



Europa Metals Ltd

A.C.N. 097 532 137

Annual Report

For the year ended

30 June 2024

Contents

	Page No.
Chairman and Interim-CEO's Statement	3
Corporate Information	5
Directors' Report	6
Corporate Governance Statement	22
Consolidated Statement of Profit or Loss and Other Comprehensive Income	29
Consolidated Statement of Financial Position	30
Consolidated Statement of Cash Flows	31
Consolidated Statement of Changes in Equity	32
Notes to the Consolidated Financial Statements	33
Consolidated Entity Disclosure Statement	52
Directors' Declaration	53
Independent Auditor's Report	54
Auditor's Independence Declaration	57
Additional JSE Information	58

Chairman and Interim-CEO's Statement

Dear Fellow Shareholders,

During the financial year ended 30 June 2024 and subsequently, Europa Metals Ltd ("Europa Metals" or the "Company") has been steadily advancing the Toral project via the third party definitive agreement with Denarius Metals Corp (Cboe:DMET, OTCQB:DNRSF).

Results were received from the 2023 drilling campaign, with assays from seven drill holes at Toral each reporting significant mineralization:

- TOD-044 of 7.95m@4.46% ZnEq(PbAg), including:
 - 4.25m@6.17% ZnEq(PbAg); and
 - 1.55m@11.40% ZnEq(PbAg)
- TOD-045 of 4.95m@22.71% ZnEq(PbAg)
- TOD-046 of 1.50m@11.64% ZnEq(PbAg), including:
 - 1.00m@15.84% ZnEq(PbAg)
- TOD-047 of 0.6m@18.34% ZnEq(PbAg) and 2.4m@3.72% ZnEq(PbAg)
- TOD-048 of 4.7m@6.68% ZnEq(PbAg), including:
 - 1.65m@14.41% ZnEq(PbAg)
- TOD-048 of 6.65m@8.12% ZnEq(PbAg) including:
 - 3.80m@12.58% ZnEq(PbAg)
- TOD-049 of 5.00m@6.91% ZnEq(PbAg), including:
 - 1.25m@20.93% ZnEq(PbAg)
- TOD-050 of 3.90m@10.30% ZnEq(PbAg), including:
 - 1.45m@20.69% ZnEq(PbAg)
- TOD-050 of 2.4m@4.98% ZnEq(PbAg)

In October of 2023 a submission to the Junta of Castilla and Leon for a mining licence was completed with all necessary documentation covering the exploitation, restoration and environmental impact study being submitted.

In summary the submission envisages a life of mine of 15 years, mining on average 700,000t of ore per year from underground, based on the deposit whose technical, economic and environmental feasibility is in accordance with the laws and regulations of the region of Castilla y Leon. Including pre-production and closure plans, Toral's 18 year operations will create over 360 direct local employment opportunities and approximately 1,400 indirect jobs in the region.

Europa and Denarius, as part of the agreement, have also signaled the ambition to secure potential further concessions in the surrounding Northern Spain region therefore expanding the footprint around Toral with several applications being made over exploration ground during the period.

Subsequent to the reporting period, Europa announced in September 2024 the proposed sale of the Toral Project to Denarius for 7,000,000 shares in Denarius (Cboe:DMET) at CAD\$0.50, for a total value of CAD\$3.5m. This proposal was successfully passed by all shareholders at an extraordinary general meeting on 25th October 2024. This makes Europa a significant shareholding in a fast-growing Canadian mining company in Denarius and gives exposure to not only Toral, which we know very well, but also Zancudo, a gold mine coming on stream in Colombia in the next six months, restarting the AquaBlanca nickel-copper mine in southern Spain, and Lomero Poyatos, a polymetallic Cu-Au-Zn-Pb_Ag deposit in southern Spain.

Over the coming period, the Board will continue with its endeavours to capitalise on the potential of its shareholding in Denarius.

In last year's statement I signaled that Europa would pursue our stated business development strategy and identify promising complimentary opportunities for portfolio expansion. In September we announced the intention to acquire Viridian metals who own 100% of the Tynagh brownfield Pb/Zn/Cu/Ag project in the Republic of Ireland (the "Proposed Transaction").

The Tynagh minesite operated as an oxide open pit and laterly as a small sulphide underground operation between 1973 and 1980, where from the open pit they mined secondary oxidised material containing 16-18%

Chairman and Interim-CEO's Statement

combined zinc and lead. This oxidised material and limited processing technology at the time led to poor recovery of the metals resulting in a high grade tailings product.

Today there is a 6.7Mt surface waste Mineral Resource declared in terms of the Canadian Institute of Mining, Metallurgy and Petroleum Definition Standards ("CIM Definition Standards") and reported in an NI 43-101, at the site, plus a possible 3.0mt of non compliant resources:

- 4.0mt@6.1% combined Zn+Pb, 1.4 Oz/t Ag (44g/t Ag), 18.95% BaO
- 2.7mt@1.7% combined Zn+Pb, 0.4 Oz/t Ag (13g/t Ag), 9.5% BaO

Viridian understands that the prior operators had realised that much of the original metal content would be in the tailings and that re-treatment may be possible and carefully stored and segregated the material with this in mind. The metal content in the tailings facility is an equivalent grade to what is being mined underground elsewhere today.

It is envisaged that Europa will undertake the necessary requirements to conclude a definitive feasibility study and apply for an operating licence for the re-cycle and reclamation project. In addition, we will conduct exploratory drilling on the historical hard rock resources within the lease, looking to upgrade the Zn/Pb/Ag resources to a 43-101/JORC standard and also define further the significant Cu intersections previously drilled.

It is the intention that Julian Vickers will become Chief Executive Officer of the Company on completion of the transaction. Julian identified Tynagh over 10 years ago and has both funded and led the technical advancement of the project since its inception. Julian graduated with a first class honours degree in Mining Geology from the Royal School of Mines, Imperial College, in 1987 and also holds an MBA from the London Business School. He has wide experience of deal making and financing in the natural resources sector and has spent 35 years in technical, commercial and financial roles within the industry.

The existing Europa management team and board will remain with Myles Campion, Chairman, Dan Smith as COSec and NED, and Evan Kirby, Non Executive Director, who was until recently the Chief Metallurgist at Jubilee Metals. Further appointments will be made as required.

In conclusion, the Europa Metals board, with announcing the most recent proposed transactions, is looking to put the company on a firm financial footing via its access to equity in Denarius and on a pathway to exploration success and production at Tynagh.

Myles Campion

Executive Chairman and Interim-CEO

Europa Metals Ltd

A.C.N. 097 532 137

Corporate Information

Directors:

Myles Campion

Evan Kirby

Daniel Smith

Company Secretary:

Daniel Smith

Auditor:

BDO Audit Pty Ltd

Level 9, Mia Yellagonga Tower

5 Spring Street

Perth WA 6000 AUSTRALIA

Telephone: (+61 8) 6382 4600

Facsimile: (+61 8) 6382 4601

Nominated Advisor (Nomad) and Broker:

Beaumont Cornish Limited

Building 3

566 Chiswick High road

London, W4 5YA

JSE Sponsor:

Questco Corporate Advisory Proprietary Limited

Ground Floor, Block C, Investment Place

10th Road, Hyde Park, 2196

Banker:

National Australia Bank

Perth Central Business Banking Centre

UB13.03, 100 St Georges Terrace

Perth WA 6000 AUSTRALIA

Telephone: 13 22 65

UK Lawyer:

Joelson JD LLP

30 Portland Place

London W1B 1LZ, United Kingdom

Telephone: +44 20 7580 5721

Share Registry:

Computershare Investor Services Pty Limited

Level 17, 221 St Georges Terrace

Perth WA 6000 AUSTRALIA

Telephone: (+61 8) 9323 2000

Facsimile: (+61 8) 9323 2033

Registered and Principal Office:

c/o Minerva Corporate Pty Limited

Level 8, 99 St Georges Terrace

Perth WA 6000 AUSTRALIA

Telephone: (+61 8) 9486 4036

Facsimile: (+61 8) 9486 4799

Website: www.europametals.com

Email: info@europametals.com

Stock Exchange Listings:

Europa Metals Ltd's ordinary shares are quoted on the AIM market of the London Stock Exchange plc (AIM:EUZ) and are also listed on JSE AltX (AltX:EUZ).

Directors' Report

The Directors of Europa Metals Ltd ("Europa Metals" or the "Company") (the "Directors") present their report for the financial year ended 30 June 2024.

Directors

The names and details of the Directors in office during the financial year and at the date of this report are set out below:

Each Director was in office for the entire reporting period unless otherwise stated.

<i>Dr Evan Kirby (Age 73), BSc (Hons) Metallurgy, PhD Metallurgy, Non-Executive Director</i>		
Experience and expertise	Dr Kirby is a metallurgist with over 40 years of experience in the mining sector. He has held senior management positions with Rand Mines and Rustenburg Platinum Mines and worked as a director and technical consultant for a number of mining companies.	
Other current directorships	Director of Bezant Resources plc (AIM: BZT), Director of Kendrick Resources plc (AIM:KEN)	
Former directorships over the past 3 years	New Energy Minerals (ASX: NXE), Nyota Minerals Limited (ASX & AIM: NYO), Jubilee Metals Group plc (AIM: JLP)	
Special responsibilities	Non-Executive Director Chairman of the Remuneration Committee Chairman of the Nominations Committee Member of the Audit and Risk Management Committees Member of the Technical Committee (Informal)	
Interests in shares and options	Ordinary Shares in Europa Metals Ltd	318,723
	Options held in Europa Metals Ltd	-

<i>Myles Campion (Age 55), BSc Geology (Hons), MSc Mineral Exploration, Executive Chairman / Interim-CEO / Technical Director</i>		
Experience and expertise	<p>Mr Campion served as a Fund Manager of Oceanic Asset Management Pty Ltd, Australian Natural Resources OEIC and Global Connections Funds plc – Junior Resources Fund. Mr Campion has 24 years' experience in the natural resources sector, including as a Resource analyst, Fund Manager, equities research and project and debt financing. He has over 10 years' experience as a field geologist that includes success at the Emily Ann Nickel Sulphide Mine. He was based in London for five years working at Barclays Capital in their natural resources team and as a Senior Resource Analyst at WH Ireland. He also served as Fund Manager of CF Global Resources Fund.</p> <p>He held the role of Project Geologist at LionOre responsible for the exploration, discovery and BFS completion of the Emily Ann Nickel Sulphide Mine. Mr Campion's financial experience ranges from Australian and UK equities research through to project and debt financing in London, covering the entire spectrum of mining companies with an extensive knowledge of the global resources market covering the three main bourses, the Toronto Stock Exchange, AIM and the ASX. He holds a Graduate Diploma of Business (Finance) and is an Associate of the Royal School of Mines. Mr Campion earned an M.Sc. in Minerals Exploration from the Royal School of Mines in London and B.Sc. Honours in Geology from University of Wales College Cardiff.</p>	
Other current directorships	Director of Virico (IOM) Limited Director of DY6 Metals Ltd (ASX:DY6)	
Former directorships over the past 3 years	None	
Special responsibilities	Executive Chairman / Interim-CEO / Technical Director Member of the Remuneration Committee	

Directors' Report

	Chairman of the Technical Committee (Informal)	
Interests in shares and options	Ordinary Shares in Europa Metals Ltd	5,108,182
	Options held in Europa Metals Ltd	1,000,000

<i>Daniel Smith (Age 40), BA (International Relations), FGIA, GradDip ACG, Non-Executive Director, Company Secretary</i>		
Experience and expertise	<p>Mr Smith is a Fellow of the Governance Institute of Australia and has over 15 years' primary and secondary capital markets expertise. As a director of Minerva Corporate, he has advised on, and been involved in, a significant number of IPOs, RTOs and capital raisings on both the ASX and NSX.</p> <p>Mr Smith is currently a director and/or company secretary of a number of companies listed on ASX, NSX and AIM. He holds a BA in International Relations from Curtin University, Western Australia.</p>	
Other current directorships	<p>Director of Lachlan Star Limited (ASX:LSA) Director of QX Resources Limited (ASX:QXR) Director of White Cliff Minerals Limited (ASX:WCN) Director of Nelson Resources (ASX:NES) Director of DY6 Metals Ltd (ASX:DY6)</p>	
Former directorships over the past 3 years	Artemis Resources Limited (ASX/AIM:ARV), Alien Metals Ltd (AIM:UFO)	
Special responsibilities	<p>Company Secretary Member of the Remuneration Committee Member of the Nominations Committee Chairman of Audit and Risk Committee</p>	
Interests in shares and options	Ordinary Shares in Europa Metals Ltd	500,000
	Options held in Europa Metals Ltd	1,000,000

Corporate

Proposed disposal of Toral Project to Denarius Metals Corp. ("Denarius")

On 23 November 2022, Europa Metals entered into a definitive option agreement (the "Toral Definitive Agreement") with Denarius pursuant to which Europa granted two options to Denarius to acquire up to an 80% ownership interest in Europa Metals Iberia S.L. ("EMI"), a wholly-owned Spanish subsidiary of Europa which holds the Toral Zn-Pb-Ag Project.

Pursuant to the Toral Definitive Agreement, Denarius was granted a First Option, exercisable until November 22, 2025 (subject to a 90-day extension in certain circumstances), to subscribe for a 51% equity interest in EMI by:

- (i) spending, as operator, a total of USD\$4,000,000 on the Toral Project over the three-year period,
- (ii) completing a preliminary economic assessment, and
- (iii) completing and submitting a mining license application in respect of the Toral Project to the local mining authority by July 31, 2023.

Whilst Denarius has been undertaking ongoing work at Toral to satisfy the First Option conditions, Europa has now signed a binding letter of intent ("LOI") with Denarius, who will, subject to shareholder approval, acquire 100% of the issued and outstanding shares of Europa Metals Iberia S.L. ("EMI") (the "Transaction"), a wholly owned Spanish subsidiary of Europa which holds the Toral Project in the Leon Province, Northern Spain.

Transaction Highlights

- Purchase price of CAD\$3,500,000 in equity in Denarius, through the issuance of 7,000,000 common shares in Denarius at a deemed issue price of CAD\$0.50 per share
- The Denarius shares will be subject to a 4-month hold period following issuance
- The Transaction will provide Europa with exposure to Denarius' portfolio of projects within Spain and Columbia

Directors' Report

Issue of shares to directors

In December 2023, the Company issued 3,500,000 new Ordinary Shares to two directors of the Company following the conversion of performance rights. The relevant performance milestone conditions for the performance rights were achieved during the course of the year. Refer to the RNS of 24 January 2024 for further details.

Change of Nomad and Broker

On 9 October 2023, the Company advised of the appointment of Beaumont Cornish Limited as Nomad and Broker.

Shareholder Meetings

On 30 November 2023, the Company held its Annual General Meeting whereby all resolutions were duly approved by shareholders by way of a poll.

Dividends

No dividend has been paid or declared since the start of the financial year and the Directors do not recommend the payment of a dividend in respect of the financial year (2023 Nil).

Principal activities

The principal activity of the entities within the consolidated entity and its associates during the financial year was that of exploration for minerals.

Risk Management

The Board of Directors review the key risks associated with conducting exploration and evaluation activities and steps to manage those risks. The key material risks faced by the Group include:

Exploration and development

The future value of the Group will depend on its ability to find and develop resources that are economically recoverable. Mineral exploration and development is a speculative undertaking that may be impeded by circumstances and factors beyond the control of the Group.

Success in this process involves, amongst other things; discovery and proving-up an economically recoverable resources or reserves, access to adequate capital throughout the project development phases, securing and maintaining title to mineral exploration projects, obtaining required development consents and approvals, access to competent management and appropriately skilled personnel and environmental risks.

The Group is entirely dependent upon its projects, which are the sole potential source of future revenue, and any adverse development affecting these projects would have a material adverse effect on the Group, its business, prospects, results of operations and financial condition.

Economic Conditions

Factors such as (but not limited to) political movements, stock market fluctuations, interest rates, inflation levels, commodity prices, industrial disruption, taxation changes and legislative or regulatory changes, may all have an adverse impact on the Group's projects, availability of commercial opportunities and the Group's share price.

Future funding risk

Continued exploration and evaluation is dependent on the Group being able to secure future funding from equity markets as required. There can be no assurance that such funding will be available on satisfactory terms or at all at the relevant time. Any inability to obtain sufficient financing for the Group's activities and future projects may result in the delay or cancellation of certain activities or projects, which would likely adversely affect the potential growth of the Group.

Directors' Report

Review of operations and activities

Lead-Zinc-Silver Exploration Project, Spain

The Toral Project is situated in northwest Spain in a world class mining jurisdiction which provides the opportunity to create new mines within well-established environmental and mining frameworks and with access to first class power and transport infrastructure. Toral represents a limestone hosted, structurally controlled deposit with the Pb, Zn, Ag mineralisation situated within the limestone close to the boundary between footwall slates and hanging wall limestones and dolomites. The mineralisation occurs as semi-massive vein, breccia and carbonate replacement styles of mineralisation.

The Toral deposit currently has a JORC (2012) compliant indicated mineral resource estimate of approximately **7Mt @ 8.1% Zn Equivalent** (including Pb credits), 5% Zn, 3.7% Pb and 29g/t Ag, containing approximately 349,000 tonnes of zinc, 260,000 tonnes of lead and 6.6 million ounces of silver. This is contained within a total mineral resource of **20Mt @ 6.8% Zn Equivalent** (including Pb credits), 4.4% Zn, 2.8% Pb and 23 g/t Ag.

On November 23, 2022, Europa Metals Ltd entered into a definitive option agreement (the "Torale Definitive Agreement") with Denarius Metals Corp. ("Denarius") pursuant to which Europa has granted two options to Denarius to acquire up to an 80% ownership interest in Europa Metals Iberia S.L. ("EMI"), a wholly-owned Spanish subsidiary of Europa which holds the Toral Zn-Pb-Ag Project.

Pursuant to the Torale Definitive Agreement, Denarius has been granted a First Option, exercisable until November 22, 2025 (subject to a 90-day extension in certain circumstances), to subscribe for a 51% equity interest in EMI by:

- (i) spending, as operator, a total of USD\$4,000,000 on the Toral Project over the three-year period,
- (ii) completing a preliminary economic assessment, and
- (iii) completing and submitting a mining license application in respect of the Toral Project to the local mining authority by July 31, 2023.

Mining Licence Application

Formal application for a mining licence has been completed in October 2023 over the Toral Pb, Zn & Ag project. All necessary studies have now been completed and lodged with the relevant authorities and departments within the Castille and Leon regional government.

Highlights:

- Submission to the "Junta of Castilla and Leon" completed.
- All necessary documentation covering the exploitation, restoration and environmental impact study was submitted.
- The submission envisages a life of mine of 15 years, mining on average 700,000t of ore per year from underground.
- Including pre-production and closure plans, Toral's 18-year operations will create over 360 direct local employment opportunities and approximately 1,400 indirect jobs in the region.
- This submission has been based on the deposit whose technical, economic and environmental feasibility is in accordance with the laws and regulations of the region of Castilla y Leon.
- Such project assessment will be formally reported on in the expected preliminary economic assessment in accordance with the Canadian Institute of Mining Metallurgy and Petroleum ("CIM") Definition Standards incorporated by reference in National Instrument 43-101 expected to be prepared in 2024.

Exploitation Plan

Due to the subvertical geometry of the Toral deposit and its combination of depth and thickness, underground mining is considered to be the most technically, economically, and environmentally viable development option.

Directors' Report

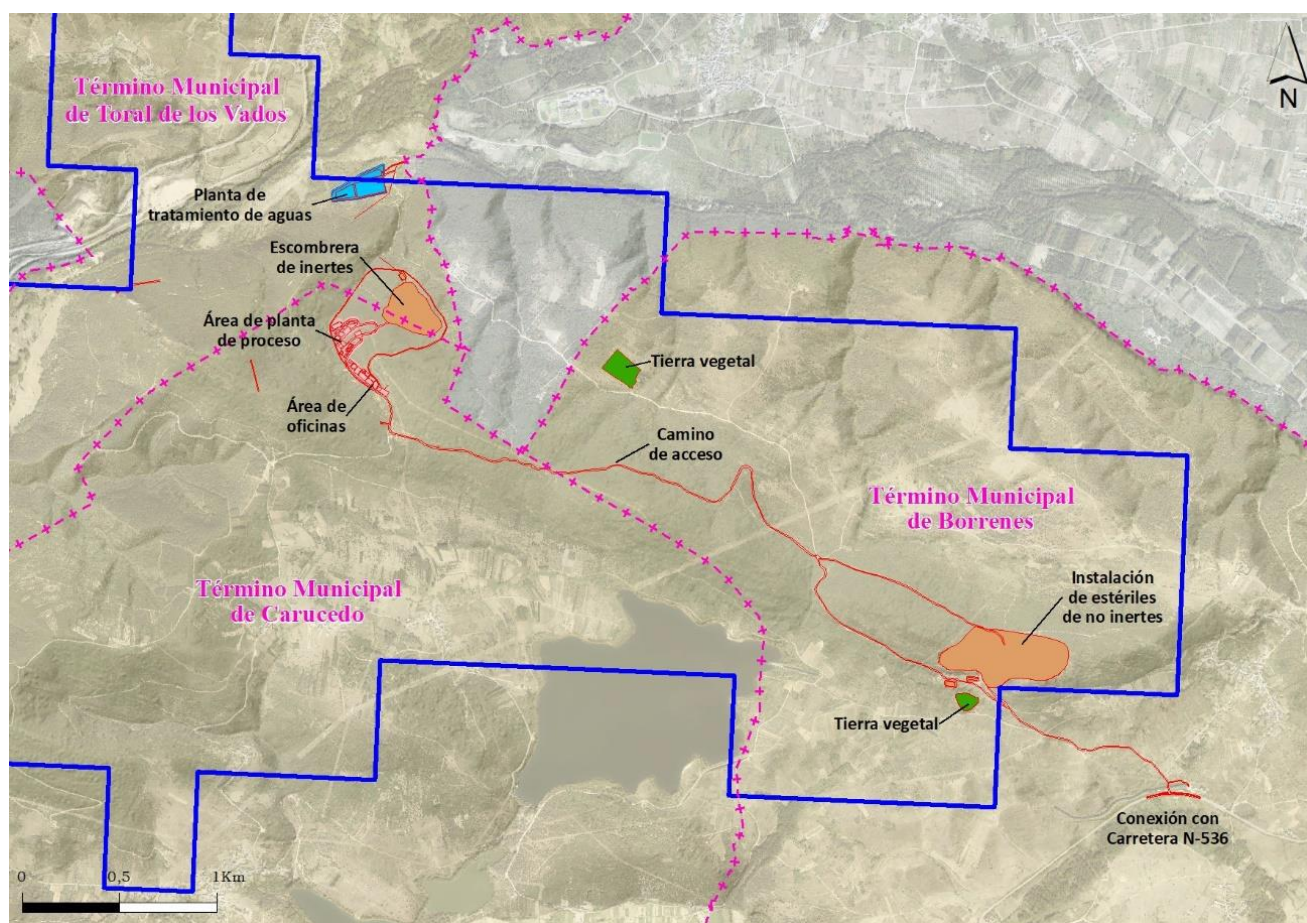


Figure 1 General on surface facilities layout distribution

The basis for the development plan utilised the existing JORC resource from November 2022; since the beginning of 2023 the Company's Spanish engineering group, Mining Sense, has applied many factors to this Resource such as commodity pricing, base load power costs, dilution factors and trade-off studies with the objective of reviewing various development scenarios. Based on the work carried out, it was determined that the extension, volume and ore grades have been duly estimated to define a mineable deposit whose technical, economic and environmental feasibility is supported by the documentation and in accordance with the laws and regulations of the region of Castilla y León. Such project assessment will be formally reported on in the expected preliminary economic assessment to national Instrument standards 43-101 expected to be published in 2024.

Drilling

On the 4th of August 2023, Europa Metals was pleased to announce the latest assay results from its ongoing validation and infill diamond drilling programme, being conducted by Explomin Perforaciones UE S.L. ("Explomin"), at the Company's 100% owned Toral Pb, Zn & Ag project ("Toral" or the "Toral Project") in northwest Spain. This drilling programme forms part of the 2023 exploration campaign agreed between the Company and Denarius Metals Corp (TSXV:DSL; OTCQX: DNSRF) ("Denarius") pursuant to the definitive option agreement dated 22 November 2022, further details of which are set out in the Company's announcement of 23 November 2022.

In addition, detailed environmental studies are now nearing completion which are required to finalise the formal submission of the Company's mining licence application to the Mines Department of Castilla y León.

Directors' Report

Competent Person's Statement

The information above that relates to Exploration Results is based on information compiled by Mr J.N. Hogg, MSc. MAIG Principal Geologist for AMS, an independent Competent Person within the meaning of the JORC (2012) code and qualified person under the AIM Note for Mining and Oil & Gas Companies. Mr Hogg has reviewed and verified the technical information that forms the basis of, and has been referred to in the preparation of this annual report including all analytical data, diamond drill hole logs, QA/QC data, density measurements, and sampling, diamond drilling and analytical techniques. Mr Hogg consents to the inclusion in this annual report of the matters based on the information, in the form and context in which it appears. Mr Hogg has also reviewed and approved the technical information in his capacity as a qualified person under the AIM Rules for Companies.

Financial Position

In carrying out its operations during the reporting period, the Group has incurred a loss after income tax for the period from 1 July 2023 to 30 June 2024 of \$632,780 (2023: loss of \$3,380,397). The Group had net assets of \$5,975 (2023: \$558,267) as set out in the Consolidated Statement of Financial Position.

Significant changes in the Group's state of affairs

In the opinion of the Directors, there were no significant changes in the state of affairs of the Company that occurred during the financial year under review not otherwise disclosed in this report.

Significant events after the reporting date

There are subsequent events to report, as follows:

On 17 September 2024, the Company announced that it had entered into a binding letter of intent with Denarius Metals Corp in relation to the proposed disposal of the Toral Project.

On 17 October 2024, the Company announced that it had entered into a conditional Term Sheet with Viridian Metals Ireland Limited in relation to the proposed acquisition of Viridian and its wholly-owned Tynagh brownfield Pb/Zn/Cu/Ag project in the Republic of Ireland.

At the Company's General Meeting held on 25 October 2024, Shareholders overwhelmingly voted in favour of the resolution to dispose of the Toral project to Denarius Metals.

No other matters or circumstances have arisen since the end of the financial year, other than as noted above, that may significantly affect the operations of the Company, the results of these operations, or the state of affairs in future financial years.

Likely developments and expected results

The proposed disposal of Toral was approved by Shareholders on 25 October 2024. As such, if the transaction completes, pursuant to AIM Rule 15, the Company will become an 'AIM Rule 15 cash shell' and, as such, will have six months from completion to make an acquisition or acquisitions which constitute a reverse takeover under AIM Rule 14 after which the Shares would be suspended.

As announced by the Company on 17 October 2024, Europa has entered into a conditional Term Sheet with Viridian Metals Ireland Limited in relation to the proposed acquisition of Viridian and its wholly-owned Tynagh brownfield Pb/Zn/Cu/Ag project in the Republic of Ireland.

Environmental regulation and performance

The Group's activities are subject to Spanish legislation relating to the protection of the environment. The Group is subject to significant environmental legal regulations in respect to its exploration and evaluation activities. The Group is in compliance with the NGER Act 2007.

There have been no known breaches of these regulations and principles.

Directors' Report**Indemnification and Insurance of Directors and officers**

The Group has entered into deeds of access and indemnity with the officers of the Group, indemnifying them against liability incurred, including costs and expenses in defending any legal proceedings. The indemnity applies to a liability for costs and expenses incurred by the Director or officer acting in their capacity as a director or officer.

Except in the case of a liability for legal costs and expenses, it does not extend to a liability that is:

- (a) owed to the Group or a related body corporate of the Group;
- (b) for a pecuniary penalty order under section 1317G or a compensation order under section 1317H or section 1317HA of the Corporations Act 2001; or
- (c) owed to someone other than the Group or a related body corporate of the Company where the liability did not arise out of conduct in good faith.

Similarly, the indemnity does not extend to liability for legal costs and expenses:

- (a) in defending proceedings in which the officer is found to have a liability described in paragraph (a), (b) or (c) above;
- (b) in proceedings successfully brought by the Australian Securities and Investments Commission or a liquidator; or
- (c) in connection with proceedings for relief under the Corporations Act 2001 in which the court denies the relief.

During or since the financial year end, the Company has paid premiums in respect of a contract insuring all the Directors and officers. The terms of the contract prohibit the disclosure of the details of the insurance contract and premiums paid.

Indemnification of auditors

To the extent permitted by law, the Company has agreed to indemnify its auditors, BDO Audit Pty Ltd, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify BDO Audit Pty Ltd during or since the financial year end.

Non-audit services

The Group may decide to employ the auditor on assignments additional to its statutory audit duties where the auditor's expertise and experience with the Group are important.

Details of the amounts paid or payable to the Group's auditors, BDO International for non-audit services provided during the financial year are set out below.

	2024	2023
	\$	\$
Remuneration of the auditor, BDO International for Group and subsidiary statutory reporting:		
- tax compliance services	9,270	12,121
	9,270	12,121

The Board of Directors are satisfied that the provision of non-audit services by the auditor is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The nature and scope of the non-audit services provided do not compromise the independence of the auditor.

Directors' Report**Directors' meetings**

Meetings of directors held and their attendance during the financial year were as follows:

Director	Board Meetings	
	Eligible	Attended
Evan Kirby	3	3
Myles Campion	3	3
Daniel Smith	3	3

Remuneration Report (audited)

This Remuneration Report outlines the Director and executive remuneration arrangements of the Company and the consolidated entity in accordance with the requirements of the *Corporations Act 2001* and its Regulations. For the purpose of this report, Key Management Personnel (KMP) of the consolidated entity are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, and includes Directors of the Company.

The information provided in this remuneration report has been audited as required by section 308(3C) of the *Corporations Act 2001*.

The Remuneration Report is presented under the following sections:

1. Individual KMP disclosures
2. Remuneration at a glance
3. Board of Directors (the "Board") oversight of remuneration
4. Non-executive director remuneration arrangements
5. Executive remuneration arrangements
6. Directors and KMP contractual arrangements
7. Equity instruments disclosures
8. Loans to KMP and their related parties
9. Transactions with KMP and their related parties

1. Individual key management personnel disclosures**(i) Directors:**

Name	Role	Appointed	Resigned
Evan Kirby	Non-Executive Director	31 March 2016	-
Myles Campion	Executive Technical Director	17 October 2017	-
	Executive Chairman	4 August 2020	-
	Interim-CEO	2 February 2022	-
Daniel Smith	Non-Executive Director	16 January 2018	-
	Company Secretary	16 January 2018	-

(ii) Executives:

Name	Role	Appointed
Myles Campion	Executive Chairman and interim Chief Executive Officer	4 August 2020 and 2 February 2022

2. Remuneration at a glance

The performance of the Group depends upon the quality of its directors and executives. To prosper, the Group must attract, motivate and retain highly skilled directors and executives.

Directors' Report

Remuneration Report (audited) continued

To this end, the Company embodies the following principles in its remuneration framework:

- Provide competitive rewards to attract high calibre executives;
- Link executive rewards to shareholder value; and
- Provide significant portions of executive remuneration “at risk” through participation in incentive plans

Shares and options issued under incentive plans provide an incentive to stay with the Group. At this stage, shares and options issued do not have financial performance criteria attached. This policy is considered to be appropriate for the Group, having regard to the current state of its development.

The Company has established a directors' and executives' salary sacrifice plan, pursuant to which individuals may elect for a nominated fixed period to sacrifice all or an agreed percentage of their salary or fees to be applied in the subscription for on-market purchase of shares in the Company. As such shares may not be purchased or subscribed for during periods that are close periods or when individuals are in possession of inside information, the entitlement to subscribe for shares is determined by calculating the number of shares using the market price for the month concerned. The plan was established to allow for the subsequent settlement of salary or fees from 1 April 2012. Directors and executives have previously elected to participate in the plan with effect from that date. During the period to 30 June 2024 no Directors or executives participated (2023: Nil) in such salary sacrifice plan. Shares listed under the plan are not subject to performance conditions. Shareholder approval for the plan and for the issue of shares under the plan was obtained on 8 August 2012.

The Company also recognised that, at this stage in its development, it is most economical to have only a few employees and to draw, as appropriate, upon a pool of consultants selected by the Directors on the basis of their known management, geoscientific, engineering and other professional and technical expertise and experience. The Company will nevertheless seek to apply the principles described above to its Directors and executives, whether they are employees of or consultants to the Company.

3. Board oversight of remuneration

Remuneration Committee Responsibilities

A Remuneration Committee was established on 14 January 2010 and reconstituted on 15 October 2010 and again on 9 March 2015.

The Committee assesses the appropriateness of the nature and amount of remuneration of Directors and senior executives on a periodic basis by reference to relevant employment market conditions, with the overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality Board and executive team.

Remuneration Structure

In accordance with best practice corporate governance, the structure of non-executive and executive director remuneration is separate and distinct.

4. Non-Executive Director remuneration arrangements

Objective

The Board seeks to set aggregate remuneration at a level which provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders.

Structure

The Company's Constitution specifies that the aggregate remuneration of Non-Executive Directors must be determined from time to time by shareholders of the Company in a general meeting. An amount not exceeding the amount determined is then divided between the Non-Executive Directors as agreed. The current aggregate limit of remuneration for non-executive directors is \$250,000 as approved at the 2010 Annual General Meeting of Shareholders.

Directors' Report**Remuneration Report (audited) continued**

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst Non-Executive Directors is reviewed annually. The Board may consider advice from external consultants, as well as the fees paid to Non-Executive Directors of comparable companies, when undertaking the annual review process. No remuneration or external consultants were used during the financial year.

Each Non-Executive Director receives a fee for being a Director of the Company. No additional fee is paid for participating in Board Committees.

Non-Executive Directors may participate in the Company's share and option plans as described in this report.

Mr Evan Kirby is on a contract dated 31 March 2016, which provides for a fixed fee of \$3,000 per month. Mr Daniel Smith (through Minerva Corporate Pty Ltd) is on a contract dated 15 January 2018 which provides for a fixed fee of \$3,000 per month.

5. Executive remuneration arrangements*Objective*

The Group aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Group and so as to:

- reward executives for Group, business, team and individual performance;
- align the interests of executives with those of shareholders; and
- ensure total remuneration is competitive by market standards.

Structure

- At this time, the cash component of remuneration paid to executive Directors, the Company Secretary and other senior managers is not dependent upon the satisfaction of performance conditions.
- It is current policy that some executives be engaged by way of consultancy agreements with the Company, under which they receive a contract rate based upon the number of hours of service supplied to the Company. There is provision for yearly review and adjustment based on consumer price indices. Such remuneration is hence not dependent upon the achievement of specific performance conditions. This policy is considered to be appropriate for the Company, having regard to the current state of its development.
- The Executive Directors may also participate in the Company's share and option plans as described in this report, including the salary sacrifice share plan. Refer to page 19 for details of options previously granted.

Performance table

The following table details the net profit / (loss) of the Company from continuing operations after income tax, together with the basic earnings / (loss) per share for the last five financial years:

	2024	2023	2022	2021	2020
		\$	\$	\$	\$
Net (loss) from continuing operations after income tax	(632,780)	(3,380,397)	(2,463,069)	(3,258,664)	(2,362,660)
Basic (loss) per share in cents	(0.66)	(3.83)	(3.57)	(7.03)	(7.67)
Share Price in cents	0.01	0.02	0.05	0.18	0.11

Directors' Report

Remuneration Report (audited) continued

6. Executive contractual arrangements

Myles Campion – Executive Chairman / Interim-CEO / Technical Director

Salary £130,000 (A\$249,979) per annum

Term Ongoing

Termination 6 months notice period by either party

Europa Metals Ltd

A.C.N. 097 532 137

Directors' Report

Remuneration report (audited) continued

Remuneration of key management personnel of the Company and the Consolidated Entity

Table 1: Remuneration for the years ended 30 June 2023 and 30 June 2024

		Short-term benefits		Post-employment	Long-term benefits		Share-based payments			Total	Performance related
		Salary & fees	Cash bonus	Superannuation	Cash Incentives	Long Service Leave	Options ³	Shares ¹	Performance Rights ²		
		\$	\$	\$	\$	\$	\$	\$	\$	\$	%
Non-executive directors											
Evan Kirby	2024	36,000	-	-	-	-	1,609	-	-	37,609	-
	2023	26,412	-	-	-	-	3,861	9,000	-	39,273	-
Daniel Smith	2024	36,000	-	-	-	-	1,287	-	9,551	46,838	20
	2023	36,000	-	-	-	-	24,403	-	14,776	75,179	20
Subtotal Non-executive directors	2024	72,000	-	-	-	-	2,896	-	9,551	84,447	-
Subtotal Non-executive directors	2023	62,412	-	-	-	-	28,264	9,000	14,776	114,452	-
Executive directors											
Myles Champion	2024	249,233	-	10,315	-	-	10,411	-	57,307	327,266	18
	2023	171,096	-	9,220	-	-	46,301	66,790	88,657	382,064	23
Subtotal executive directors	2024	249,233	-	10,315	-	-	10,411	-	57,307	327,266	-
Subtotal executive directors	2023	171,096	-	9,220	-	-	46,301	66,790	88,657	382,064	-
Total KMP	2024	321,233	-	10,315	-	-	13,307	-	66,858	411,713	-
Total KMP	2023	233,508	-	9,220	-	-	74,565	75,790	103,433	496,516	-

¹ 50% of certain directors' salaries and fees from 1 January 2022 were accrued/deferred and settled through the issue of new shares in July 2022 and January 2023.

² 3,500,000 performance rights issued in January 2023 expiring January 2025 (note 17).

³ Options issued to directors are expensed over the vesting period (note 17).

⁴ Including amounts outstanding at 30 June 2024 (note 17).

Refer to Page 13 for all appointment dates.

Directors' Report

Remuneration report (audited) continued

7. Equity instrument disclosures

Table 2: Share holdings

2024	Shares				
	Balance 1-July-23	Rights Exercised	On Exercise of Options	Net Change Other	Balance 30-Jun-24
Directors					
Evan Kirby	318,723	-	-	-	318,723
Myles Campion	2,108,182	3,000,000	-	-	5,108,182
Daniel Smith	-	500,000	-	-	500,000
	2,426,905	3,500,000	-	-	5,926,905

Table 3: Option holdings

2024	Options					
	Balance 1-July-2023	Granted	Received as Remuneration	Expired	Balance 30-Jun-24	Vested & Exercisable 30-Jun-24
Directors						
Evan Kirby	345,000	-	-	(345,000)	-	-
Myles Campion	2,591,667	-	-	(1,591,667)	1,000,000	1,000,000
Daniel Smith	1,180,000	-	-	(180,000)	1,000,000	1,000,000
	3,336,667	-	-	(2,116,667)	2,000,000	2,000,000

Fair value of options granted

The value of the above services could not be reliably measured so the fair value of the options issued was used instead.

The fair value at the grant date of options issued is determined using the Black-Scholes model that takes into account the exercise price, the term of the option, the impact of dilution, the non-tradable nature of the option, the share price at the grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

Directors' Report

Remuneration report (audited) continued

The tables below summarises the model inputs for options granted during the financial year ended 30 June 2021:

	Directors - December 2020			Non-executive directors Tranche 2
	Executive Directors Tranche 1	Tranche 2	Tranche 3	
Options granted for no consideration	400,000	400,000	400,000	180,000
Exercise price (GBP)	0.089	0.089	0.089	0.129
Issue date	18/12/20	18/12/20	18/12/20	18/12/20
Expiry date	18/12/23	18/12/23	18/12/23	18/12/23
Underlying security spot price at grant date (GBP)	0.095	0.095	0.095	0.095
Expected price volatility of the Company's shares	125%	125%	125%	125%
Expected dividend yield	0%	0%	0%	0%
Expected life (years)	3	3	3	3
Risk-free interest rate	0.14%	0.14%	0.14%	0.14%
Black-Scholes model valuation per option (AUD cents per share)	0.1249	0.1249	0.1249	0.1158
Total fair value	\$49,974	\$49,974	\$49,974	\$20,851
Expensed during the period	\$3,470	\$3,470	\$3,470	\$2,896

Vesting Conditions for the December 2020 options

Tranche 1: vests on the delineation, by an independent third party, of greater than a 4.5Mt Indicated Resource estimate at the Toral Project, reported in accordance with JORC (2012) (vested in October 2021).

Tranche 2: vests on the delivery of a positive Pre-Feasibility Study for the Toral Project with an independent recommendation for the Company to continue advancing the project.

Tranche 3: vests on the submission of an application for a Mining Licence at the Toral Project.

The fair value of the options was expensed over three years to 18 December 2023.

Directors' Report

Remuneration report (audited) continued

Performance shares

On 24 January 2023, a total of 3,500,000 performance rights ("Performance Rights") were issued to Myles Campion and Daniel Smith. The Performance Rights are exercisable for nil consideration and were subject to the following performance milestone conditions and expiry dates:

Tranche	No. of Performance Rights and Recipient	Performance Milestone Condition	Expiry Date	Value	Expensed during year
1	1,500,000 to Myles Campion (or his nominee)	Completion of the Option Agreement with Denarius Metals Corp. and receipt of initial US\$550k cash payments	2 years from the date of issue	\$72,982	-
	250,000 to Daniel Smith (or his nominee)	Completion of the Option Agreement with Denarius Metals Corp. and receipt of initial US\$550k cash payments	2 years from the date of issue	\$12,164	-
2	1,500,000 to Myles Campion (or his nominee)	Successful Mining Licence Application for the Toral Project	2 years from the date of issue	\$72,982	\$57,307
	250,000 to Daniel Smith (or his nominee)	Successful Mining Licence Application for the Toral Project	2 years from the date of issue	\$12,164	\$9,551

The Tranche 1 performance milestone was achieved during the year to 30 June 2023 therefore the performance rights were expensed in full in the previous year.

The Tranche 2 performance milestone was achieved during the year to 30 June 2024, therefore the remaining balance was expensed in the current period.

8. Loans to Key Management Personnel and their Related Parties

There were no loans to Directors or other Key Management Personnel at any time during the year ended 30 June 2024 (2023: Nil).

9. Transactions with Key Management Personnel and their Related Parties

The following transactions were undertaken between the Company, executive officers and director-related entities during 2024 and 2023.

	2024	2023
	\$	\$
Company secretarial and accounting fees were paid to Minerva Corporate Pty Ltd, a company of which Mr D Smith is a director. Fees were paid at arm's length and on commercial terms.	84,000	84,000
Mr M Campion, an executive director of the Company, is also a director of Virico (IOM) Limited. During the year, Virico (IOM) Limited received fees for consulting services. These fees were based on normal commercial terms and conditions and are included in the remuneration summary on page 23.	249,233	171,096
Mr E Kirby, a non-executive director of the Company, is also a director of Metallurgical Management Services Pty Ltd. During the year, Metallurgical Management Services Pty Ltd received the above fees for consulting services. These fees were based on normal commercial terms and conditions and are included in the remuneration report.	36,000	26,412
	369,233	281,508

End of audited Remuneration Report

Europa Metals Ltd

A.C.N. 097 532 137

Directors' Report

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 57 and forms part of this report.

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



Daniel Smith

Non-Executive Director

Perth

31 October 2024

Corporate Governance Statement

STATEMENT REGARDING COMPLIANCE WITH THE QCA CORPORATE GOVERNANCE CODE

Chairman and Interim-CEO's Corporate Governance Statement

The Board of the Company, which is responsible for the direction and oversight of its activities, believes that a sound corporate governance policy, involving a transparent set of procedures and practices, is essential to the Company's success both in the medium and long term. As announced on 12 June 2020, the Company has therefore adopted the Quoted Companies Alliance Corporate Governance Code (the "QCA Code") as its benchmark for governance matters. The application of such principles enables key decisions to be made by the Board as a whole, and for the Company to function in a manner that takes into account all stakeholders in the Company, including employees, suppliers and business partners.

My role as Executive Chairman and Interim-CEO effectively combines the roles of chairman and an executive director although, in practice, much of the day-to-day running of the Company's operations is delegated to key executives who are not directors of the Company. Whilst this does not satisfy the QCA guidance that the "chair must have adequate separation from the day-to-day business to be able to make independent decisions", this reflects the size, nature and early stage of development of the Company and its business and the continued combination of the two roles will be regularly reviewed as the business develops further.

The Board currently comprises an Executive Chairman/Interim-CEO and two non-executive directors. It is the main decision-making body of the Company, being responsible for: a) the overall direction and strategy of the Company; b) monitoring performance; c) understanding risk; and d) reviewing controls. It is collectively responsible for the success of the Company. The Board is satisfied that it has a suitable balance between independence and knowledge of the business to allow it to discharge its duties and responsibilities effectively.

Due to the relatively small size and scale of the Company and its Board, the Directors do not consider it appropriate to appoint a Senior Independent Director. However, the Company operates Audit, Remuneration and Nominations Committees.

Daniel Smith, a non-executive director of the Company, is also employed as its Company Secretary and assists with the preparation of its accounts. The Board considers that this does not impair his judgement as an independent director of the Company.

The Company does not currently undertake a formal annual evaluation of the performance of the Board or individual Directors but will consider doing so at an appropriate stage in its development in accordance with general market practice.

The Board maintains a regular dialogue with Beaumont Cornish Limited, its nominated adviser, and obtains legal, financial and other professional advice as required to ensure compliance with the AIM Rules for Companies and other governance requirements.

We continue to review our approach to governance and how the views of stakeholders are represented in our oversight of the business.

The Company's corporate governance policies and procedures will continue to be reviewed regularly and may change further as its business develops and in response to any additional regulatory or other relevant guidance.

Myles Campion

Executive Chairman and Interim-CEO

31 October 2024

Corporate Governance Statement

Adoption of the QCA Corporate Governance Code

As a company quoted on AIM, Europa Metals is required to comply with a recognised corporate governance code. At this stage of its development and with its primary market quotation being in the UK, the Board believes it appropriate for Europa Metals to adopt the QCA Code, which is specifically designed for growing companies.

This statement summarises how Europa Metals currently complies or otherwise with each of the ten core principles of the QCA Code. Europa Metals will report further on its compliance with the QCA Code on an annual basis.

Principle 1: Establish a strategy and business model which promote long-term value for shareholders

Europa Metals has a clearly articulated strategy and business plan as a European focused exploration and development company.

Deconsolidation

On November 22, 2022, Europa Metals Ltd entered into a definitive option agreement (the "Toral Definitive Agreement") with Denarius Metals Corp. ("Denarius") pursuant to which Europa has granted two options to Denarius to acquire up to an 80% ownership interest in Europa Metals Iberia S.L. ("EMI"), a wholly-owned Spanish subsidiary of Europa which holds the Toral Zn-Pb-Ag Project (the "Toral Project"), Leon Province, Northern Spain. During the First Option period, Denarius has the right to appoint three of the four members of an operating committee that will oversee the work programs carried out by the Company.

Upon the formation of the operating committee Denarius has the power over EMI and exposure or right to variable returns from its involvement in EMI and has the ability to use its power to affect its returns. In accordance with AASB 10 Consolidated Financial Statements 7 (a), (b) and (c) is deemed to result in a loss of control of EMI and requires the deconsolidation of EMI from the financial statements of Europa Metals Limited.

On deconsolidation the Company de-recognised the assets and liabilities of the subsidiary and recognised the subsequent loss on deconsolidation in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Principle 2: Seek to understand and meet shareholder needs and expectations

The Board considers that good communication with shareholders, based on the mutual understanding of objectives, is important. In addition to the information included in the Company's annual and interim reports and requisite public announcements, there is regular dialogue between the Board and senior management and shareholders including regular presentations to investors, including one-to-one meetings with major shareholders in addition to specific meetings with shareholders relating to any major transactions.

An up to date information flow is also maintained on the Company's website (www.europametals.com) which contains all press announcements and financial reports as well as operational information on the Company's activities.

The Board also encourages shareholders to attend the Annual General Meeting, at which members of the Board are available to answer questions and present a summary of each year's activity and the corporate outlook for the Company.

Corporate Governance Statement

Principle 3: Take into account wider stakeholder and social responsibilities and their implications for long-term success

The Board believes that long-term success relies upon good relations with a range of different stakeholder groups, both internal and external. Most importantly, however, we act with utmost respect for people, communities and the environment.

As part of our business model, we identify the relationships on which the Company relies, including suppliers, customers, partners and other stakeholders, and seek to maintain and improve these relationships in a number of ways. We regularly seek to obtain, and take action on, feedback from our employees, our suppliers and other parties with whom we transact, as to how we can best maintain and improve our dealings with each other. We have also embarked on a formal stakeholder engagement process with respect to the planned eventual securing of an exploitation licence for the Toral Project.

Principle 4: Embed effective risk management, considering both opportunities and threats, throughout the organisation

Financial controls

The Board is responsible for reviewing and approving overall Company strategy, approving budgets and plans, and for determining the financial structure of the Company including treasury, tax and dividend policy. Budgeting and planning are undertaken by management in conjunction with the Executive Chairman and Interim-CEO.

Non-financial controls

The Board recognises that maintaining sound controls and discipline is critical to managing the downside risks to the Company's plans. The Board has ultimate responsibility for the Company's system of internal control and for reviewing its effectiveness. However, any such system of internal control can provide only reasonable, but not absolute, assurance against material misstatement or loss.

The Board considers that the internal controls in place are appropriate for the size, complexity and risk profile of the Company. The principal elements of the Company's internal control system include:

- Close management of the day-to-day activities of the Company by the Executive Director;
- A forecast budget is utilised to track actual performance on a regular basis, including detailed periodic reporting of performance against budget; and
- Central control over key areas such as capital expenditure authorisation and banking facilities.

The Company continues to review its system of internal control to ensure compliance with best practice, while also having regard to its size and the resources available.

Other areas subject to regular ongoing review as the Company grows, include regulatory compliance, business integrity, health and safety, risk management, business continuity and corporate social responsibility (including ethical trading, supplier standards, environmental concerns and employment diversity).

Risk management policies

As part of its Corporate Governance Plan, the Company has a number of policies that directly or indirectly serve to reduce and/or manage risk. These include, but are not limited to:

- Corporate Code of Conduct
- Share Dealing Code / Trading Policy
- Shareholder Communications Strategy
- Audit and Risk Committee Charter
- Risk Management Processes
- Anti-Bribery Policy
- Whistleblower Policy

Corporate Governance Statement

Roles and responsibilities

The risk management and other policies listed above describe the roles and responsibilities for managing risk. This includes, as appropriate, details of responsibilities allocated to the Board.

The Board is responsible for reviewing and approving changes to the risk management policies and for satisfying itself that the Company has a sound system of risk management and internal control that is operating effectively.

Risk management and other policies will be reviewed annually.

Principle 5: Maintain the board as a well-functioning, balanced team led by the chair

The Board currently comprises an Executive Chairman/Interim-CEO and two non-executive directors. All directors retire by rotation with at least one third submitting themselves for re-election each year at the Company's Annual General Meeting.

Executive directors of the Company are required to work such hours as are required to fulfil their obligations to the Company and have service contracts with a 6-month notice period. They are not precluded from having other outside business commitments.

Non-executive directors have letters of appointment with a 1-month notice period and are required to be available to attend Board meetings and to deal with both regular and ad hoc matters. Their letters of appointment provide no indicative time commitment, but they are required to devote sufficient time as may reasonably be necessary for the proper performance of their duties.

The Board considers that both of the non-executive directors, are independent in character and judgement.

The Board is satisfied that it has a suitable balance between independence and knowledge of the business to allow it to discharge its duties and responsibilities effectively.

During the financial year ended 30 June 2024 the number of Board meetings held and those attended by each Director were as follows:

<i>Director</i>	<i>No. of Board meetings eligible to attend</i>	<i>No. of Board meetings attended</i>
Myles Campion	3	3
Evan Kirby	3	3
Daniel Smith	3	3

In addition to the formal meetings of Directors above, the Board has held regular and frequent discussions throughout the year and passed circular resolutions on all material matters.

Principle 6: Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities

Experience and capabilities

The Board is satisfied that, between its Directors, it has an effective balance of skills and experience including technical and commercial mining industry knowledge and expertise and experience in sales, operations, performance improvement, finance, commercial law and capital markets. Each Board member brings a mix of different capabilities which blend well into a successful and effective team.

Board members maintain their skillsets through practice in day-to-day roles enhanced with continuing professional development and specific training where required.

Biographies for all Board members are published on the Company's website and in the Directors' Report.

Corporate Governance Statement

Internal Advisory Responsibilities

Due to the relatively small size and scale of the Company and its Board, the Directors do not consider it appropriate to appoint a Senior Independent Director.

All Directors have access to the advice and services provided by the Company Secretary whose appointment and removal is a matter reserved for the Board. Daniel Smith, a non-executive director of the Company, fulfils the role of Company Secretary by, amongst other things, carrying out the following functions:

- preparing board packs, agendas and minutes and facilitating the flow of Board information between senior executives and non-executive Directors;
- implementing Board policies and procedures;
- liaising with the Company's nominated adviser and other professional advisers;
- advising the Board, on corporate governance matters, the application of the Company's Constitution, and other applicable laws; and
- inducting new Directors.

The Board maintains a regular dialogue with Beaumont Cornish Limited, its nominated adviser, and obtains legal, financial and other professional advice as required to ensure compliance with the AIM Rules for Companies and other governance requirements.

Principle 7: Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

The Company does not currently undertake a formal annual evaluation of the performance of the Board or individual Directors but will consider doing so at an appropriate stage in its development in accordance with general market practice.

Given its relatively small size, the Company has no formal succession planning process in place. Recommendations for Board-level and other senior appointments are put to the Board for approval by the Executive Chairman.

Principle 8: Promote a corporate culture that is based on ethical values and behaviours

The Board believes that a healthy corporate culture both protects and generates value for the Company. We therefore seek to operate within a corporate culture that is based on sound ethical values and behaviours. We do this using certain rule-based procedures (such as our formal Corporate Code of Conduct) and, more importantly, by the behavioural example of individual Board members and senior managers. These values, which we seek to instil throughout the Company, include integrity, respect, honesty and transparency. As a small company, these characteristics are far more visible to staff than might otherwise be the case. We also hold internal meetings at which Directors and staff discuss matters, both formally and informally.

The Company operates a well-defined organisational structure through which we seek to determine that these ethical values and behaviours are recognised and respected, in addition to which every employee is aware of our established whistleblowing procedures.

Principle 9: Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board

The Board

The Board is responsible for the long-term performance of the Company. There is a formal schedule of matters specifically reserved for the Board, in addition to the formal matters required to be considered by the Board under the Corporations Act.

Corporate Governance Statement

This list includes matters relating to: a) appointing executive directors and determining their remuneration; b) determining strategy and policy; c) reviewing and ratifying risk management and compliance systems and controls; d) approving major capital expenditure, acquisitions and disposals; e) approving and monitoring budgets and the integrity of financial reporting; f) approving interim and annual financial reports; g) approving significant changes to the organisational structure; h) approving any issues of shares or other securities; i) ensuring high standards of corporate governance and regulatory compliance; and j) the appointment of the Company's auditors.

The Executive Chairman's role involves both the leadership of the Board (including responsibility for the establishment of sound corporate governance principles and practices) and leading the Company's executive management team in the execution of its strategy. He also plays a pivotal role in developing and reviewing such strategy in consultation with the Board.

Notwithstanding the QCA Code's recommendation that the role of Chairman and an Executive Director are not combined, Europa Metals' use of an Executive Chairman reflects the size, nature and early stage of development of its business. The Board anticipates that the continued combination of the two roles will be regularly reviewed as the business develops further.

The Executive Director is responsible for implementing and delivering the strategy and operational decisions agreed by the Board, making operational and financial decisions required in day-to-day operations, providing executive leadership to managers, championing the Company's core values and promoting talent management.

The Independent Non-Executive Directors contribute independent thinking and judgement through the application of their external experience and knowledge and are tasked with scrutinising the performance of management, providing constructive challenge to the executive director and ensuring that the Company is operating within the governance and risk framework approved by the Board.

Board Committees

The Company's Board Charter requires it to establish Audit, Remuneration and Nominations Committees to assist the Board in fulfilling its duties once the Board has determined that it is of a sufficient size and structure.

The Company has established and operates an Audit Committee, a Remuneration Committee and a Nominations Committee. The Company has also established an (informal) technical committee.

Evolution of the Corporate Governance Framework

During 2020, a number of changes were introduced to the Company's corporate governance procedures which should serve to improve ongoing compliance with the QCA Code as far as practicable and appropriate.

The Company's corporate governance policies and procedures will continue to be reviewed regularly and may change further as its business develops and in response to any additional regulatory and other relevant guidance.

Principle 10: Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Company communicates with shareholders through its annual report and accounts, half yearly results and other updates, its annual general meeting and one-to-one meetings with certain existing and potential new shareholders.

The Company's website contains, *inter alia*, the outcomes of shareholder votes cast at such Annual General Meetings and historic annual accounts, half-year reports and AGM notices.

In formally adopting the QCA Code as its corporate governance framework, the Board has reviewed all aspects of compliance and has taken action to improve disclosures in its annual report and accounts and on its website.

Corporate Governance Statement

This corporate governance statement is dated 31 October 2024 and has been approved by the Board.

Website disclosures

In accordance with AIM Rule 26, the Company is required to maintain on its website details of the QCA Code, how the Company complies with the QCA Code and an explanation of any deviations from such code. This information is required to be reviewed annually and it is intended that it will be reviewed at the same time as the Company's Annual Report is prepared.

Further information about the Company's charters, policies and procedures may be found on the Company's website at: www.europametals.com, under the section titled Corporate Governance.

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Other income	3(a)	277,071	177,279
Administration expenses	3(b)	(893,471)	(1,228,058)
Exploration expenditure		(15,935)	(990,477)
Foreign exchange gain/(loss)		(445)	44,724
Share of net loss of associate		-	(115,958)
Loss on deconsolidation		-	(1,267,907)
Loss before taxation		(632,780)	(3,380,397)
Income tax benefit / (expense)	5	-	-
Loss after income tax for the year from continuing operations		(632,780)	(3,380,397)
Net loss for the year		(632,780)	(3,380,397)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Net exchange (loss)/gain on translation of foreign operation		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year		(632,780)	(3,380,397)
Net loss for the year attributable to:			
Equity holders of the Parent		(632,780)	(3,380,397)
		(632,780)	(3,380,397)
Total comprehensive loss for the year attributable to:			
Equity holders of the Parent		(632,780)	(3,380,397)
		(632,780)	(3,380,397)
Loss per share			
		Cents per share	Cents per share
Basic loss for the year attributable to ordinary equity holders of the Parent	7	(0.66)	(3.83)
Diluted loss for the year attributable to ordinary equity holders of the Parent	7	(0.66)	(3.83)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes

**Consolidated Statement of Financial Position
As at 30 June 2024**

		2024	2023
	Note	\$	\$
Assets			
Current assets			
Cash and short term deposits	8	252,075	653,990
Trade and other receivables	9	64,673	23,179
Total current assets		316,748	677,169
Total assets		316,748	677,169
Liabilities and equity			
Current liabilities			
Trade and other payables	12	310,773	118,902
Total current liabilities		310,773	118,902
Total liabilities		310,773	118,902
Net assets		5,975	558,267
Equity			
Contributed equity	13	49,562,236	49,391,945
Accumulated losses	16	(52,856,850)	(52,224,070)
Reserves	15	3,300,589	3,390,392
Total equity		5,975	558,267

This Consolidated Statement of Financial Position is to be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows
For the year ended 30 June 2024

		2024	2023
	Note	\$	\$
Cash flows used in operating activities			
Receipts from associate		277,071	-
Exploration and evaluation expenditure		(4,792)	(990,683)
Payments to suppliers and employees		(672,095)	(748,481)
Net cash flows used in operating activities	20	(399,816)	(1,739,164)
Cash flows used in investing activities			
Loan to associate		-	(212,330)
Cash on deconsolidation		-	(120,213)
Net cash flows used in investing activities		-	(332,543)
Cash flows from financing activities			
Lease principal repayments		-	(16,601)
Proceeds from issue of shares		-	1,033,155
Net cash flows from financing activities		-	1,016,554
Net increase/(decrease) in cash and cash equivalents held		(399,816)	(1,055,153)
Net foreign exchange difference		(2,099)	59,087
Cash and cash equivalents at 1 July		653,990	1,650,056
Cash and cash equivalents at 30 June	8	252,075	653,990

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Europa Metals Ltd

A.C.N. 097 532 137

Consolidated Statement of Changes in Equity For the year ended 30 June 2024

	Attributable to the equity holders of the Parent				
	Issued capital	Accumulated losses	Employee share incentive reserve	Option reserve	Foreign exchange reserve
	\$	\$	\$	\$	\$
At 1 July 2022	48,227,649	(48,843,673)	567,997	2,720,044	62,558
Loss for the year	-	(3,380,397)	-	-	-
Other Comprehensive Income (net of tax)	-	-	-	-	-
Total comprehensive loss (net of tax)	-	(3,380,397)	-	-	-
Transactions with owners in their capacity as owners:					
Realisation of foreign exchange reserve on deconsolidation of foreign operation	-	-	-	-	(62,558)
Shares issued during the year net of transaction costs	1,033,155	-	-	-	-
Shares issued to management	131,141	-	(76,420)	-	-
Performance shares issued	-	-	103,433	-	-
Options issued to directors and management	-	-	-	75,338	-
At 30 June 2023	49,391,945	(52,224,070)	595,010	2,795,382	-
At 1 July 2023	49,391,945	(52,224,070)	595,010	2,795,382	-
Loss for the year	-	(632,780)	-	-	-
Other Comprehensive Income (net of tax)	-	-	-	-	-
Total comprehensive loss (net of tax)	-	(632,780)	-	-	-
Transactions with owners in their capacity as owners:					
Performance shares issued	-	-	66,859	-	-
Conversion of performance rights	170,291	-	(170,291)	-	-
Options issued to directors and management	-	-	-	13,629	-
At 30 June 2024	49,562,236	(52,856,850)	491,578	2,809,011	-

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements For the year ended 30 June 2024

Note 1: Corporate information

The consolidated financial statements of Europa Metals Ltd and its subsidiary (collectively, the “Group”) for the year ended 30 June 2024 were authorised for issue in accordance with a resolution of the directors on 30 October 2024.

Europa Metals Ltd, the parent, is a for profit company limited by shares incorporated in Australia whose shares are publicly traded on the London Stock Exchange (AIM) and the Alternative Exchange (AltX) of the JSE Limited.

Domicile:
Australia

Registered Office:
c/o Minerva Corporate Pty. Ltd, Level 8, 99 St Georges Terrace, Perth, WA, 6000.

Note 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 the requirements of the Corporations Act 2001, Australian Accounting Standards and Interpretations and complies with the other requirements of Australian law.

The accounting policies detailed below have been consistently applied to all of the years presented unless otherwise stated. The financial statements are for the consolidated entity consisting of Europa Metals Ltd and its subsidiary.

The Financial Report has also been prepared on a historical cost basis.

Rounding of amounts

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest dollar.

All amounts are presented in Australian dollars, unless otherwise stated.

(b) Statement of compliance

The Financial Report complies with Australian Accounting Standards, as issued by the Australian Accounting Standards Board, and complies with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board.

(c) Going concern

The Annual Report has been prepared on a going concern basis which assumes the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business. This basis is predicated on a number of initiatives being undertaken by the Group with respect to ongoing cost reductions and funding as set out below.

The Group incurred an operating loss after income tax of \$632,780 for the year ended 30 June 2024 (2023: \$3,380,397). In addition, the Group had net current assets of \$5,975 (2023: \$558,267), shareholders' equity of \$5,975 (2023: \$558,267) as at 30 June 2024 and operating cash outflows of \$399,816 (2023: \$1,739,164).

The Group's forecast cash flow requirements for the 12 months ending October 2024 reflect cash outflows from operating and investing activities, which take into account a combination of committed and uncommitted but currently planned expenditure. The ability of the Group to continue as a going concern is dependent on raising additional funds to meet the Group's ongoing working capital requirements and planned exploration activities when required.

These conditions indicate a material uncertainty which may cast significant doubt as to whether the Group will be able to meet its debts as and when they fall due and thus continue as a going concern.

Notes to the consolidated financial statements For the year ended 30 June 2024

Note 2: Summary of material accounting policies (continued)

This Annual Report has been compiled on a going concern basis. In arriving at this position the Directors are satisfied that the Group will have access to sufficient cash as and when required to enable it to fund administrative and other committed expenditure.

The Directors are satisfied that they will be able to raise additional funds either through implementation of strategic joint ventures/a farm-in or via a form of debt and/or equity raising. In addition, the Directors have continued to pursue a strategy to reduce costs and have agreed to defer the payment of Directors fees until the Group has sufficient funds to settle.

Should the Group 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 and at amounts that differ from those stated in the financial statements.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, nor to the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

(d) Adoption of new and revised standards

Europa Metals Ltd and its subsidiary ('the Group') has adopted all new and amended Australian Standards and Interpretations mandatory for reporting periods beginning on or after 1 July 2023.

(e) Accounting standards issued but not yet effective

The Directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2024. As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Group and, therefore, no change is necessary to Group accounting policies.

(f) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiary as at 30 June 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of profit or loss and other comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

**Notes to the consolidated financial statements
For the year ended 30 June 2024****Note 2: Summary of material accounting policies (continued)**

When necessary, adjustments are made to the financial statements of a subsidiary to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- De-recognises the assets (including goodwill) and liabilities of the subsidiary;
- De-recognises the carrying amount of any non-controlling interests;
- De-recognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss; and
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the statement of financial position. These differences are recognised in profit or loss in the period in which the operation is disposed.

(g) Associates

Associates are entities over which the consolidated entity has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the consolidated entity's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends received or receivable from associates reduce the carrying amount of the investment.

When the consolidated entity's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables, the consolidated entity does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The consolidated entity discontinues the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

(h) Critical accounting estimates and judgements

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Exploration and evaluation costs carried forward

The Group's main activity is exploration and evaluation for minerals. The nature of exploration activities are such that it requires interpretation of complex and difficult geological models in order to make an assessment of the size, shape, depth and quality of resources and their anticipated recoveries. The economic, geological and technical factors used to estimate mining viability may change from period to period. In addition, exploration activities by their nature are inherently uncertain.

**Notes to the consolidated financial statements
For the year ended 30 June 2024**

Note 2: Summary of material accounting policies (continued)

Changes in all these factors can impact exploration asset carrying values. At each reporting period end date, the Company is required to make a judgement as to whether any impairment indicators in respect of the exploration asset are present.

Share-based payment transactions

Where the fair value of the goods or services provided by employees or consultants cannot be reliably determined the Group measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an external valuer using the Black-Scholes model, using the assumptions detailed in Note 17 including the consideration of the probability of non-market performance conditions.

Deconsolidation

On November 22, 2022, Europa Metals Ltd entered into a definitive option agreement (the "Toral Definitive Agreement") with Denarius Metals Corp. ("Denarius") pursuant to which Europa has granted two options to Denarius to acquire up to an 80% ownership interest in Europa Metals Iberia S.L. ("EMI"), a wholly-owned Spanish subsidiary of Europa which holds the Toral Zn-Pb-Ag Project (the "Toral Project"), Leon Province, Northern Spain. During the First Option period, Denarius has the right to appoint three of the four members of an operating committee that will direct the work programs carried out by the Company.

Upon the formation of the operating committee Denarius has the power over EMI and exposure or right to variable returns from its involvement in EMI and has the ability to use its power to affect its returns. In accordance with AASB 10 Consolidated Financial Statements 7 (a), (b) and (c) is deemed to result in a loss of control of EMI and requires the deconsolidation of EMI from the financial statements of Europa Metals Limited.

On deconsolidation the Company de-recognised the assets and liabilities of the subsidiary and recognised the subsequent loss on deconsolidation in the Consolidated Statement of Profit or Loss and Other Comprehensive Income

(i) Foreign currency translation

Both the functional and presentation currency of the Company and its Australian controlled entity is Australian dollars (A\$). Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

The functional currency of the foreign operations is Euro (EUR).

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date.

All exchange differences in the parent Company's financial statements are taken to profit or loss unless they relate to the translation of subsidiary related loans and borrowings which are considered part of the net investment value taken directly to equity until the disposal of the net investment, at which time they are recognised in profit or loss.

As at the reporting date the assets and liabilities of the subsidiary is translated into the presentation currency of the Company at the rate of exchange ruling at the reporting date and their statements of profit or loss and other comprehensive income are translated at the weighted average exchange rate for the year.

The exchange differences arising on the translation are taken directly to a separate component of equity.

On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in profit or loss.

Notes to the consolidated financial statements
For the year ended 30 June 2024

Note 2: Summary of material accounting policies (continued)

(k) Income tax

Current tax assets and liabilities for the current period and prior periods are measured at amounts expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used for computations are enacted or substantively enacted by the reporting date.

Deferred income 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.

Current tax assets and liabilities for the current period and prior periods are measured at amounts expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used for computations are enacted or substantively enacted by the reporting date.

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

- where the deferred income tax liability arises from the initial recognition of goodwill of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- where 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 income tax assets are recognised for all deductible temporary differences, the carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised except:

- where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- where 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 income 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 income 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 income 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.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the statement of profit or loss and other comprehensive income.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

**Notes to the consolidated financial statements
For the year ended 30 June 2024**

Note 2: Summary of material accounting policies (continued)

(l) Goods & Services Tax/Value Added Tax

Revenues, expenses and assets are recognised net of the applicable amount of GST/VAT except:

- where the GST/VAT incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST/VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST/VAT included.

The net amount of GST/VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST/VAT component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST/VAT recoverable from, or payable to, the taxation authority.

(m) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and on 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.

(p) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

The Company's own shares, which are re-acquired for later use in any employee share-based payment arrangements, are deducted from equity.

(q) Trade and other payables

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

(r) Loss per share

Basic loss per share is calculated as the net loss attributable to members of the Company adjusted to exclude any costs of servicing equity (other than dividends) divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted loss per share is calculated as net loss attributable to members of the Company adjusted for:

- costs of servicing equity (other than dividends);
- the after-tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

Notes to the consolidated financial statements

For the year ended 30 June 2024

Note 2: Summary of material accounting policies (continued)

(s) Share-based payment transactions

The Company provides benefits to its employees and consultants (including key management personnel ("KMP")) in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

Equity settled transactions

The cost of equity-settled transactions with employees and consultants is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black-Scholes model, further details of which are given in Note 17.

In valuing equity-settled transactions, no account is taken of any vesting conditions, other than conditions linked to the price of the shares of the Company if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity on the date the equity right is granted. The statement of profit or loss and other comprehensive income charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

If the terms of an equity-settled transaction are modified, as a minimum an expense is recognised as if the terms had not been modified. An additional expense is recognised for any modification that increases the total fair value of the share-based arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of diluted loss per share (see note 7).

Note 3: Revenue and expenses

Revenue and expenses from continuing operations

	2024	2023
	\$	\$
(a) Other Income		
Grants received	-	30,054
Option income received	-	147,225
Income from Associate (expense reimbursements)	277,071	-
	277,071	177,279

Notes to the consolidated financial statements
For the year ended 30 June 2024

Note 3: Revenue and expenses (continued)

	2024	2023
	\$	\$
(b) Profit or loss		
Other expenses include the following:		
Depreciation	-	6,506
Consulting services	103,112	284,908
Employment related		
- Directors' fees	331,548	242,730
- Share Based Payments	80,488	254,560
Corporate	255,306	278,804
Other	164,703	160,550
	935,157	1,228,058

Note 4: Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

Europa Metals Ltd operates in the mineral exploration industry in Spain.

Given the nature of the Group, its size and current operations, management does not treat any part of the Group as a separate operating segment. Internal financial information used by the Group's decision makers is presented in a "whole of entity" manner without dissemination to any separately identifiable segments.

The Group's management operates the business as a whole without any special responsibilities for any separately identifiable segments of the business.

Accordingly, the financial information reported elsewhere in this financial report is representative of the nature and financial effects of the business activities in which it engages and the economic environments in which it operates.

Note 5: Income tax expense

	2024	2023
	\$	\$
Reconciliation of income tax expense to the pre-tax net loss		
Loss before income tax	(632,780)	(3,380,397)
Income tax calculated at 30% (2023: 30%) on loss before income tax	(189,834)	(1,014,119)
Add tax effect of: non-deductible expenses	27,467	812,971
Difference in tax rate of subsidiary operating in other jurisdictions	-	-
Unused tax losses and temporary differences not brought to account	162,367	201,148
Income tax (profit) / expense	-	-

Notes to the consolidated financial statements
For the year ended 30 June 2024

Note 5: Income tax expense (continued)

Analysis of deferred tax balances

	2024	2023
	\$	\$
<i>Deferred tax liabilities</i>		
Assessable temporary differences		
Prepayments	(17,617)	(5,381)
Other	(888)	(13,052)
Deferred tax liabilities offset by deferred tax assets	18,505	18,433
Net deferred tax liabilities	-	-
<i>Deferred tax assets</i>		
Share issue expenses	-	-
Payables and provisions	10,650	13,132
Loss on deconsolidation	354,146	354,146
Other	-	-
Unused tax losses	5,939,413	5,831,386
	6,304,209	6,198,664
Total unrecognised deferred tax assets	(6,285,704)	(6,180,231)
Deferred tax assets	18,505	18,433
Deferred tax assets offset by deferred tax liabilities	(18,505)	(18,433)
Net deferred tax assets	-	-

Unused tax losses set out above have not been recognised due to the uncertainty of future taxable profit streams.

Note 6: Auditors' remuneration

	2024	2023
	\$	\$
Remuneration of the auditor of the Company for:		
-auditing or reviewing the financial statements		
BDO Audit Pty Ltd ¹	59,787	56,145
	59,787	56,145
BDO Pty Ltd - Taxation services	9,270	12,121
	69,057	68,266

¹ The BDO entity performing the audit of the Group transitioned from BDO Audit (WA) Pty Ltd to BDO Audit Pty Ltd on 8 July 2024. The disclosures include amounts received or due and receivable by BDO (WA) Pty Ltd, BDO Audit Pty Ltd and their respective entities.

Note 7: Loss per share

	2024	2023
	\$	\$
Basic loss per share (cents per share)	(0.66)	(3.83)
Diluted loss per share (cents per share)	(0.66)	(3.83)
Loss used in calculating basic loss per share	(632,780)	(3,380,397)
Adjustments to basic loss used to calculate dilutive loss per share	-	-
Loss used in calculating dilutive loss per share	(632,780)	(3,380,397)

Notes to the consolidated financial statements
For the year ended 30 June 2024

Note 7: Loss per share (continued)

	Number	Number
Weighted average number of ordinary shares used in the calculation of basic loss per share	96,098,884	88,207,380
Weighted average number of ordinary shares used in the calculation of diluted loss per share	96,098,884	88,207,380

3,500,000 share options outstanding as at 30 June 2024 (30 June 2023: 8,931,764) have not been included in the calculation of dilutive loss per share as these are anti-dilutive.

Note 8: Cash and short term deposits

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

	2024	2023
	\$	\$
Cash at bank	252,075	653,990

See note 23 for the risk exposure analysis for cash and cash equivalents.

Note 9: Trade and other receivables

	2024	2023
	\$	\$
Current		
GST / VAT	5,949	5,244
Prepayments	58,724	17,935
	64,673	23,179

Non-trade debtors are non-interest bearing and are generally on 30-90 days credit terms. The carrying amounts of these receivables represent fair value and are not considered to be impaired.

Note 10: Capitalised exploration expenditure

	2024	2023
	\$	\$
At 1 July	-	1,229,196
Foreign exchange movement	-	39,767
Balance on deconsolidation	-	(1,268,963)
At 30 June	-	-

Deconsolidation of subsidiary

On 23 November, 2022, Europa Metals Ltd entered into a definitive option agreement (the "Toral Definitive Agreement") with Denarius Metals Corp. ("Denarius") pursuant to which Europa has granted two options to Denarius to acquire up to an 80% ownership interest in Europa Metals Iberia S.L. ("EMI"), a wholly-owned Spanish subsidiary of Europa which holds the Toral Zn-Pb-Ag Project (the "Toral Project"), Leon Province, Northern Spain.

Pursuant to the Toral Definitive Agreement, Denarius has been granted a First Option, exercisable until 22 November, 2025, (subject to a 90-day extension in certain circumstances), to subscribe for a 51% equity interest in EMI by:

- (i) spending, as operator, a total of USD\$4,000,000 on the Toral Project over the three-year period,
- (ii) completing a preliminary economic assessment, and

Notes to the consolidated financial statements
For the year ended 30 June 2024

Note 10: Capitalised exploration expenditure (continued)

- (iii) completing and submitting a mining license application in respect of the Toral Project to the local mining authority. This was completed in October 2023.

Control

During the First Option period, Denarius has the right to appoint three of the four members of an operating committee that will direct the work programs carried out by the Company. This gave rise to a loss of control of EMI as defined in AASB 10 Consolidated Financial Statements and the deconsolidation of EMI from the Europa Metals Limited financial statements from 1 January 2023.

Note 11: Investment in Associate

In accordance with AASB 128 Investments in Associates Europa Metals Iberia S.L. (EMI) is accounted for as an Investment in Associate. EMI country of incorporation and principal place of business is Spain.

Name of Associate: Europa Metals Iberia S.L.

Place of business: TRVA La Fragua 2, Almazcara, Congosto 24398, Leon, Spain.

	30 June 2024	30 June 2023
Ownership Interest	100%	100%
Carrying amount	-	-

The investment in associate is nil due to the net liability position at 30 June 2024 (30 June 2023: nil). The unrecognised loss for the year to 30 June 2024 was \$1,839,078 (2023: \$3,221,565). The cumulative unrecognised loss at 30 June 2024 was \$5,060,643.

Note 12: Trade and other payables

	2024	2023
	\$	\$
Current		
Trade payables	258,599	75,131
Other payables ¹	52,174	43,771
	310,773	118,902

¹ During the year ended 30 June 2024, the Company revised its presentation of Trade Payables and Other Payables in the financial statements. Previously reported as a combined line item, these balances are now disclosed separately to more accurately reflect the nature of each liability. Consequently, comparative figures for the year ended 30 June 2023 have been reclassified to align with the updated presentation. This change is intended to enhance the clarity of the Company's financial statements.

Trade and other payables are non-interest bearing and are normally settled on 30-day terms.

Note 13: Contributed Equity

	2024	2023	2024	2023
	No. of shares	No. of shares	\$	\$
(a) Share Capital				
Ordinary Shares				
Ordinary shares fully paid	97,671,790	94,171,790	49,562,236	49,391,945
Employee share incentive plan shares	(4,600)	(4,600)	-	-
	97,667,190	94,167,190	49,562,236	49,391,945

**Notes to the consolidated financial statements
For the year ended 30 June 2024**

Note 13: Contributed Equity (continued)

Capital management

When managing capital (which is defined as the Company's total equity), management's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity. As the equity market is constantly changing management may issue new shares to provide for future exploration and development activity. The Company is not subject to any externally imposed capital requirements.

During the year ended 30 June 2024, nil (2023: nil) shares were issued back to the market from the Employee Incentive Share Plan.

(b) Movements in ordinary share capital

Date	Details	Number of shares	\$
30 June 2022	Closing Balance	79,130,649	48,227,649
8 August 2022	Shares issued - Conversion of directors fees	906,265	55,351
23 November 2022	Placement	12,888,888	1,033,155
24 January 2023	Shares issued - Conversion of directors fees	1,245,988	75,790
30 June 2023	Closing balance	94,171,790	49,391,945
1 July 2023	Opening balance	94,171,790	49,391,945
11 December 2023	Conversion of performance rights	3,500,000	170,291
		97,671,790	49,562,236
Less:	Employee share plan shares on issue	(4,600)	-
30 June 2024	Closing balance	97,667,190	49,562,236

If, at any time during the exercise period, an employee ceases to be an employee, all share options held by that employee will lapse one month after their employment end date. Therefore, employee shares above are only recognised in issued capital when issued to the employees concerned.

(c) Movements in employee share plan shares issued with limited recourse employee loans

Date	Details	Number of shares	\$
	Opening balance	4,600	-
30 June 2023	Closing balance	4,600	-
	Opening balance	4,600	-
30 June 2024	Closing balance	4,600	-

No employee share plan shares were issued in 2024 (2023: Nil).

This account is used to record the value of shares issued under the Executive Share Incentive Plan (ESIP). The ESIP is accounted for as an "in-substance" option plan due to the limited recourse nature of the loan between employees and the Company to finance the purchase of ordinary shares. The total fair value of the "in substance" options issued under the plan is recognised as a share-based payment expense over the vesting period, with a corresponding increase in equity.

**Notes to the consolidated financial statements
For the year ended 30 June 2024**

Note 14: Options

The following table illustrates the movements in share options during the period:

	2024	2023
	Number	Number
Outstanding at 1 July	8,931,764	8,086,764
	8,931,764	8,086,764
Issued during the period	-	2,000,000
Expired/cancelled during the period	(5,431,764)	(1,155,000)
Outstanding at 30 June	3,500,000	8,931,764
Exercisable at 30 June	3,500,000	7,531,764

Note 15: Reserves

	Employee share incentive reserve	Options reserve	Foreign exchange reserve	Total
	\$	\$	\$	\$
At 30 June 2022	567,997	2,720,044	62,558	3,350,599
Options issued to Directors	-	75,338	-	75,338
Shares to be issued to Directors	(76,420)	-	-	(76,420)
Performance rights issued to directors	103,433	-	-	103,433
Realisation of foreign exchange reserve on deconsolidation of foreign operation	-	-	(62,558)	(62,558)
At 30 June 2023	595,010	2,795,382	-	3,390,392
Performance shares issued	66,859	-	-	66,859
Conversion of performance rights	(170,291)	-	-	(170,291)
Options issued to directors and management	-	13,629	-	13,629
At 30 June 2024	491,578	2,809,011	-	3,300,589

Nature and purpose of reserves

Employee share incentive reserve

This reserve is used to record the value of equity benefits provided to employees, consultants and directors as part of their remuneration under the Executive Share Incentive Plan.

Options reserve

This reserve is used to record the value of options issued.

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of the foreign subsidiary.

Equity reserve

The equity reserve is used to record the acquisition of the non-controlling interest by the Group and to record differences between the carrying value of non-controlling interests and the consideration paid/received, where there has been a transaction involving non-controlling interests that do not result in a loss of control.

The reserve is attributable to the equity of the parent.

Note 16: Accumulated losses

	2024	2023
	\$	\$
Accumulated losses at the beginning of the financial year	(52,224,070)	(48,843,673)
Net loss for the year	(632,780)	(3,380,397)
Accumulated losses at the end of the financial year	(52,856,850)	(52,224,070)

Notes to the consolidated financial statements

For the year ended 30 June 2024

Note 17: Share based payments

Expenses arising from share-based payment transactions

Total costs arising from share-based payment transactions recognised during the year were as follows:

	2024	2023
	\$	\$
Options issued to directors/management - December 2020	13,629	32,709
Options issued to directors/management – January 2023	-	42,629
Performance Rights issued to directors – January 2023	66,859	103,433
Shares issued to directors in lieu of fees	-	75,789
	80,488	254,560

Fair value of options granted

The value of the above services was unable to be reliably measured so the fair value of the options issued was used.

The fair value at the grant date of options issued is determined using the Black-Scholes model that takes into account the exercise price, the term of the option, the impact of dilution, the non-tradable nature of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

Performance shares

On 24 January 2023, a total of 3,500,000 performance rights ("Performance Rights") were issued to Myles Campion and Daniel Smith. The Performance Rights are exercisable for nil consideration and are subject to the following performance milestone conditions and expiry dates:

Tranche	No. of Performance Rights and Recipient	Performance Milestone Condition	Expiry Date	Value	Expensed during year
1	1,500,000 to Myles Campion (or his nominee)	Completion of the Option Agreement with Denarius Metals Corp. and receipt of initial US\$550k cash payments	2 years from the date of issue	\$72,982	-
	250,000 to Daniel Smith (or his nominee)	Completion of the Option Agreement with Denarius Metals Corp. and receipt of initial US\$550k cash payments	2 years from the date of issue	\$12,164	-
2	1,500,000 to Myles Campion (or his nominee)	Successful Mining Licence Application for the Toral Project	2 years from the date of issue	\$72,982	\$57,307
	250,000 to Daniel Smith (or his nominee)	Successful Mining Licence Application for the Toral Project	2 years from the date of issue	\$12,164	\$9,551

The Tranche 1 performance milestone was achieved during the previous year therefore the performance rights were expensed in full in 2023.

The Tranche 2 performance milestone was achieved during the year therefore the performance rights were expensed in full.

**Notes to the consolidated financial statements
For the year ended 30 June 2024**

Note 18: Commitments and contingencies

There are no material contingent liabilities or assets of the Group at the reporting date.

Note 19: Related party transactions

Compensation of Key Management Personnel

	2024	2023
	\$	\$
Short-term employee benefits	321,233	233,508
Post-employment benefits	10,315	9,220
Share based payments	80,165	253,788
	411,713	496,516

Transactions between related parties are on normal commercial terms and conditions and no more favourable than those available to other parties unless otherwise stated.

Subsidiaries

The consolidated financial statements include the financial statements of Europa Metals Ltd and the subsidiary listed in the following table.

Name	Country of Incorporation	% Beneficial Equity Interest	
		2024	2023
Ferrum Metals Pty Ltd	Australia	100	100

Europa Metals Ltd is the ultimate Australian parent entity and the ultimate parent of the Group. Transactions between Europa Metals Ltd and its controlled entities during the year consisted of loan advances by Europa Metals Ltd. All intergroup transactions and balances are eliminated on consolidation.

		<u>Income from Related Parties</u>	<u>Expenditure to Related Parties</u>	<u>Amounts Owed by Related Parties at year end</u>	<u>Amounts Owed to Related Parties at year end</u>
		\$	\$	\$	\$
Minerva Corporate Pty Ltd (i)	<u>2024</u>	-	84,000	-	43,930
	<u>2023</u>	-	84,000	-	11,000
Virico (IOM) Limited (ii)	<u>2024</u>	-	249,233	-	192,342
	<u>2023</u>	-	171,096	-	19,869
<u>Metallurgical Management Consultants Pty Ltd</u>	<u>2024</u>	-	36,000	-	3,300
	<u>2023</u>	-	26,412	-	-

- (i) Mr D Smith, a non-executive director and company secretary for the Company, is also a director of Minerva Corporate Pty Ltd. During the year, Minerva Corporate Pty Ltd received the above fees for company secretarial and accounting services. These fees are based on normal commercial terms and conditions. Mr D Smith was appointed on 16 January 2018.
- (ii) Mr M Campion, an executive director of the Company, is also a director of Virico (IOM) Limited. During the year, Virico (IOM) Limited received the above fees for consulting services. These fees were based on normal commercial terms and conditions and are included in the remuneration report.

Notes to the consolidated financial statements

For the year ended 30 June 2024

Note 19: Related party transactions (continued)

- (iii) Mr E Kirby, a non-executive director of the Company, is also a director of Metallurgical Management Services Pty Ltd. During the year, Metallurgical Management Services Pty Ltd received the above fees for consulting services. These fees were based on normal commercial terms and conditions and are included in the remuneration report.

Note 20: Cash flow information

	2024	2023
	\$	\$
Reconciliation of cash flow from operations with loss from ordinary activities after income tax		
Loss from ordinary activities after income tax	(632,780)	(3,380,397)
Other income	-	-
Depreciation	-	6,506
Interest on unwinding of lease	-	13,467
Net foreign exchange differences	445	(44,723)
Share based payments	80,488	254,560
Loss on deconsolidation of subsidiary	-	1,267,907
Share of loss of associate	-	115,958
<i>Changes in assets and liabilities</i>		
(Increase) / decrease in receivables	(41,495)	125,259
(Decrease) / increase in payables and provisions	193,526	(97,701)
Cash flows used in operations	(399,816)	(1,739,164)

Note 21: Financial risk management objectives and policies

The Group's principal financial instruments comprise cash and short term deposits.

The main purpose of the financial instruments is to finance the Group's operations. The Company also has other financial instruments such as receivables and payables which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, liquidity risk, foreign currency risk and credit risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below:

(a) Interest Rate Risk

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates, and the effective weighted average interest rate for each class of financial assets and financial liabilities, is set out in the following table. The effect on profit and equity after tax if interest rates at that date had been 10% higher or lower with all other variables held constant would result in an immaterial difference.

The Group has not entered into any hedging activities to manage interest rate risk. In regard to its interest rate risk, the Group continuously analyses its exposure. Within this analysis, consideration is given to potential renewals of existing positions, alternative investments and the mix of fixed and variable interest rates.

Notes to the consolidated financial statements
For the year ended 30 June 2024

Note 21: Financial risk management objectives and policies (continued)

	Weighted Average Effective Interest Rate %	Floating Interest Rate \$	Fixed Interest Rate \$	Non Interest Bearing \$	Total \$
2024					
Financial Assets					
Cash	1.15%	3,644	-	248,431	252,075
Trade and other receivables		-	-	22,987	22,987
Total Financial Assets		3,644	-	271,418	275,062
Financial Liabilities					
Trade and other payables		-	-	310,773	310,773
Total Financial Liabilities		-	-	310,773	310,773
2023					
Financial Assets					
Cash	1.35%	3,764	-	650,226	653,990
Trade and other receivables		-	-	23,179	23,179
Total Financial Assets		3,764	-	673,405	677,169
Financial Liabilities					
Trade and other payables		-	-	118,902	118,902
Total Financial Liabilities		-	-	118,902	118,902

(b) Liquidity Risk

The Group manages liquidity risk by maintaining sufficient cash reserves and marketable securities required to meet the current exploration and administration commitments, through the continuous monitoring of actual cash flows.

Ultimate responsibility for liquidity risk management rests with the board of directors, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long term funding and liquidity management requirements.

2024

	Less than 12 months \$	Between 1 to 2 years \$	Between 2 and 5 years \$	Over 5 years \$
Trade and other payables	310,773	-	-	-

2023

	Less than 12 months \$	Between 1 to 2 years \$	Between 2 and 5 years \$	Over 5 years \$
Trade and other payables	118,902	-	-	-

Notes to the consolidated financial statements

For the year ended 30 June 2024

Note 21: Financial risk management objectives and policies (continued)

(c) Credit Risk

Credit risk arises in the event that a counterparty will not meet its obligations under a financial instrument leading to financial losses. The Company is exposed to credit risk from its operating activities and financing activities including deposits with banks and investments with insurance companies. The credit risk control procedure adopted by the Company is to assess the credit quality of the institution with whom funds are deposited or invested, taking into account its financial position and past experiences.

The maximum exposure to credit risk on financial assets of the Company which have been recognised in the statement of financial position is generally limited to the carrying amount.

Cash is maintained with National Australia Bank, Banco Popular and Unicaja Banco of Spain, with ratings from Standard & Poors of AA or above (long term).

(d) Foreign Exchange Risk

The Group undertakes certain transactions denominated in foreign currencies, hence exposures to exchange rate fluctuations arise. The carrying amount of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date is as follows:

	Liabilities		Assets	
	2024	2023	2024	2023
	\$	\$	\$	\$
Great British Pounds (GBP)	(192,342)	(40,406)	220,580	614,469
South African Rand (ZAR)	(4,424)	(14,370)	1	1
Euro (EUR)	-	-	-	-

Foreign currency sensitivity analysis

The Group is exposed to Great British Pound (GBP) and Euro (EUR) currency fluctuations.

A sensitivity analysis has not been disclosed as the impact of any reasonable fluctuation in exchange rates is not considered to be material to the Group.

(e) Fair value

The fair values of cash, trade and other receivables and trade and other payables approximate their carrying values, as a result of their short maturity or because they carry floating rates.

Note 22: Parent Entity Information

	2024	2023
	\$	\$
Current assets	316,748	677,169
Total assets	317,681	677,792
Current liabilities	310,795	118,902
Total liabilities	310,795	118,902
Issued capital	53,875,159	53,704,867
Accumulated Losses	(57,572,207)	(56,975,511)
Reserves	3,703,022	3,829,534
Total shareholders' equity	5,974	558,890
Loss of the parent entity	(596,696)	(3,379, 805)

**Notes to the consolidated financial statements
For the year ended 30 June 2024**

Note 22: Parent Entity Information (continued)

Guarantees entered into by the parent entity in relation to the debts of its subsidiary

There have been no guarantees entered into by the parent entity in relation to any debts of its subsidiary.

Contingent liabilities

The parent entity has no contingent liabilities as at 30 June 2024 (2023: Nil).

Capital commitments – Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2024 (2023: Nil).

Material accounting policy information

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in joint ventures are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 23: Significant events after the reporting date

There are subsequent events to report, as follows:

On 17 September 2024, the Company announced that it had entered into a binding letter of intent with Denarius Metals Corp in relation to the proposed disposal of the Toral Project.

On 17 October 2024, the Company announced that it had entered into a conditional Term Sheet with Viridian Metals Ireland Limited in relation to the proposed acquisition of Viridian and its wholly-owned Tynagh brownfield Pb/Zn/Cu/Ag project in the Republic of Ireland.

At the Company's General Meeting held on 25 October 2024, Shareholders overwhelmingly voted in favour of the resolution to dispose of the Toral project to Denarius Metals.

No other matters or circumstances have arisen since the end of the financial year, other than as noted above, that may significantly affect the operations of the Company, the results of these operations, or the state of affairs in future financial years.

Consolidated Entity Disclosure Statement

Name	Type of entity	% of share	Country of Incorporation	Australian resident or foreign resident	Foreign jurisdiction (s) of foreign residents
Parent					
Europa Metals Ltd	Body Corporate	-	Australia	Australian	n/a
Subsidiaries					
Ferrum Metals Pty Ltd	Body Corporate	100	Australia	Australian	n/a

Basis of preparation

This consolidated entity disclosure statement (CEDS) has been prepared in accordance with the Corporations Act 2001 and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

Europa Metals Ltd
A.C.N. 097 532 137
Directors' Declaration

In the opinion of the directors of Europa Metals Ltd:

- (a) the financial statements and notes set out on pages 29 to 51 are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the financial position of the Group as at 30 June 2024 and of its performance, as represented by the results of its operations and its cash flows, for the year ended on that date; and
 - (ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001, professional requirements and other mandatory requirements;
- (b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 2(b); and
- (c) subject to the matters discussed in Note 2(c), there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.
- (d) The consolidated entity disclosure statement on page 52 is true and correct as at 30 June 2024

This declaration has been made after receiving the declarations required to be made to the directors in accordance with section 295A of the Corporations Act 2001 for the year ended 30 June 2024.

This declaration is made in accordance with a resolution of the directors.



D Smith
Non-Executive Director

Perth
31 October 2024

INDEPENDENT AUDITOR'S REPORT

To the members of Europa Metals Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Europa Metals Ltd (the Company) and its subsidiary (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with 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 financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 2(c) in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have not identified any key audit matters to be communicated in our report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 13 to 20 of the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Europa Metals Ltd, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd



Ashleigh Woodley

Director

Perth, 31 October 2024



Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth WA 6000
PO Box 700 West Perth WA 6872
Australia

DECLARATION OF INDEPENDENCE BY ASHLEIGH WOODLEY TO THE DIRECTORS OF EUROPA METALS LTD

As lead auditor of Europa Metals Ltd for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Europa Metals Ltd and the entity it controlled during the period.

A handwritten signature in black ink, appearing to read 'Ashleigh Woodley', with a stylized, cursive script.

Ashleigh Woodley
Director

BDO Audit Pty Ltd
Perth
31 October 2024

Additional JSE Information

Headline earnings reconciliation	2024 \$	2023 \$
Loss attributable to ordinary equity holders of the parent entity	(632,780)	(3,380,397)
Add back IAS 16 loss on the disposal of plant and equipment	-	-
Less profit on sale of available for sale investments	-	-
Total tax effects of adjustments	-	-
Headline loss	(632,780)	(3,380,397)
Basic loss	(632,780)	(3,380,397)
Weighted average shares in issue	96,098,884	88,207,380
Basic loss per share (cents)	(0.66)	(3.83)
Headline loss	(632,780)	(3,380,397)
Weighted average shares in issue	96,098,884	88,207,380
Headline loss per share (cents)	(0.66)	(3.83)