In accordance with a resolution of the directors of EV Resources Limited, I state that:

In the opinion of the directors:

1. The financial statements and notes of the consolidated entity are in accordance with the Corporations Act 2001, including:

   (a) complying with Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and

   (b) give a true and fair view of the economic entity's financial position as at 31 December 2022 and the performance for the half-year ended on that date.

2. there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Adrian Paul
Executive Director
Dated this 15th day of March 2023

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Auditor's Independence Declaration

To the Directors of EV Resources Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of EV Resources Limited for the half-year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

b no contraventions of any applicable code of professional conduct in relation to the review.

Grant Thornton 10

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

B P Steedman
Partner – Audit & Assurance

Perth, 15 February 2023

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	Note	31 December 2022 $	31 December 2021 $
Interest income		7,554	112
Gain on investment	6	-	1,684,862
Other income		79	-
Consulting fees		(107,243)	(254,583)
Director fees		(192,000)	(216,000)
Depreciation		(1,340)	(1,512)
Employee expenses		(71,198)	(177,126)
Exploration and evaluation expenses		(319,017)	(362,710)
Marketing and investor relations		(43,884)	(55,824)
Other expenses		(306,020)	(237,524)
Professional fees	2	(219,710)	(224,785)
Share registry and listing fees		(39,673)	(94,954)
Share based payments	9	(816,658)	(62,125)
Share of loss of associates for using equity method	6	(322,207)	(446,974)
Loss before income tax		(2,431,317)	(449,143)
Income tax expense		-	-
Loss after tax		**(2,431,317)**	**(449,143)**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Exchange difference on translation of foreign operations		(6,979)	28,586
Other comprehensive loss for the period, net of tax		**(6,979)**	**28,586**
Total comprehensive loss for the period		**(2,438,296)**	**(420,557)**
Loss attributable to:			
Members of the parent entity		(2,318,168)	(445,026)
Non-controlling Interest		(113,149)	(4,117)
		(2,431,317)	**(449,143)**
Total comprehensive loss for the period attributable to:			
Members of the parent entity		(2,345,401)	(415,172)
Non-controlling interest		(92,895)	(5,385)
		(2,438,296)	**(420,557)**
Loss per share			
Basic and diluted loss per share (cents)	10	(0.26)	(0.05)

	Note	31 December 2022 $	30 June 2022 $
Current Assets			
Cash and cash equivalents		2,007,520	4,940,745
Trade and other receivables	3	162,011	95,426
Other current assets	4	41,430	31,549
Total Current Assets		**2,210,961**	**5,067,720**
Non-Current Assets			
Exploration asset	5	4,464,641	3,416,590
Plant and equipment		7,863	6,143
Other receivables		-	-
Investment in associate	6	1,339,229	1,331,436
Other non-current assets		525,025	500,446
Total Non-Current Assets		**6,336,758**	**5,254,615**
Total Assets		**8,547,719**	**10,322,335**
Current Liabilities			
Trade and other payables	7	180,324	434,276
Employee entitlements		21,111	10,208
Total Current Liabilities		**201,435**	**444,484**
Non-Current Liabilities			
Non-current financial liabilities		7,230	7,159
Total Non-Current Liabilities		**7,230**	**7,159**
Total Liabilities		**208,665**	**451,643**
Net Assets		**8,339,054**	**9,870,692**
Equity			
Issued capital	8	51,023,801	50,933,801
Reserves	9	2,629,823	1,840,398
Accumulated losses		(45,224,929)	(42,906,761)
Non-controlling interest		(89,641)	3,254
Total Equity		**8,339,054**	**9,870,692**

The consolidated statement of financial position is to be read in conjunction with the notes to and forming part of the consolidated interim financial report.

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	Note	Issued capital	Share Based Payment Reserves	Foreign Currency Reserve	Accumulated Losses	Non-controlling Interest	Total
		$	$	$	$	$	$
Balance at 1 July 2021		**44,713,880**	**201,318**	**(75,973)**	**(40,707,254)**	**17,936**	**4,149,907**
Loss attributable to members of parent entity		-	-	-	(445,026)	(4,117)	(449,143)
Other comprehensive income		-	-	29,854	-	(1,268)	28,586
Sub-total		-	-	29,854	(445,026)	(5,385)	(420,557)
Issue of shares for capital raising		3,500,000	-	-	-	-	3,500,000
Issue of shares for acquisition of asset		400,000	-	-	-	-	400,000
Issue of broker options for capital raising		-	250	-	-	-	250
Capital raising cost		(1,430,079)	1,220,314	-	-	-	(209,765)
Share based payment		-	62,125	-	-	-	62,125
Balance at 31 December 2021		**47,183,801**	**1,484,007**	**(46,119)**	**(41,152,280)**	**12,551**	**7,481,960**
Balance at 1 July 2022		**50,933,801**	**1,901,240**	**(60,842)**	**(42,906,761)**	**3,254**	**9,870,692**
Loss for the year		-	-	-	(2,318,168)	(113,149)	(2,431,317)
Other Comprehensive income		-	-	(27,233)	-	20,254	(6,979)
Total comprehensive loss of the year		-	-	(27,233)	(2,318,168)	(92,895)	(2,438,296)
Issue of shares for acquisition of asset	8	90,000	-	-	-	-	90,000
Share based payment		-	816,658	-	-	-	816,658
Balance at 31 December 2022		**51,023,801**	**2,717,898**	**(88,075)**	**(45,224,929)**	**(89,641)**	**8,339,054**

The consolidated statement of changes in equity is to be read in conjunction with the notes to and forming part of the consolidated interim financial report.

	31 December 2022 $	31 December 2021 $
Cash Flow from Operating Activities		
Payments to suppliers	(807,981)	(852,646)
Payment for exploration & evaluation	(139,864)	(133,154)
Payments for staff costs	(365,721)	(538,111)
Interest received	7,554	112
Net cash flows used in operating activities	(1,306,012)	(1,523,799)
Cash Flow from Investing Activities		
Payment for property plant and equipment	(3,061)	(2,187)
Payment for exploration and evaluation	(1,272,700)	(430,589)
Payment for investments	(330,000)	-
Net cash flows used in investing activities	(1,605,761)	(432,776)
Cash Flow from Financing Activities		
Proceeds from issue of shares and options	-	3,500,250
Transaction costs related to issues of shares, convertible notes or options	-	(209,767)
Repayment of loan	-	396,520
Net cash flows provided by financing activities	-	3,687,003
Net decrease in cash and cash equivalents	(2,911,773)	1,730,428
Foreign exchange	(21,452)	(9,614)
Cash and cash equivalents at the beginning of the period	4,940,745	1,675,448
Cash and cash equivalents at the end of the period	2,007,520	3,396,262

The consolidated statement of cash flows is to be read in conjunction with the notes to and forming part of the consolidated interim financial report.

1. Statement of Significant Accounting Policies

(a) Reporting Entity

EV Resources Limited (the "Company") is a company domiciled in Australia. The consolidated interim financial statement of the Company as at and for the six months ended 31 December 2022 comprises the Company and its controlled entities (together referred to as the consolidated entity).

This interim financial report was issued on 15 March 2022 by the directors of the Company.

(b) Statement of Compliance

The half-year consolidated financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134: Interim Financial Reporting, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

These half-year financial statements do not include full disclosures of the type normally included in an annual financial report. Therefore, they cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Company as in the full financial report.

It is recommended that these financial statements be read in conjunction with the annual financial report for the year ended 30 June 2022 and any public announcements made by EV Resources Limited during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

(c) Basis of Preparation

The half-year report has been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets. The Company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted. The financial statements have been prepared on a going concern basis.

The Accounting policies adopted in the preparation of this half-year financial report are consistent with those followed in preparation of the Group's annual consolidated financial statements for the year ended 30 June 2022.

Estimates and Judgements

When preparing the Interim Financial Statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the Interim Financial Statements, including the key sources of estimation uncertainty, were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2022.

New, revised or amending Accounting Standards and Interpretations adopted

There were no new, revised or amended accounting standards adopted in the period.

Going concern basis of preparation

These financial statements have been prepared on a going concern basis which assumes that the Group will continue in operation for the foreseeable future and at least one year from the date of signing.

In forming this opinion, the directors considered the ability of the Group to access the Sapphire Global Energy Fund Finance Facilities for additional funds and the ability of the Group to curtail discretionary exploration expenditure if required.

2. Professional fees

	Consolidated entity	
	31 December 2022	**30 December 2021**
	$	**$**
Accounting and company secretary fees	(75,808)	(73,191)
Audit fees	(25,716)	(18,500)
Legal fees	(118,186)	(133,094)
	(219,710)	**(224,785)**

3. Trade and Other Receivables

	Consolidated entity	
	31 December 2022	**30 June 2022**
	$	**$**
Other receivables	162,011	95,426
	162,011	**95,426**

All amounts are short-term and the carrying values are considered to approximate fair value.

4. Other current assets

	Consolidated entity	
	31 December 2022	**30 June 2022**
	$	**$**
Other prepayments	41,430	31,549
	41,430	**31,549**

5. Exploration and evaluation assets

	Consolidated entity	
	31 December 2022	**30 June 2022**
	$	**$**
Opening balance	3,416,590	2,347,024
Exploration & Expenditure acquisition[1]	90,000	1,142,374
Exploration capitalised	958,051	707,107
Serbia asset spin-out[2]	-	(779,915)
Closing balance	**4,464,641**	**3,416,590**

1. During the period, the Company acquired an additional 20% interest of the Shaw River project by issuing 3,000,000 shares of EV Resources Limited at an issue price of $0.03 per share ($90,000). EVR now holds 100%

of the project. The Shaw River Exploration Licence 45/5849 comprises 22 sub-blocks or 70 square kilometres and covers several areas of historic tin-tantalum workings.

2. The Company spun-out its Serbian assets to Balkan Mining and Minerals (ASX: BMM). The Company retained 22% of equity interest in BMM and have significant influence. However due to loss of control, BMM is not part of EVR consolidated group and the Serbian exploration assets have been excluded. Since the spin-out, due to dilution from further issuance of shares by BMM, the Company's equity interest in BMM has reduced to 21.01%.

6. Investment in Associates

	Consolidated entity	
	31 December 2022	**30 June 2022**
	$	**$**
Investment in associates	1,339,229	1,331,436
	1,339,129	**1,331,436**

During the reporting period, the Company participated in the capital raise of Balkan Mining and Minerals Ltd for a consideration of $330,000 and retained a 21.01% ownership.

The investment in associates has been calculated as follows:

	Consolidated entity	
	31 December 2022	**30 June 2022**
	$	**$**
Opening carrying value of investment	1,331,436	
Net assets of subsidiary derecognised	-	315,138
Gain on investment	-	1,684,862
Fair value consideration	-	2,000,000
Increase in interest in associates	330,000	-
Share of net loss recognised	(322,207)	(668,564)
Investment in associates	**1,339,229**	**1,331,436**

7. Trade and Other Payables

	Consolidated entity	
	31 December 2022	**30 June 2022**
	$	**$**
Trade and other payables	145,014	340,827
Accruals	32,500	54,205
Other payables	2,810	39,244
	180,324	**434,276**

All amounts are short-term and the carrying values are considered to approximate fair value.

8. Share Capital

	Note	Consolidated entity 31 December 2022 $	30 June 2022 $
928,984,071 (30 June 2022: 925,984,071) Fully paid ordinary shares	(a)	51,023,801	50,933,801
a) Ordinary Shares			
At beginning of the reporting period		50,933,801	44,713,880
Issue of shares – placement		-	7,500,000
Issue of shares – acquisition of asset[1]		90,000	-
Issue of shares – Mint financing facility fee		-	150,000
Capital raising cost		-	(1,430,079)
At reporting date		**51,023,801**	**50,933,801**
			No. of shares
At beginning of the reporting period		925,984,071	712,234,072
Issue of shares – placement		-	213,749,999
Issue of shares – acquisition of asset		3,000,000	-
At reporting date		**928,984,071**	**925,984,071**

Ordinary shares have no par value and participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

During the reporting period, the Company issued 3,000,000 EV Resources Ltd ordinary shares at $0.03 per share for the acquisition of the remaining 20% of E45/5849 Shaw River project.

9. Reserves

	Consolidated entity 31 December 2022 $	30 June 2022 $
Reserves		
Foreign currency reserve	(88,075)	(60,842)
Option reserve	1,342,007	1,342,007
Performance right reserve	1,375,891	559,233
	2,629,823	**1,840,398**
a) Foreign Currency Reserve		
At the beginning of reporting period	(60,842)	(75,973)
Movement	(27,233)	15,131
At the end of reporting period	**(88,075)**	**(60,842)**

	Consolidated entity	
	31 December 2022	30 June 2022
b) Share Based Payment Reserves	**$**	**$**
Option Reserve		
At beginning of the reporting period	1,342,007	121,443
Issue of options[1]	-	1,220,564
Exercise of options	-	-
Expiry of options	-	-
At the end of reporting period	**1,342,007**	**1,342,007**
	No. of options	**No. of options**
At beginning of the reporting period	133,333,332	25,000,000
Issue of options	-	108,333,332
Exercise of options	-	-
Expiry of options	-	-
At the end of reporting period	**133,333,332**	**133,333,332**
Performance Right Reserve	**$**	**$**
At beginning of the reporting period	559,233	79,875
Performance rights expense	816,658	621,358
Conversion of performance rights	-	-
Forfeited or lapsed of performance rights	-	(142,000)
At the end of reporting period	**1,375,891**	**559,233**

20,000,000 Performance Rights were issued in the financial year to 30 June 2022 with a total value of $1,620,000 and vest over the period 25 February 2022 to 25 February 2023. The Performance Rights expense of $816,658 represents the expense for the six month period to 31 December 2022.

	Consolidated entity	
	31 December 2022	30 June 2022
Performance Right Reserve (cont'd)	**No. of performance rights**	**No. of performance rights**
At beginning of the reporting period	20,000,000	30,000,000
Issue of performance rights	-	20,000,000
Conversion of performance rights	-	-
Forfeited or lapsed of performance rights	-	(30,000,000)
At the end of reporting period	**20,000,000**	**20,000,000**

10. Loss Per Share

Both the basic and diluted loss per share have been calculated using the profit attributable to shareholders of the parent company (EV Resources Limited) as the numerator, ie, no adjustments to losses were necessary during the six-month periods to 31 December 2022 and 31 December 2021. The weighted average number of shares for the purposes of the calculation of diluted loss per share can be reconciled to the weighted average number of ordinary shares used in the calculation of basic loss per share as follows:

	Consolidated entity	
	31 December 2022	**31 December 2021**
Basic and diluted loss per share (cents)	(0.26)	(0.05)
Losses used to calculate basic and diluted EPS ($)	(2,438,296)	(420,557)
Weighted average number of ordinary shares outstanding during the period used in calculating basic EPS*	926,279,961	763,819,217
Weighted average number of ordinary shares outstanding during the period used in calculating dilutive EPS*	926,279,961	763,819,217

Anti-dilutive options and performance rights have not been used in the EPS calculation. As at 31 December 2022 there were 133,333,332 options and 20,000,000 performance rights on issue.

11. Segment Information

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

The Group's reportable segments have been identified around geographical areas and regulatory environments. The following table presents revenue and result information and certain asset and liability information regarding the relevant segments for the period ended 31 December 2022 for the consolidated entity.

Segment Information 6 months to 31 December 2022	Australia	Austria	Peru	USA	Mexico	Total
Segment Result	$	$	$	$	$	$
Other Income	-	-	79	-	-	79
Supplier, consulting, investor relations and other	(73,674)	(8,199)	(282,356)	-	(7,934)	(372,163)
Employment	(69,070)	-	-	-	-	(69,070)
Impairment	-	-	-	-	-	-
Segment result	(142,744)	(8,199)	(282,356)	-	(7,934)	(441,233)
Corporate						(1,990,084)
Segment assets and liabilities						
Cash at bank, trade and other receivables	219,262	22,568	258,186	-	34,873	534,889
Segment other assets	7,505	-	-	-	124	7,629
Segment property, plant and equipment	2,001	-	3,891	-	-	5,892
Segment exploration asset	1,588,242	1,287,209	909,677	679,513	-	4,464,641
Segment liabilities	50,391	49,129	69,938	-	11,200	180,658
Corporate assets						3,534,668
Corporate liabilities						28,007

Segment Information 6 months to 31 December 2021	Australia	Austria	Peru	USA	Mexico	Total
Segment Result	$	$	$	$	$	$
Other Income	-	-	-	-	-	-
Supplier, consulting, investor relations and other	(180,989)	(4,945)	(46,110)	-	(345,654)	(577,698)
Employment	(140,050)	(15,644)	-	-	-	(155,694)
Impairment	-	-	-	-	-	-
Segment result	(321,039)	(20,589)	(46,110)	-	(345,654)	(733,392)
Corporate						284,249
Segment assets and liabilities						
Cash at bank, trade and other receivables	3,114	27,836	35,796	-	25,963	92,709
Segment other assets	2,992	-	-	-	-	2,992
Segment property, plant and equipment	-	-	1,298	-	-	1,298
Segment exploration asset	672,000	1,257,435	340,878	-	-	2,270,313
Segment liabilities	(24,796)	(48,969)	(39,387)	-	-	(113,152)
Corporate assets						5,347,678
Corporate liabilities						(119,881)

12. Contingencies

There have been no other changes in the contingent Assets or Liabilities of the Group.

13. Funding arrangement

In February 2023, the Company entered into an agreement for a $25 million investment commitment from Sapphire Global Energy Fund, LLC ("**Investor**" or "**Sapphire**") ("**Capital Commitment**"). The proceeds from the capital investment will be used to strategically acquire projects and as working capital to develop further the Company's current portfolio, including but not limited to drilling campaigns and funding towards JORC compliant mineral resource estimates of the projects. The terms of the Capital Commitment are as follows:

- **Investment:** $25 million via an equity drawdown facility.
- **Term:** The Company has the option to drawdown on the facility for 60 months commencing on 1 March 2023, or an earlier date agreed upon.
- **Security Shares:** The security provided to the Investor is 35 million shares to be issued prior to the first drawdown (Security Shares) which may be utilised to offset any drawdown.
- **Placement Request:** On drawdown of the facility, the Company is to send a Placement Request requiring either:
    - an amount of securities for the Investor to purchase at the Placement Price. The number of securities to be purchased will be equal to the lower of:
        - The number of securities requested;
        - 30% of the total volume traded in the 10 trading days prior to each Placement Request;
        - $2m divided by the Placement Price;
        - The Available Facility Limited (being $25M less drawdowns completed) divided by the Placement Price;
        - The Company's available placement capacity under LR 7.1; and
        - The number of Security Shares less the aggregate amounts of any reductions; or
    - a placement amount (the "Requested Placement Amount"). The Requested Placement Amount will be the lesser of:
        - the Requested Placement Amount;
        - $250,000, which may be increased to $500,000 by mutual agreement;
        - the Available Facility Limit (being $25M less drawdowns completed);
        - the Placement Price multiplied by the total of Security Shares less the aggregate amount of any reductions to the Security Share number; and
        - the Placement Price multiplied by the Company's available capacity under Listing Rules 7.1.
- **Placement Price:** The price of the drawdown will be 95% of the average of the lowest 3 daily VWAPs during the 11 trading days following the Placement Request being sent to the Investor ("Calculation Period").
- **Trading Restriction:** The Investor agrees to not trade more than $25,000 worth of EVR shares or more than 20% of the relevant days' volume (whichever is higher), in a single day. Where the number of shares has been specified in the Placement Request, then the Investor agrees not to sell in excess of 3m shares or 20% of the daily trading volume (whichever is greater) during the Calculation Period.
- **Placement Conditions**: The following conditions must be met prior to a Placement:
    - The Shares are not suspended from trading on the ASX or subject to a trading halt.
    - It has been at least 12 Trading Days since the immediately prior Placement Request Date, provided that this may be reduced to a lesser number of days by mutual agreement between the Investor and the Company.
    - The Shares have not traded below A$0.008 per Share during any of the 10 prior Trading Days;
    - The immediately prior Placement Request has Completed.
    - No Event of Default has occurred.

- **Facility Fee:** 3% of the equity facility amount to be paid in cash or shares (at the Company's election):
  - 0.75% within 3 days of executing the Equity Placement Agreement. At the Company's election this fee is payable by the issue of 7 million shares at an issue price of approximately $0.027 being an 80% premium to the Company's current trading price;
  - 0.75% upon first drawdown;
  - 1.5% upon drawdown of 50% of the facility.

The facility does not require shareholder approval and is available for utilisation by the Company. The Company is however limited in the number of shares it issues under the facility in accordance with its available Placement Capacity under Listing Rules 7.1 and 7.1A.

14. Events Subsequent to Balance Date

On 25 February 2023, 20,000,000 Performance Rights held by Directors expired.

On 3 March 2023 the Company announced that, after a review of exploration conducted in 2022, the Company is consolidating its land position over the New Standard Copper Project in Arizona, and will prioritise the eastern bloc of the Project, close to the former Pride Mine, where mapping and sampling produced a considerable number of high grade samples. Based on assay results from sampling undertaken by the Company in 2022, and in parallel with current market conditions, the Company has decided to not exercise its option for the New Standard licences, as a further US$400,000 payment does not reflect value for the Company relative to its priority targets. The Company is of the view that it continues to hold its 33% interest in the New Standard licences but will concentrate on the 2,996 acres recently pegged by the Company, and as such will rename it as the "New Pride" Project, in recognition of the priority placed on the zone surrounding the Pride mine workings.

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Independent Auditor's Report

To the Members of EV Resources Limited

Report on the half year financial report

Conclusion

We have reviewed the accompanying half year financial report of EV Resources Limited (the Company), which comprises the consolidated condensed statement of financial position as at 31 December 2022, and the consolidated condensed statement of profit or loss and other comprehensive income, consolidated condensed statement of changes in equity and consolidated condensed statement of cash flows for the half year ended on that date, a description of accounting policies, other selected explanatory notes, and the directors' declaration.

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

a giving a true and fair view of EV Resources Limited's financial position as at 31 December 2022 and of its performance for the half year ended on that date; and

b complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

Basis for Conclusion

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

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Directors' responsibility for the half-year financial report

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

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

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

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

B P Steedman
Partner – Audit & Assurance

Perth, 15 March 2023