Anson Resources Limited

(ABN 46 136 636 005)

Half-Year Report
31 December 2022

COMPANY DIRECTORY

Directors

Mr Bruce Richardson
Executive Chairman and CEO

Mr Peter (Greg) Knox
Executive Director

Mr Michael van Uffelen
Non-Executive Director

Company Secretary

Mr Nicholas Ong

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DIRECTORS' REPORT

Your Directors submit the financial report of the Group being Anson Resources Limited ('Anson' or 'Company') and the entities it controlled ('Group'), for the half-year ended 31 December 2022. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

Directors

The names of Directors who held office during or since the end of the half year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Bruce Richardson	Executive Chairman and CEO
Peter (Greg) Knox	Executive Director
Michael van Uffelen	Non-Executive Director

Review of Operations

Paradox Brine Project

During the half year, the Company's key focus was on Mineral Resources expansion and delivering the Definitive Feasibility Study ('DFS') at the Paradox Lithium Project, located in Utah, USA (the 'Paradox Project").

Major Mineral Resource Upgrade

The new, upgraded Mineral Resource (*see ASX announcement 2 November 2022*) is;

- **1,037,900 tonnes of lithium carbonate equivalent (LCE) and 5,274,900 tonnes of bromine, including;**
  - **Indicated Resource of 346,109 tonnes of LCE and 1,840,000 tonnes of bromine; and**
  - **Inferred Resource of 691,800 tonnes of LCE and 3,434,900 tonnes of bromine**

The new, upgraded Mineral Resource was estimated from Anson's recently completed drilling and sampling at the Cane Creek 32-1 well, and has been added to its recent Mineral Resource upgrade confirmed from drilling and sampling at the Long Canyon Unit 2 well (*see ASX announcement 22 August 2022)*.

The new, upgraded Mineral Resource represents a;

- **24% increase on the previously reported Lithium Mineral Resource; including**
- **31% increase in the Indicated Resource on the previously reported Lithium Mineral Resource; and**
- **33% increase on the previously reported Bromine Mineral Resource.**

A summary of the JORC 2012 Mineral Resource Estimate is presented in Table 1. Significant amounts of other minerals including Bromine (Br_2), Boron (Boric Acid, H_3BO_3) and Iodine (I_2) have also been estimated. A breakdown of the Mineral Resources by aquifer is shown in Table 2. The Resource does not take into account potential replenishment of the brine zones.

Category	Brine Volume (Ml^3)	Brine Tonnes (Mt)	Li (ppm)	Br (ppm)	Contained ('000t)[1]	
					LCE	Br_2
Indicated	**4,350**	**530**	**123**	**3,474**	**346**	**1,840**
Inferred	**8,108**	**1,038**	**125**	**3,308**	**692**	**3,434**
Resource	**12,458**	**1,568**	**124**	**3,364**	**1,038**	**5,274**

Table 1: Paradox Lithium Project Total JORC Mineral Resource upgraded estimation.

DIRECTORS' REPORT

Horizon	Clastic Zone	Category	Brine (Mt)	Li (ppm)	Br (ppm)	Contained ('000t)[1]	
						LCE	Br_2
CZ31	31	Indicated	47	173	3,054	44	144
CZ31	31	Inferred	77	182	2,543	74	195
CZ31 Resource			124	178	2,736	118	339
Other Clastics	17, 19, 29, 33, 43, 45, 47, 49	Indicated	179	83	3,378	79	604
Other Clastics	17, 19, 29, 33, 43, 45, 47, 49	Inferred	453	98	3,102	236	1,406
Other Clastics Resource			632	94	3,181	315	2,010
Mississippian		Indicated	304	138	3,596	224	1,092
Mississippian		Inferred	508	141	3,606	381	1,834
Mississippian Resource			812	141	3,371	605	2,926
TOTAL RESOURCE			1,568			1,038	5,275

Table 2: Mineral Resource Estimate for Clastic Zone 31, additional Clastic Zones and Mississippian Units.

[1] Lithium is converted to lithium carbonate (Li_2CO_3) using a conversion factor of 5.32 and boron is converted to boric acid (H_3BO_3) using a conversion factor of 5.72. Rounding errors may occur.

Results of DFS

Anson, through its 100% owned subsidiary A1 Lithium Inc, completed a DFS for Phase 1 of its Paradox Project (*see ASX announcement 8 September 2022)*. This DFS was completed prior to the upgrade to the JORC Resource referred to above, and focused exclusively on lithium extraction.

Key financial highlights of Phase 1 DFS are presented in Table 3 below:

SCENARIO	PRE-TAX (USD)		POST-TAX (USD)	
	NPV (7%)	IRR	NPV (7%)	IRR
Base Case	$1,306m	47%	$922m	37%
Spot Price Case[1]	$5,149m	98%	$3,768m	80%

Table 3: Paradox Lithium Project Phase 1 DFS Key financial highlights

The DFS results confirm the Paradox Project's advanced potential to become a major supplier of high purity, battery grade Lithium Carbonate into the US Electrical Vehicle market, initially producing 13,074 tonnes per annum of high purity Lithium Carbonate over an initial 10 years of project life, and then continuing producing at lower commercial levels, if no further extraction wells were to come on-line, up to a production life of 23 years. The DFS is based on the Mineral Resource of 22 August 2022, which provides the total tonnage underpinning the forecast production target and financial projections.

[1] Lithium Carbonate Spot Price – US$69,400/t Battery grade EXW China price. Source – S&P Capital IQ.

DIRECTORS' REPORT

Key outcomes and parameters of the DFS are presented in Table 4 below.

	Units	Phase 1
Construction Period	Years	2
Production Rate - Lithium Carbonate	Tonnes per annum	Up to 13,074
Indicated Mineral Resource – Lithium Carbonate	Contained ('000t)	239
Recovery – direct lithium extraction	%	91.5
Recovery – carbonation from lithium eluate	%	88.6
Key Financial Parameters		
Capital Cost	$US Million	495
C1 Operating Costs	US$ / t LCE	4,368
Price – Lithium Carbonate	$US/tonne	Forecast Curve
Revenue	$US Million	5,080
Annual EBITDA Margin	%	69
Average annual EBITDA	$US Million	153
Payback period	Years	2
IRR Pre Tax	%	47
IRR Post Tax	%	37
NPV_7 pre-tax (Base Case)	$US Million	1,306
NPV_7 pre-tax (Spot Case)	$US Million	5,149

Table 4: Paradox Lithium Project key parameters and outcomes

<u>Securing Water Rights</u>

Anson has signed a sub-lease agreement with Green River Companies LLC which was approved by the Wayne County Water Conservancy Board, State of Utah in January 2023 ('Agreement'). The Agreement will provide the supply of water required for the operation of the Company's proposed lithium producing operation at the Paradox Project. The Agreement is for an initial period of 23 years with an option to extend the Agreement for up to additional 20 years.

The amount of water sub-leased to Anson exceeds the expected water consumption of its planned 13,000tpa LCE plant (*see ASX announcement 8 September 2022*) at the Project and allows the Company to apply for points of diversion of the water from the Colorado or Green rivers in Utah, subject to approval of the location of the diversions, and can be used for industrial purposes.

Figure 1: Colorado River in close proximity to Anson's proposed production facility

DIRECTORS' REPORT

<u>Western Resource Expansion Program</u>

The Company received approval from both the Department of the Interior, Bureau of Land Management (BLM), *see ASX Announcement 5 October 2022*, and the Utah Division of Oil, Gas and Mining (UDOGM), *see ASX Announcement 25 January 2023*, to commence its 'Western Expansion' strategy by re-entering historic drillholes in the western areas of the Paradox Project. This may result in a significant increase in the block model grades and ultimately the product tonnages for the clastic zones, and also the new Mississippian units where there are little previous recorded assays. The Mississippian units in the western strategy have an average thickness of 142 metres, previously recorded in historical oil well drilling. Figure 2 shows the oil wells that were drilled into the Mississippian.

It is expected that the results of drilling in both these target areas will be included in future Mineral Resource upgrades at the Project.

Further drilling programs in the 'Western Expansion' Strategy will seek to define additional Indicated Resources, and significantly increase the Indicated-to-Inferred Resource ratio - as existing Inferred Resources are converted to the Indicated category.

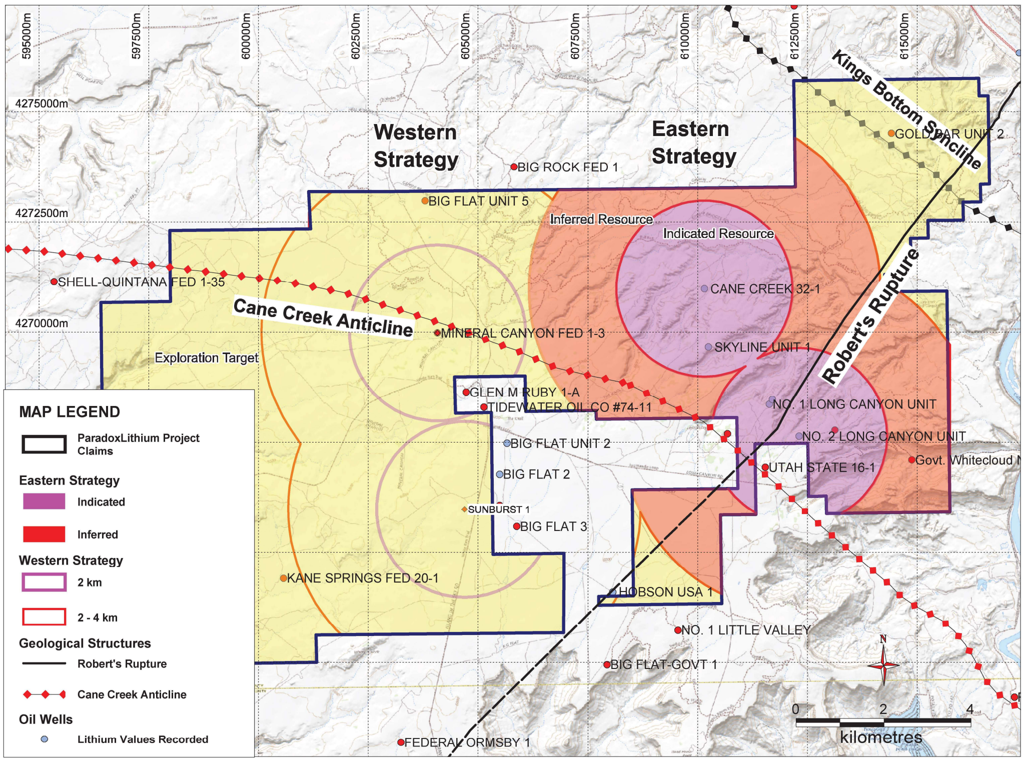

Figure 2: Plan showing the Mississippian Resource from the eastern strategy and the wells drilled into the Mississippian units in the western area of the Project.

Green River Lithium Project

Anson completed the staking of the new Green River Lithium Project comprising a total of 1,251 placer claims for an area of 10,620 hectares (*see ASX announcement 30 January 2023*), see Figure 3, at Green River, Utah.

Anson is currently carrying out environmental, archaeological and land surveys for a Notice of Intent to re-enter three oil wells in the new project area for submittal to the USA, Department of Interior Bureau of Land Management. Due to the previous drilling, the pad locations are already level and will require very little earthworks to re-establish the drill pad area.

The thicknesses of the Mississippian units is expected to provide a very large reservoir and combined with the Clastic Zone horizons it is anticipated that it will result in a significant Exploration Target which may be readily converted to a JORC Resource by completing a small exploration program.

DIRECTORS' REPORT

The claims overlay many historically plugged and abandoned oil and gas wells which can be re-entered at a much lower cost than drilling new holes. A lot of these wells have been drilled into the thick Mississippian units. This will enable sampling of the brines which have already been recorded in the Mississippian units and the numerous clastic zones.

The project area is suitable for both the extraction of the brine and disposal of the waste brine back down into a suitable formation if the exploration program is successful in proving up a lithium JORC resource. This has been shown in historical Drill Stem Tests in which brines have flowed up the tubing. In addition, some of these wells have already been used as disposal wells.

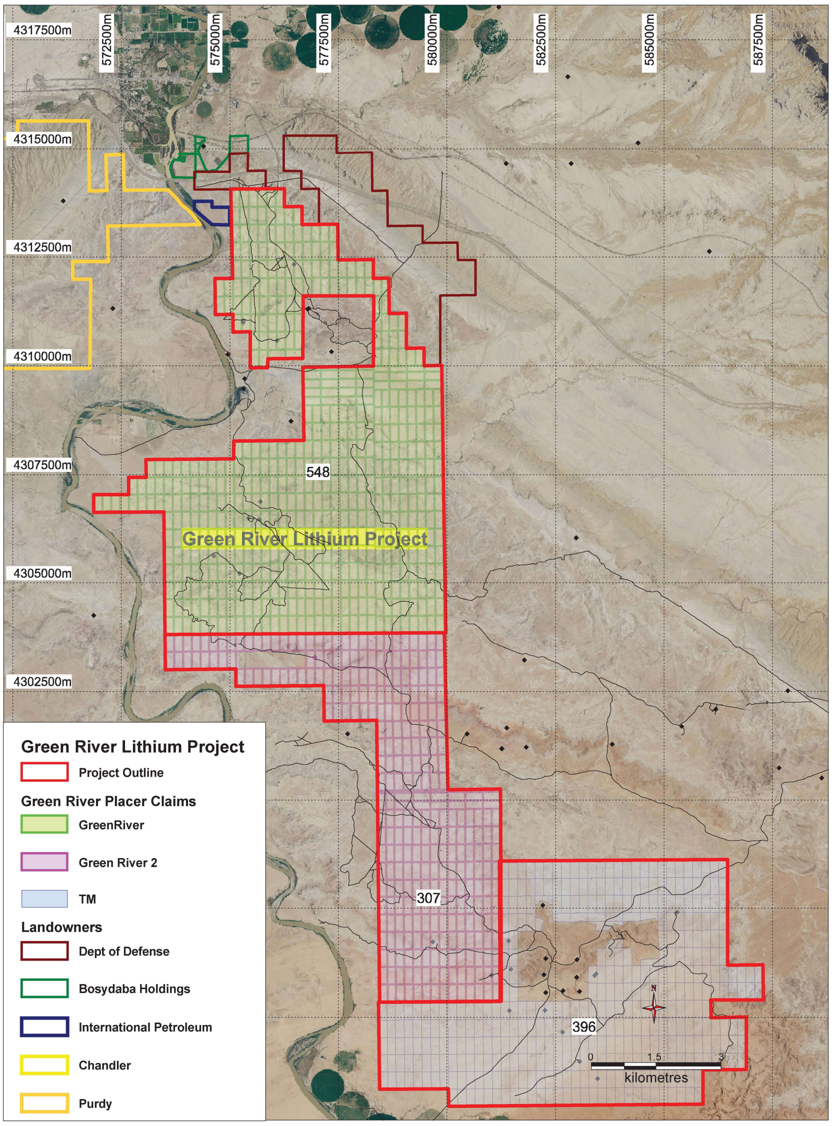

Figure 3: Plan showing the newly pegged claims within the Green River Lithium Project.

The Green River Project exhibits all the positive geological characteristics of the Paradox Project including rock units and stratigraphy.

Supersaturated brines have been intercepted in historical oil and gas drilling at the Green River Project, which has enabled Anson to confirm a substantial Exploration Target of; **2.0 billion tons to 2.6 billion tons of brine, grading 100 – 150ppm Li and 2,000 – 3,000ppm Br** (*see ASX announcement 15 February 2023*), see Table 5.

[1]*The Exploration Target figure is conceptual in nature as there has been insufficient exploration undertaken on the Project to define a mineral resource for the Leadville Formation. It is uncertain that future exploration will result in a mineral resource.*

DIRECTORS' REPORT

Lithological Unit	Range	Brine Tonnes (Mt)	Li Grade (ppm)	Br Grade (ppm)	Li (t)	Li_2O_3 (t)	Br (t)
Mississippian & Clastic Zones	Minimum	2,000	100	2,000	200,000	1,064,600	3,200,000
	Maximum	2,600	150	3,000	390,000	2,075,900	7,800,000

Table 5: Exploration Target estimation for the Green River Lithium Project - for the combined Mississippian Leadville and Pennsylvanian Paradox Units.

The Exploration Target figure is conceptual in nature as there has been insufficient exploration undertaken on the Project to define a mineral resource for the Leadville units. It is uncertain that future exploration will result in a mineral resource.

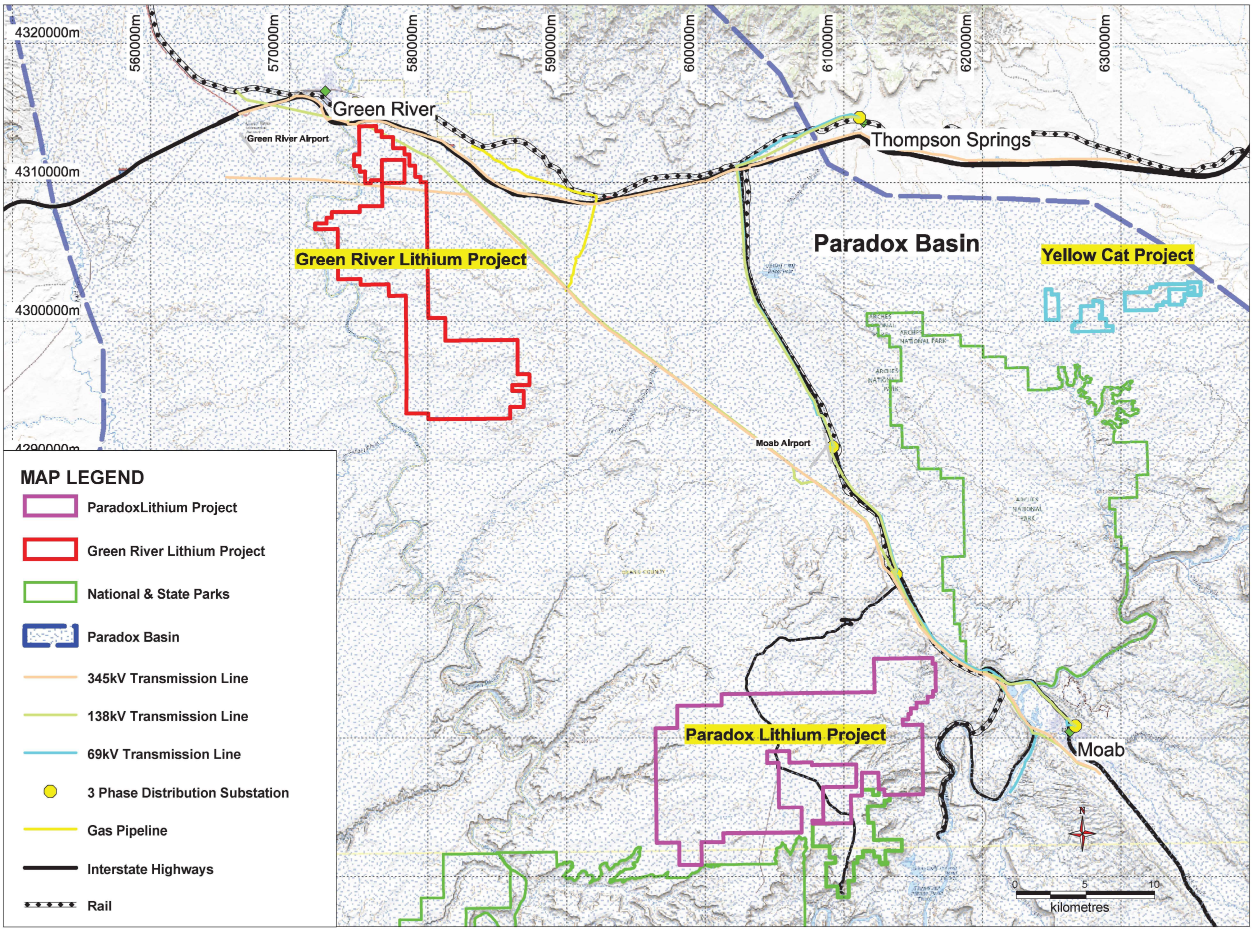

Figure 4: A plan showing the location of Anson's two lithium brine projects in Utah in the Paradox Basin.

The thicknesses of each horizon containing the recorded supersaturated brines within the Green River Project is shown in Table 6. The thicknesses of the Mississippian units show that it is a very large reservoir. In addition, the Clastic Zone horizons are thicker at Green River compared to the Paradox Project.

Both contribute to a significant Exploration Target which is expected to be easily converted to a JORC Resource by completing a small exploration program.

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	Thickness (ft)	
Geological Unit	**Paradox Lithium Project**	**Green River Lithium Project**
Mississippian Units	>400	300*
31	20	**23**
29	20	**21**
19	35	**53**
17	45	**60**

Table 6: The comparable thicknesses for the horizons to be sampled at the Green River and Paradox Projects (* all historical drillholes finished in the Mississippian units).

Mineral Resource Program at Green River Project

The targeted Clastic Zones and the Mississippian units at the Green River Project have no recorded historical lithium and bromine assays. Anson plans to conduct a drilling and sampling program of existing wells within the Project area, with a view to including the results from these horizons in a further JORC Resource upgrade that will be confirmed at the Paradox Project on completion of the Western Strategy exploration program.

Test-work, such as core sampling and flow testing, has been carried out on some of the historic wells at the Green River Project, which may be suitable for use in confirming a JORC Resource at the Project.

In addition, Anson will be able to obtain core from the Utah Geological Survey to carry out test work to determine the properties of the units, including porosity and specific yield, which are required inputs for a JORC Resource estimation. This will provide a significant time and cost saving for Anson in delineating a JORC Resource at Green River. Further, all the available data, helps confirm that the Green River Project is very similar, in all aspects, to the Paradox Project.

Bull Nickel-Copper-PGE Project

The Bull Project is located only 35km from Perth abutting Chalice Gold Mines Limited's (Chalice) (ASX: CHN) tenements and is 20km southwest along strike of Chalice's high-grade Julimar Ni-Cu-PGE discovery (see Figure 5). Anson also pegged an additional tenement that abuts he Bull Project area to the south, ELA70/5619.

DIRECTORS' REPORT

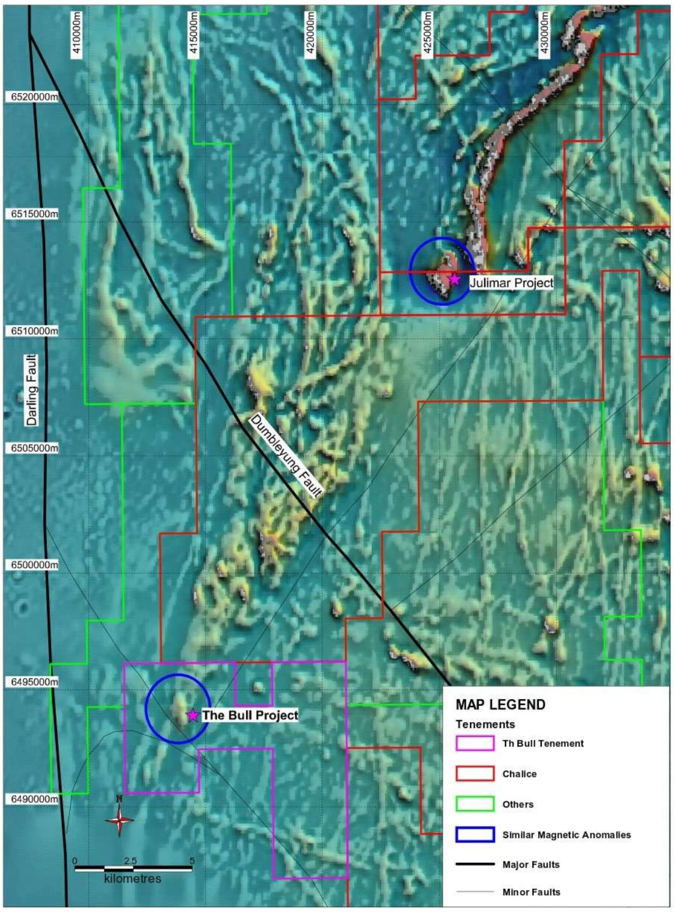

Figure 5: TMI image showing the location of the Bull Project and the associated magnetic signatures in relation to the Julimar discovery.

Negotiations continued with the three landowners in which exploration programs are planned. These negotiations are in the final stages of completion. Priority drill targets have been defined based on geophysical surveys, geological mapping and rock chip sampling programs. Stage 1 drilling consist of 18 holes focusing on priority areas 1, 2 and 3, and will be drilled to a depth of 200m from west to east at a 60^0 angle to maximize potential intersection of the targeted anomalous ultramafic units, see Figure 6.

DIRECTORS' REPORT

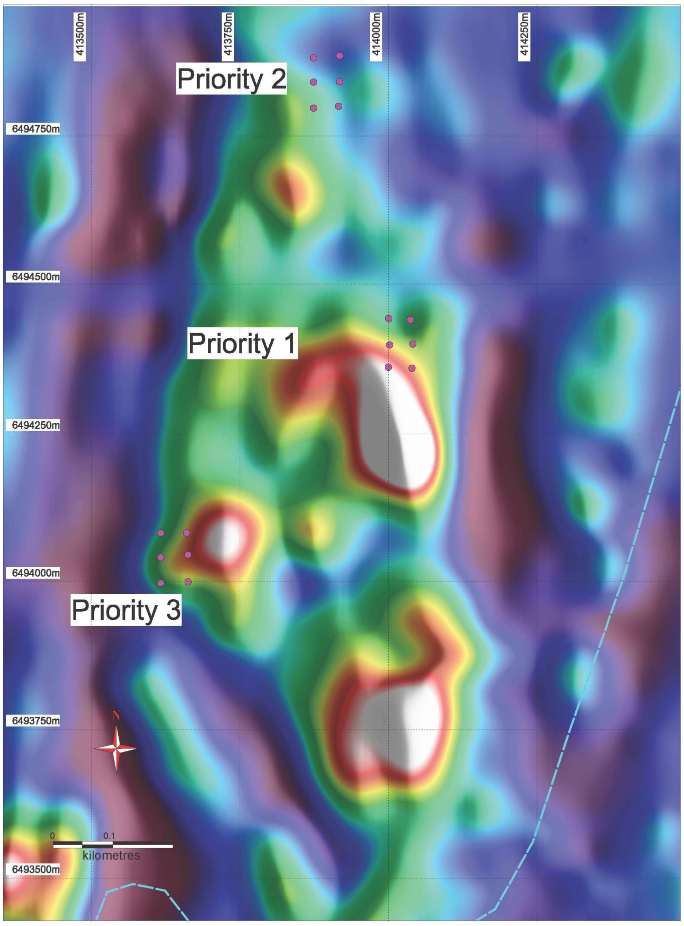

Figure 6: Drone Mage RTP image at the Bull Project showing proposed drillhole locations.

The magnetic image interpretation in Figure 6 shows the distinct internal character of the magnetic anomaly at The Bull. Rather than a homogenous ovoid-shaped magnetic anomaly, the anomaly appears to be comprised of a series of magnetic high lenses and potential structural offsets.

Yellow Cat Vanadium / Uranium Project

Anson has been included in the Global X Uranium ETF (NYSE:URA), the largest Exchange Trade Fund (STF) in the uranium and nuclear industry with net assets of approximately USD1.716 billion as of 25 January 2023.The inclusion in the Global X Uranium ETF followed Anson being added to the Solactive Global Uranium and Nuclear Components Total Return Index (SOLURANT Index) tracked by the ETF. Solactive has announced that Anson will be included in an ordinary Index rebalancing that will be effective 1 February 2023 (*see ASX Announcement 27 January 2023*).

The Yellow Cat Project is located 30 km north of Moab, in the Thompson District, Grand County Utah. There are two separate areas: the Yellow Cat claims and the Yellow Cat West claims.

The Yellow Cat Project is considered prospective for the development of both uranium and vanadium due to the high historic grade mineralisation present on the claims. The project is located in a region that is increasingly sought-after by companies exploring for uranium, supported by the recent increase in uranium prices.

Surface outcrops and ore pad grab samples have previously been submitted for laboratory analysis.

DIRECTORS' REPORT

High grade assay values of up to 87,600ppm uranium (U) (10.33% U3O8) and 143,500ppm vanadium (V) (25.61% V2O5) were reported. A summary of the results of the elemental values and the more common metal oxides are shown in Table 7 below and the locations can be seen in Figure 7.

Anson is sourcing quotes from contractors to carry out surveys required to get approvals for exploration drilling programs. The aim of the exploration programs is to confirm existing drilling results and to extend the known mineralisation along strike and down dip, see Figure 7.

Location ID	Northing	Easting	Sample ID	U_3O_8 (%)	V_2O_5 (%)	Comments
YC2	4,299,798	627,312	YC20007	6.65	4.69	Exposed mineralisation, UG workings
			YC20008	10.33	2.46	
			YC20010	0.94	23.92	
YC3	4,301,989	634,173	YC20004	3.27	5.87	Exposed mineralisation, UG workings
YC4	4,299,789	627,312	YC20014	1.43	1.77	Ore pad grab samples
YC8	4,300,420	627,803	YC20022	1.07	10.16	Exposed mineralisation, UG workings
YC10	4,302,105	634,215	YC20006	0.86	14.57	Exposed mineralisation, UG workings
YC11	4,302,017	633,665	YC20012	0.05	25.61	Exposed mineralisation, UG workings

Table 7: Selected assay results for Uranium and Vanadium at Yellow Cat.

Notes:

1. Underground sample location coordinates are based on location of the closest underground adit. Ore pad grad samples location coordinates are for the ore pad sampled.
2. Conversion of uranium (U) to uranium oxide (U_3O_8) is by factor of 1.179.
3. Conversion of vanadium (V) to vanadium oxide (V_2O_5) is by a factor of 1.785.

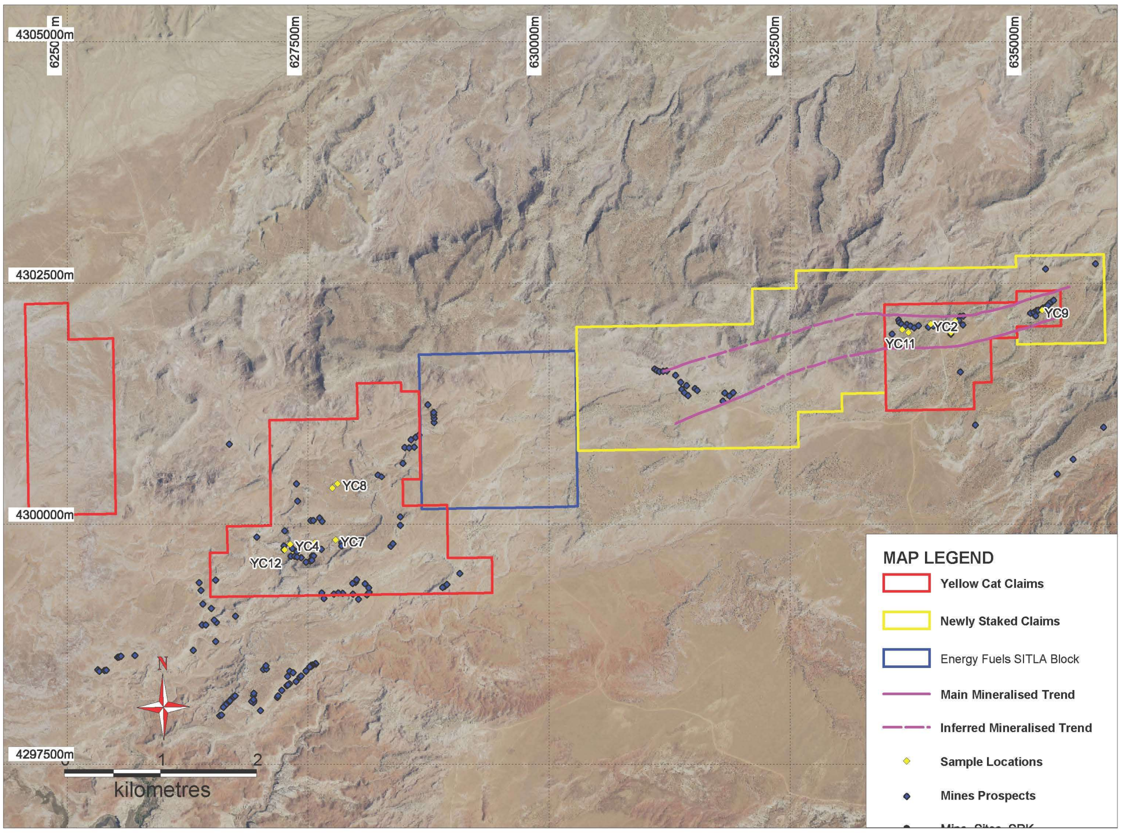

Figure 7: Plan showing the Yellow Cat claims and the inferred mineralised trend to follow up.

DIRECTORS' REPORT

The Ajana Project

The Ajana Project is located in Northampton, Western Australia, a proven and established mining province for zinc, lead and silver. The Ajana Project is adjacent to the North West Coastal Highway and 130km north of Geraldton. Historical exploration in the area has concentrated on the search for lead and zinc deposits. The prospective ground on the tenements E66/89 and E66/94 is dominated by the Northampton Metamorphic Complex.

Historical exploration in the area has concentrated on the search for lead and zinc deposits. The Ajana Project contains several historic copper, lead and silver producing mines that date back to 1850.

The Mary Springs tenement contains a JORC 2012 Mineral Resource estimate which is summarised in Table 8. The global Indicated and Inferred Resource estimate is 390,000 tonnes grading at 6.5% Pb. Zones of Pb-Zn-Cu-Ag rich mineralisation have been intersected in recent drilling but were not included in modelling the resource. Further drilling may enable the zinc, copper and silver bearing zones to be modelled as part of a future resource.

Category	Indicated			Inferred			Total		
	BCM	Tonnes	% Pb	BCM	Tonnes	% Pb	BCM	Tonnes	% Pb
+ 1% Pb	80,000	240,000	6.6	50,000	150,000	6.2	130,000	390,000	6.5

Table 8: Mary Springs Mineral Resource Estimate, JORC 2012.

Anson has received approval for three POW's at the Ajana Project from the Department of Mines, Industry Regulation and Safety (DMIRS) and completed a heritage survey, which included archaeological and ethnographical work area clearance, at the proposed sites for the exploration programs to be carried out, see Figure 8. The survey was undertaken with the full involvement of the Nanda representatives who were nominated by the native title group. The survey was completed over the Surprise, Ethel Maud and Block 1 prospect areas.

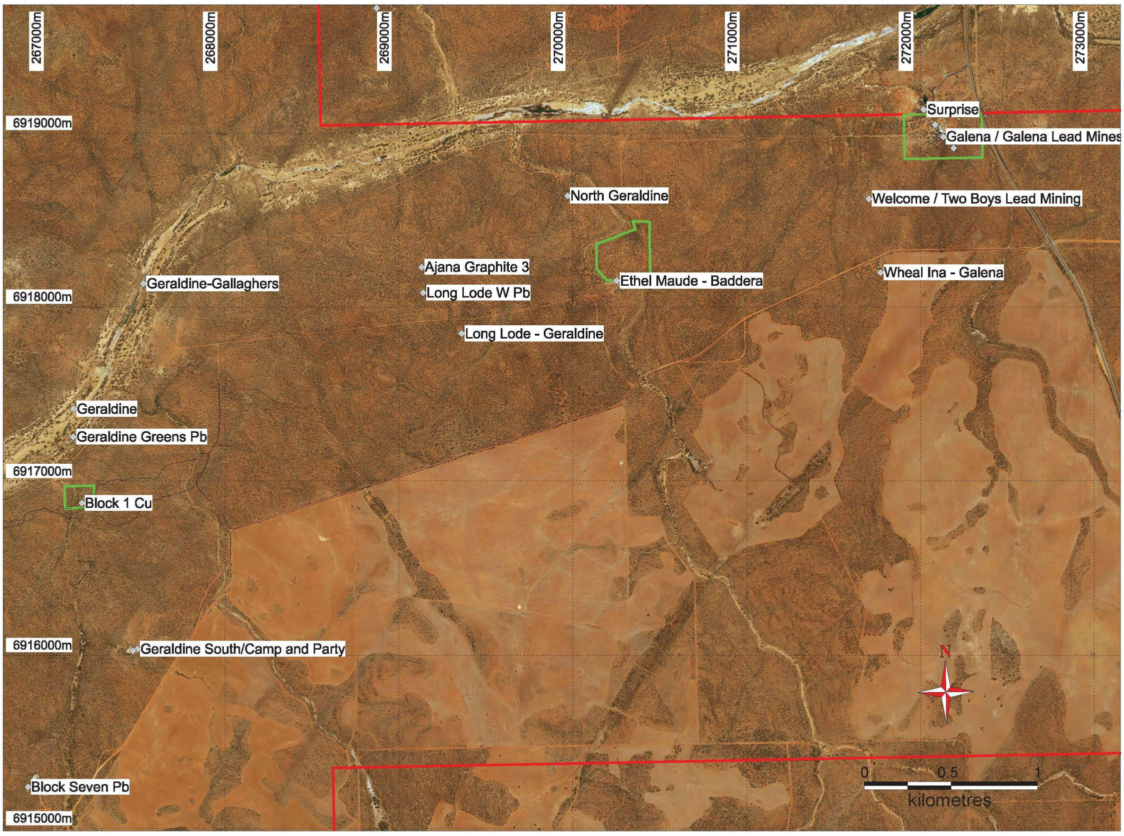

Figure 8: Plan showing the areas approved for exploration in the submitted POW's and cleared in the heritage survey (green) and local prospect locations.

DIRECTORS' REPORT

The proposed three exploration programs will consist of reverse circulation (RC) drilling under and along strike of existing pits and mine shafts in the areas approved for exploration in the POW's and cleared by the heritage survey.

It was also noted that most of the known prospects have been identified along north-east trending dolerite dykes and considered to be "in echelon" type (parallel formation) deposits, similar to the Mary Springs mine. However, historic small mining operations also identified a number of prospects were located between these dykes that were cross-cut by faults which may increase the grade of mineralisation as has occurred with the zinc at Ethel Maude, see Table 9.

Target Area	Mine	Grades				Comments
		Zn (%)	Pb (%)	Cu (%)	Ag (g/t)	
Geraldine	Ethel Maude*	43.0	11.3	NA	6.5	Samples from shafts
Surprise	Surprise**	Not Assayed	10.5	Not Assayed	Not Assayed	Production figures

Table 9: Table showing the target areas and grades of minerals previously sampled.

Anson advanced planning for the 1,990m reverse circulation drilling program at the Ajana Project with the appointment of a drilling company to carry out the program in the next quarter and a contractor was appointed for the local clearance work to prepare access and drill sites prior to the drilling programs commencing.

Hooley Well Cobalt-Nickel Laterite Project

The Hooley Well Nickel-Cobalt Laterite Project is located 800km north of Perth and 300km north-east of Geraldton in Western Australia consisting of three tenements E9,2218, E9/2219 and E9/2462. Tenements E9/2218 and E9/2219 contain historical shallow drilling which has intersected nickel and cobalt laterites. There are also possible primary nickel sulphides (identified by IP response) at depth.

During the quarter an Extension of Term was applied for E09/2218 and was approved by the Department of Mines, Industry Regulation and Safety (DMIRS).

The project contains extensive nickel, cobalt and chromite mineralisation over an area of 1.5km x 0.8km. Results of some historic drilling are shown below.

- HAC004, 22m @ 0.97% Ni & 0.06% Co & 1.05% Cr
    - Incl. 4m @ 1.41% Ni & 0.11% Co & 1.99% Cr
- HAC003, 33m @ 0.5% Ni & 0.04 % Co & 0.55% Cr
    - Incl. 8m @ 0.84% Ni & 0.10% Co & 0.22% Cr

Anson had previously flown a drone aeromagnetic survey over the E09/2218 and 2219 tenements on a line spacing of 50m and at a height of 25m.With the completion of the processing of the aeromagnetic data obtained from the drone surveys, further interpretation of the data has begun, see Figure 9.

DIRECTORS' REPORT

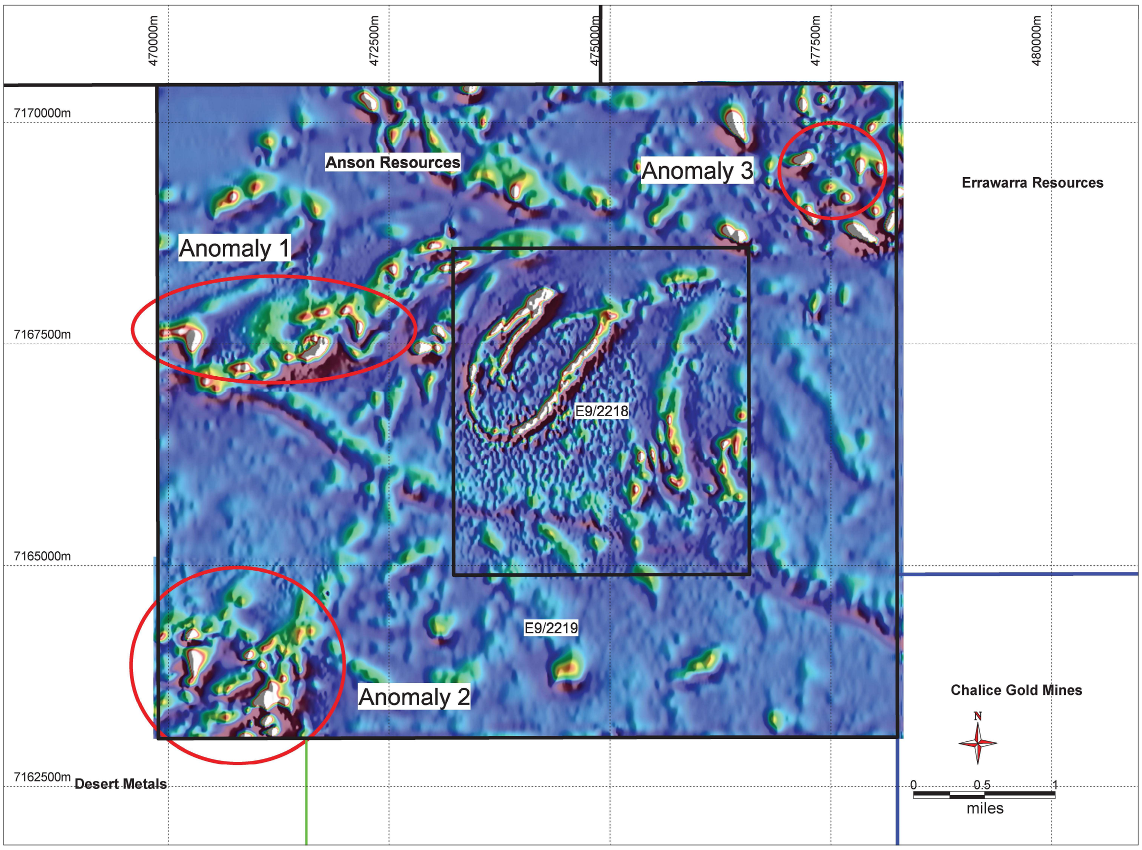

Figure 9: TMI1VD image of the Hooley Well tenements E9/2218 and E9/2219.

Interpretation at 1:20,000 is being carried out over the surveyed area and interrogated at a closer scale of approximately 1:10,000. A comprehensive interpretation of the aeromagnetic data includes all the relevant geoscientific information, allowing for the mapping of lithologies and structure.

This work involves:

- Compilation of geoscientific data, including the newly processed airborne magnetic and radiometric data, into GIS
- Interpretation of:
    - Domains of magnetic and radiometric anomalism;
    - Delineation of magnetic and radiometric trends;
    - Interpretation and classification of structures (lineaments, faults and folds); and
    - Delineation and interpretation of lithology and stratigraphic relationships.
- Selection and prioritisation of targets

Once the processing of the aeromagnetic data is completed, processing of historical radiometric surveys will be carried out to target Rare Earth Element mineralisation due to a REE Resource being proved up east of the Hooley Well tenements.

REE mineralisation has also been recorded in drillholes that abut the western side of the Hooley Well tenements.

The historical ternary imagery over Hooley Well is similar to that of the Krakatoa's mineral resource, see Figure 10.

DIRECTORS' REPORT

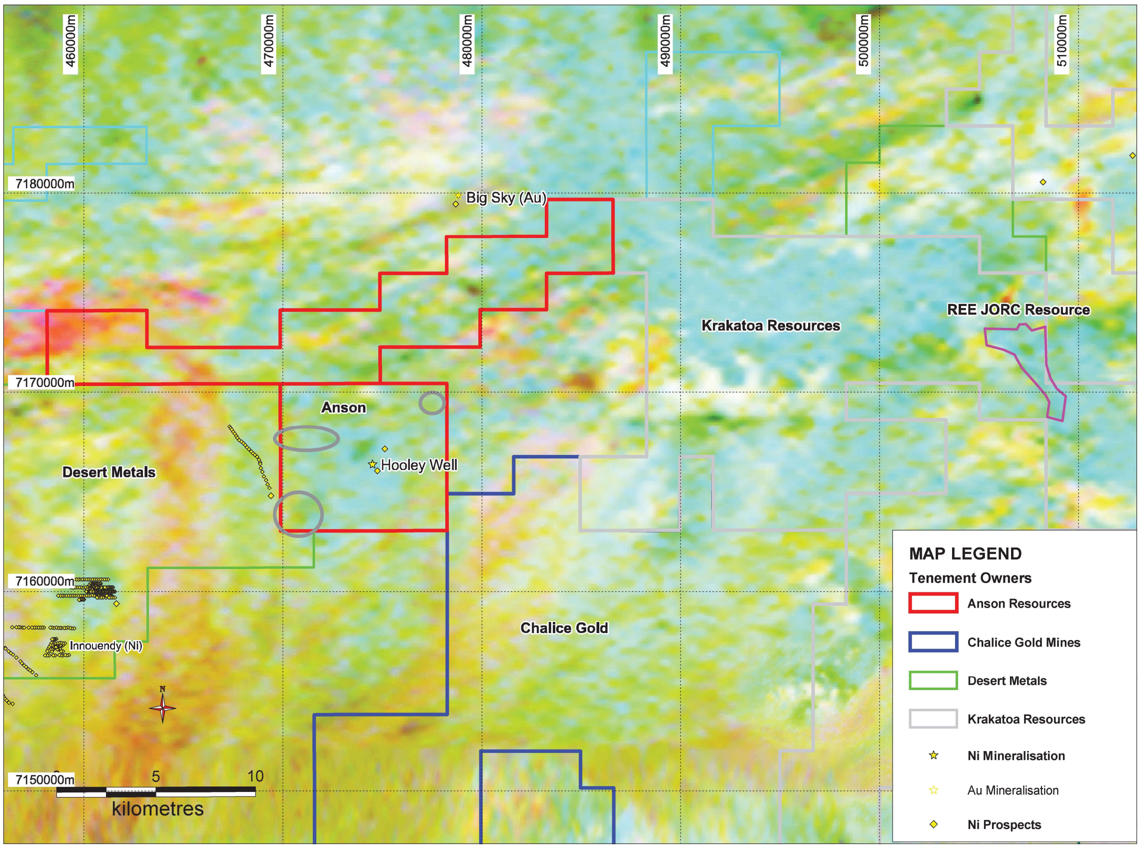

Figure 10: The Hooley Well tenements E9/2218 and E9/2219A ternary image showing a similar anomalous signature to that at Krakatoa's REE JORC resource.

DIRECTORS' REPORT

Placement Raises $50 Million

The Company completed a successful $50m placement with strong institutional and sophisticated investors support to fully fund the development of Paradox Lithium Project to Final Investment Decision. A total of 138,888,889 shares were issued at $0.36 per share.

Issue of Shares

The Company received valid exercise of 9,092,778 options at various prices, resulting the issue of 9,092,778 ordinary shares. The Company has also issued 2,360,921 shares to directors and a contractor. Resolutions to issue shares to directors were approved by shareholder at the Annual General Meeting on 25 November 2022.

Transfer of Share Registry

Anson announce the transfer of share registry to Advanced Share Registry Limited.

Significant events after balance date

The Company announced three key appointments to strengthen its executive team as it continues development of its Paradox Lithium Project and advances its portfolio of projects.

- Experienced chemical engineer and project manager Navin Gupta appointed Project Director for Anson's US subsidiary, A1 Lithium Inc.
- Financial professional Mathew Beattie appointed Chief Financial Officer for Anson Resources; and
- Highly experienced financial services and commodities sector professional Timothy Murray appointed Anson Resources' Chief Operating Officer.

On 13 February 2023, Anson issued 1,085,009 shares on exercise of 1,079,280 listed options exercisable at $0.035 expiring 30 June 2023 and 5,729 listed options exercisable at $0.20 expiring 31 July 2023.

On 8 March 2023, the holder of a convertible note was issued with 39,517,154 shares, thereby extinguishing the convertible note.

There have been no other significant events from end of financial period to the date of this report which significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires our auditor, Stantons, to provide the Directors of the Company with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on page 20 and forms part of this Directors' report for the half-year ended 31 December 2022.

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

Mr Bruce Richardson
Executive Chairman and CEO

Dated this 16th day of March 2023

Competent Person's Statement: The information in this report that relates to exploration results; exploration target and geology is based on information compiled and/or reviewed by Mr Greg Knox, a member in good standing of the Australasian Institute of Mining and Metallurgy. Mr Knox is a geologist who has sufficient experience which is relevant to the style of mineralisation under consideration and to the activity being undertaken to qualify as a "Competent Person", as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves and consents to the inclusion in this report of the matters based on information in the form and context in which they appear. Mr Knox has reviewed and validated the metallurgical data and consents to the inclusion in this Announcement of this information in the form and context in which it appears. Mr Knox is a director of Anson Resources Limited and a consultant to Anson.

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16 March 2023

Board of Directors
Anson Resources Limited
Level 3, 10 Eagle Street
Brisbane QLD 4000

Dear Sirs

RE: ANSON RESOURCES LIMITED

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Anson Resources Limited.

As Audit Director for the review of the financial statements of Anson Resources Limited for the half-year ended 31 December 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

(ii) any applicable code of professional conduct in relation to the review.

Yours faithfully

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD

Martin Michalik

Martin Michalik
Director

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

	Note	31 December 2022 $	31 December 2021 $
Revenue from continuing operations			
Interest income		69,400	190
Other income		-	-
		69,400	**190**
Expenses			
Consultants		(366,425)	(126,153)
Depreciation expense		(112,281)	(57,819)
Director and employee benefits expense		(2,358,422)	(163,368)
Exploration and evaluation costs		(2,470,846)	(1,048,099)
Foreign exchange loss		(19,758)	(35,029)
Interest expense on convertible note		(99,765)	(133,021)
Loss on derivative instrument at fair value through profit or loss	11	(3,520,385)	(2,393,425)
Occupancy costs		(30,231)	(47,610)
Travel and accommodation		(86,032)	(9,581)
Other expenses		(568,059)	(418,291)
Total Expenses		**(9,632,204)**	**(4,432,396)**
Loss from continuing operations before income tax		(9,562,804)	(4,432,206)
Income tax expense		-	-
Loss from continuing operations after income tax		**(9,562,804)**	**(4,432,206)**
Other Comprehensive Income			
Items that will not be reclassified subsequently to profit or loss			
Changes in fair value of financial assets – fair value OCI	13	(34,721)	52,239
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations	13	(224,440)	66,870
Total other comprehensive (loss)/income for the period		(259,161)	119,109
Total comprehensive loss for the period		**(9,821,965)**	**(4,313,097)**
Loss attributable to:			
Owners of the parent		**(9,562,804)**	**(4,432,206)**
Total comprehensive loss attributable to:			
Owners of the parent		**(9,821,965)**	**(4,313,097)**
Net loss per share (in cents)			
Basic and diluted loss per share for the period		(0.63)	(0.46)

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note	31 December 2022 $	30 June 2022 $
CURRENT ASSETS			
Cash and cash equivalents		45,011,441	5,730,923
Trade and other receivables		213,164	10,171
Other assets	4	128,423	137,497
Total Current Assets		**45,353,028**	**5,878,591**
NON-CURRENT ASSETS			
Property, plant & equipment		766,721	450,327
Intangible assets	5	7,520,291	5,557,616
Financial assets – fair value OCI	6	67,632	104,165
Other assets	4	957,741	941,892
Total Non-current Assets		**9,312,385**	**7,054,000**
TOTAL ASSETS		**54,665,413**	**12,932,591**
CURRENT LIABILITIES			
Trade and other payables	7	690,697	1,214,696
Provisions	8	311,362	144,657
Lease liabilities	9	191,292	107,821
Convertible Note	10	999,689	909,355
Derivative financial liability	11	6,209,296	2,688,911
Total Current Liabilities		**8,402,336**	**5,065,440**
NON-CURRENT LIABILITIES			
Provisions	8	339,807	324,349
Lease liabilities	9	407,054	168,673
Total Non-current Liabilities		**746,861**	**493,022**
TOTAL LIABILITIES		**9,149,197**	**5,558,462**
NET ASSETS		**45,516,216**	**7,374,129**
EQUITY			
Contributed equity	12	84,910,211	37,061,281
Reserves	13	3,610,760	3,754,799
Accumulated losses		(43,004,755)	(33,441,951)
TOTAL EQUITY		**45,516,216**	**7,374,129**

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

	Contributed Equity $	Accumulated Losses $	Share Based Payment Reserve $	Financial Asset - Fair Value OCI $	Foreign Currency Translation Reserve $	Total $
Balance at 1 July 2022	**37,061,281**	**(33,441,951)**	**3,762,971**	**79,867**	**(88,039)**	**7,374,129**
Loss for the period	-	(9,562,804)	-	-	-	**(9,562,804)**
Change in value of investments - FVOCI	-	-	-	(34,721)	-	**(34,721)**
Exchange differences on translation of foreign subsidiaries	-	-	-	-	(224,440)	**(224,440)**
Total comprehensive loss for the period	**-**	**(9,562,804)**	**-**	**(34,721)**	**(224,440)**	**(9,821,965)**
Transactions with shareholders in their capacity as owners, and other transfers						
Shares issued	50,000,000	-	-	-	-	**50,000,000**
Exercise of options	434,844	-	-	-	-	**434,844**
Share issue expenses	(3,128,926)	-	-	-	-	**(3,128,926)**
Shared based payment for services	543,012	-	-	-	-	**543,012**
Vesting of performance rights	-	-	115,122	-	-	**115,122**
Issue of broker options	-	-	-	-	-	**-**
Balance at 31 December 2022	**84,910,211**	**(43,004,755)**	**3,878,093**	**45,146**	**(312,479)**	**45,516,216**
Balance at 1 July 2021	**26,657,184**	**(26,690,463)**	**3,174,968**	**102,710**	**(392,455)**	**2,851,944**
Loss for the period	-	(4,432,206)	-	-	-	**(4,432,206)**
Change in value of investments - FVOCI	-	-	-	52,239	-	**52,239**
Exchange differences on translation of foreign subsidiaries	-	-	-	-	66,870	**66,870**
Total comprehensive loss for the period	**-**	**(4,432,206)**	**-**	**52,239**	**66,870**	**(4,313,097)**
Transactions with shareholders in their capacity as owners, and other transfers						
Shares issued	7,357,322	-	-	-	-	**7,357,322**
Exercise of options	3,617,324	-	-	-	-	**3,617,324**
Share issue expenses	(506,631)	-	-	-	-	**(506,631)**
Vesting of performance rights	-	-	(152,110)	-	-	**(152,110)**
Issue of broker options	(626,866)	-	626,866	-	-	**-**
Balance at 31 December 2021	**36,498,333**	**(31,122,669)**	**3,649,724**	**154,949**	**(325,585)**	**8,854,752**

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

	31 December 2022 $	31 December 2021 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(2,979,890)	(1,075,831)
Payments for exploration costs	(2,470,846)	(1,048,099)
Interest paid	(10,196)	(2,876)
Other income received	-	-
Net cash (used in) operating activities	**(5,460,932)**	**(2,126,806)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment	(2,581)	(61,260)
Interest received	69,400	190
Proceeds from sale of financial assets	-	10,225
Payment for development expenditures	(2,561,646)	(788,216)
Net cash (used in) investing activities	**(2,494,827)**	**(839,061)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from the issue of shares	50,000,000	10,974,646
Proceeds from the conversion of options	434,844	
Capital raising costs	(3,128,926)	(506,631)
Repayment of lease liabilities	(87,432)	(54,010)
Net cash provided by financing activities	**47,218,486**	**10,414,005**
Net increase in cash and cash equivalents	**39,262,727**	**7,448,138**
Cash and cash equivalents at beginning of the period	5,730,923	2,232,947
Effect of foreign exchange on amounts held in foreign currencies	17,791	(38,484)
Cash and cash equivalents at end of the period	**45,011,441**	**9,642,601**

The accompanying notes form part of this financial report

NOTE 1: CORPORATE INFORMATION

The financial report of Anson Resources Limited and its subsidiaries (the "Group") for the half-year ended 31 December 2022 was authorised for issue in accordance with a resolution of the directors on the 16th of March 2022.

Anson Resources Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

The principal activity of the Group during the half-year was exploration and evaluation of mineral licences and process development primarily for the extraction of lithium, bromine, iodine and boron chemicals.

NOTE 2: BASIS OF PREPARATION AND ACCOUNTING POLICIES

Basis of Preparation
These general purpose condensed consolidated financial statements for the half-year ended 31 December 2022 have been prepared in accordance with AASB 134 Interim Financial Reporting as issued by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with IAS 34 "Interim Financial Reporting".

The half-year financial report does not include all of the notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the full financial report.

The half-year financial report should be read in conjunction with the Annual Financial Report of the Group for the year ended 30 June 2022.

It is also recommended that the Half-year Financial Report be considered together with any public announcements made by the Company during the half-year ended 31 December 2020 in accordance with the continuous disclosure obligations arising under the *Corporations Act 2001*.

Going Concern
The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Group incurred a loss for the half-year of $9,562,804 (31 December 2021: loss of $4,432,206) and net cash outflows from operating activities of $5,460,932 (31 December 2021: $2,126,806).

The ability of the Group to continue as a going concern is principally dependent upon the ability of the Company to secure funds by raising capital from equity markets and managing cashflow in line with available funds. These conditions indicate a material uncertainty that may cast significant doubt about the ability of the Group to continue as a going concern. In the event the above matters are not achieved, the Company will be required to raise funds for working capital from debt or equity sources.

The directors have prepared a cash flow forecast, which indicates that the Group will have sufficient cash flows to meet all commitments and working capital requirements for the 12-month period from the date of signing this financial report by raising capital from equity or debt markets.

Based on the cash flow forecasts and other factors referred to above, the directors are satisfied that the going concern basis of preparation is appropriate. In particular, given the Company's history of raising capital to date, the directors are confident of the Company's ability to raise additional funds as and when they are required.

Should the Group be unable to continue as a going concern it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Group be unable to continue as a going concern and meet its debts as and when they fall due.

NOTE 2: BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

Application of new and revised accounting standards
The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or interpretations that are not yet mandatory have not been early adopted.

Principles of Consolidation
The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Anson Resources Limited) and its subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 14. The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as “non-controlling interests". The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

Financial Assets
Financial assets are carried at fair value. Financial assets are derecognised when the rights to receive the cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. The Group assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired.

Intangible Assets
Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.
The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

NOTE 2: BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss and other comprehensive income.

NOTE 3: SEGMENT REPORTING

The Group operates predominantly in the mineral exploration industry in Australia and USA. Inter-segment transactions are priced at cost to the Consolidated Group.

The Group has identified its operating segments based on monthly internal reports. Management has identified the operating segments based on the two principal locations of its projects – Australia and the United States of America ("USA"). The Group also maintains a treasury function primarily responsible for overall management of the operating segments, raising capital and distributing funds to operating segments.

Segment assets include the costs to acquire tenements (where applicable) and the capitalised development costs of those tenements. Financial assets including cash and cash equivalents, and investments in financial assets, are reported in the Corporate segment.

During the six month period to 31 December 2022, there have been no changes from prior periods in the measurement methods used to determine operating segments and reported segment profit or loss.

NOTE 3: SEGMENT REPORTING (continued)

	Mineral Exploration Australia $	Mineral Exploration USA $	Treasury $	Total $
For the half- year ended 31 December 2022				
Segment revenue	-	-	69,400	69,400
Segment loss – Exploration and Evaluation	(81,530)	(2,389,316)	-	(2,470,846)
Amounts not included in segment results but reviewed by the board:				
Expenses not directly allocable to identified segments or areas of interest				
Depreciation				(112,281)
Consultants				(366,425)
Director and employee expenses				(2,358,422)
Occupancy expenses				(30,231)
Travel and accommodation				(86,032)
Foreign exchange loss				(19,758)
Interest expense				(99,765)
Loss on derivative instrument at fair value through profit or loss				(3,520,385)
Other expenses				(568,059)
Loss after income tax				**(9,562,804)**
AS AT 31 DECEMBER 2022				
Segment assets	-	8,451,221	45,079,073	53,530,294
Unallocated assets:				
Trade and other receivables				213,164
Plant and equipment				766,721
Other assets				155,234
Total Assets				**54,665,413**
Segment asset increase for the period				
Capital expenditure – development	-	1,962,675	-	1,962,675
Total segment asset increase for the period	**-**	**1,962,675**	**-**	**1,962,675**
Segment Liabilities	6,245	339,807	7,208,985	7,555,037
Unallocated liabilities:				
Trade and other payables				684,452
Provisions				311,362
Lease liabilities				598,346
Total Liabilities				**9,149,197**

NOTE 3: SEGMENT REPORTING (continued)

	Mineral Exploration Australia $	Mineral Exploration USA $	Treasury $	Total $
For the half- year ended 31 December 2021				
Segment revenue	-	-	190	190
Segment loss – Exploration and Evaluation	(80,199)	(967,900)	-	(1,048,099)
Amounts not included in segment results but reviewed by the board:				
Expenses not directly allocable to identified segments or areas of interest				
Depreciation				(57,819)
Consultants				(126,153)
Director and employee expenses				(163,368)
Occupancy expenses				(47,610)
Travel and accommodation				(9,581)
Foreign exchange loss				(35,029)
Interest expense				(133,021)
Loss on derivative instrument at fair value through profit or loss				(2,393,425)
Other expenses				(418,291)
Loss after income tax				**(4,432,206)**
AS AT 31 DECEMBER 2021				
Segment assets	-	4,619,291	9,808,104	14,427,395
Unallocated assets:				
Trade and other receivables				35,063
Plant and equipment				477,191
Other assets				93,307
Total Assets				**15,032,956**
Segment asset increase for the period				
Capital expenditure – development	-	950,677	-	950,677
Total segment asset increase for the period	**-**	**950,677**	**-**	**950,677**
Segment Liabilities	6,244	278,141	4,915,987	5,200,372
Unallocated liabilities:				
Trade and other payables				568,460
Provisions				108,393
Lease liabilities				300,979
Total Liabilities				**6,178,204**

NOTE 4: OTHER ASSETS

	31 December 2022 $	30 June 2022 $
Current		
Prepayments	108,687	127,813
Office lease security deposits	19,736	9,684
	128,423	137,497
Non-current		
Office lease security deposits	26,811	26,367
Exploration bonds	930,930	915,525
	957,741	941,892

NOTE 5: INTANGIBLE ASSETS

	31 December 2022 $	30 June 2022 $
Development costs	7,520,291	5,557,616
	7,520,291	5,557,616
Reconciliation of movements during the period/year:		
Balance at the beginning of the period/year	5,557,616	2,799,392
Development costs capitalised	1,962,675	2,758,224
	7,520,291	5,557,616

The recoverability of the carrying amount of the development costs is dependent on the successful development and commercial exploitation or sale of chemical products of the project.

Capitalised development costs will be amortised over the expected useful life of the intangible asset once full commercialisation of production commences.

NOTE 6: FINANCIAL ASSETS – FAIR VALUE OCI

	31 December 2022 $	30 June 2022 $
Non-Current		
Shares in listed entities	67,632	104,165
	67,632	104,165
Shares in listed entities		
Opening balance	104,165	130,594
Disposals	-	(6,439)
Movements in fair value	(34,721)	(22,843)
Movements in foreign currency	(1,812)	2,853
	67,632	104,165

The shares in these listed entities have been valued using quoted prices in active markets.

NOTE 7: TRADE AND OTHER PAYABLES

	31 December 2022 $	30 June 2022 $
Current		
Trade payables	456,843	1,037,054
Other payables	51,492	20,031
Accruals	27,000	30,000
Convertible note interest payment (see Note 10)	155,362	127,611
	690,697	1,214,696

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

NOTE 8: PROVISIONS

		31 December 2022 $	30 June 2022 $
Current			
Employee entitlements		301,362	134,657
Make good	A	10,000	10,000
		311,362	144,657
Non-current			
Make good	A	10,000	-
Rehabilitation	B	329,807	324,349
		339,807	324,349

a. This relates to the estimated cost of making good the premises in relation to offices.

b. The rehabilitation provision relates to the Group's rehabilitation obligations in the United States. Such activities include dismantling infrastructure; removal of waste material and land rehabilitation.

NOTE 9: LEASE LIABILITIES

	31 December 2022 $	30 June 2022 $
Current	191,292	107,821
Non-current	407,054	168,673
	598,346	276,494

The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognised on balance sheet:

NOTE 9: LEASE LIABILITIES (continued)

Right of use asset	Number leased	Range of remaining term	Average remaining term	Leases with extension options	Leases with purchase option
Office Buildings	3	5 months-4.7yrs	2.4yrs	1	nil

The lease liabilities are secured by the related underlying assets. Future minimum lease payments at 31 December 2022 were as follows:

			Minimum lease payments due				
Right of use asset	**Within 1 Year ($)**	**1-2 Years ($)**	**2-3 Years ($)**	**3-4 Years ($)**	**4-5 Years ($)**	**After 5 Years ($)**	**Total ($)**
31 December 2022							
Lease payments	212,177	187,577	117,012	96,092	34,179	-	647,037
Finance Charges	(20,885)	(14,171)	(8,131)	(4,540)	(964)	-	(48,691)
Net present values	**191,292**	**173,406**	**108,881**	**91,552**	**33,215**	**-**	**598,346**

The lease liabilities are secured by the related underlying assets. Future minimum lease payments at 30 June 2022 were as follows:

			Minimum lease payments due				
	Within 1 Year ($)	**1-2 Years ($)**	**2-3 Years ($)**	**3-4 Years ($)**	**4-5 Years ($)**	**After 5 Years ($)**	**Total ($)**
30 June 2022							
Lease payments	117,829	97,372	74,723	-	-	-	289,924
Finance Charges	(10,008)	(2,212)	(1,210)	-	-	-	(13,430)
Net present values	**107,821**	**95,160**	**73,513**	**-**	**-**	**-**	**276,494**

Lease payments not recognised as a liability
The Group has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred.

The expense relating to payments not included in the measurement of the lease liability is as follows:

	31 December 2022 $	30 June 2022 $
Short term leases	-	18,077
Leases of low value assets	2,962	-
	2,962	18,077

Variable lease payments expensed on the basis that they are not recognised as a lease liability include excess use charges on office equipment. Variable lease payment terms are used for a variety of reasons, including minimising costs for IT equipment with infrequent use. Variable lease payments are expensed in the period they are incurred.

Right of Use Assets
Right of use assets, which are included in property plant and equipment comprise the office buildings the Group has under lease and at 31 December 2022 had a net book value of $618,596 (30 June 2022: $281,020). The Group acquired the right of use asset over its lease at 10 Eagle Street Brisbane during the half-year period.

NOTE 10: CONVERTIBLE NOTE

On 21 January 2020, the Company completed the issue of a convertible note to its strategic investor, Chia Tai Xingye International, Zhongfan Group (Chia Tai).

The convertible note is unsecured; has a face value of US$750,000; and matured on 20 January 2023. The convertible note has a coupon interest rate of 5% per annum. Chia Tai may convert the note into fully paid ordinary shares at a conversion price of A$0.028 per share at any time before maturity date and the Company may redeem the notes at any time before conversion. On 8 March 2023, the Company issued 39,517,154 shares to Chai Tai upon conversion of the note.

The conversion feature of the note is required to be separated from the note and is accounted for a as derivative financial liability. The fair value of the embedded derivative at the time of issuance was $632,512 and was recorded at a discount for purposes of accounting for the debt component of the notes. The discount is amortised as interest expense using the effective interest method over the term of the convertible note.

The principal amount, unamortised debt discount and net carrying amount of the liability component of the convertible note as at year end is as follows:

	31 December 2022	30 June 2022
	$	$
Principal amount	1,107,011	1,088,692
Unamortised debt discount	(107,322)	(179,337)
Carrying value	999,689	909,355

Coupon interest expense and amortisation of debt discount for the year is as follows:

	31 December 2022	30 June 2022
	$	$
Coupon interest expense	27,751	54,285
Amortisation of debt discount	72,014	144,156
Total finance expense on convertible note	99,765	198,441

NOTE 11: DERIVATIVE FINANCIAL LIABILITY

The Group's derivative financial liability consists of the conversion feature of the convertible note issued during the previous year (See Note 10).

The fair value of this conversion feature was determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. Inputs into the valuation include share price volatility and time to expiration. At initial recognition, the proceeds received on issue of the convertible note are split between the host debt contract and the embedded derivative liability. The embedded derivative liability is calculated first and the residual value is assigned to the debt host liability component.

The conversion feature derivative liability represents an embedded derivative financial instrument in the host debt contract. The conversion feature represents the Group's obligation to issue Anson Resources Limited shares should the note holder exercise their conversion option. The embedded conversion derivative is carried in the Consolidated Statement of Financial Position at its estimated fair value and adjusted at the end of each reporting period, with any unrealised gain or loss reflected in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. During the period, the Group recognised $3,520,385 revaluation loss in the Consolidated Statement of Profit or Loss and Other Comprehensive Income relating to the conversion feature derivative.

NOTE 11: DERIVATIVE FINANCIAL LIABILITY (continued)

The fair value at year end is shown below:

	31 December 2022 $	30 June 2022 $
Derivative financial liability (conversion feature on convertible note)	6,209,296	2,688,911
Total derivative financial liability	6,209,296	2,688,911

NOTE 12: ISSUED CAPITAL

	31 December 2022 $	30 June 2022 $
1,178,254,923 (30 June 2022: 1,027,912,335) fully paid ordinary shares	84,910,211	37,061,281

(a) Ordinary shares

The following movements in ordinary share capital occurred during the half year ended 31 December 2022:

	No. of shares	$
Balance at beginning of the half-year	1,027,912,335	37,061,281
Issue of shares in a private placement at $0.36 each	138,888,889	50,000,000
Issue of shares on conversion of options at $0.035 each	4,595,828	160,854
Issue of shares on conversion of options at $0.0555 each	4,328,026	240,205
Issue of shares on conversion of options at $0.20 each	168,924	33,785
Issue of shares to directors and consultants	2,360,921	543,012
Capital raising costs - cash	-	(3,128,926)
Balance at the end of the half-year	1,178,254,923	84,910,211

The following movements in ordinary share capital occurred during the year ended 30 June 2022:

	No. of shares	$
Balance at beginning of the year	894,257,642	26,657,184
Issue of shares on conversion of options at $0.08685 each	4,400,000	382,140
Issue of shares in a private placement at $0.0910 each	80,849,693	7,357,322
Issue of shares on conversion of options at $0.035 each	4,293,150	150,260
Issue of shares on conversion of options at $0.06 each	10,000,000	600,000
Issue of shares on conversion of bonus options at $0.0910 each	26,273,496	2,390,888
Issue of shares on conversion of options at $0.0555 each	671,974	37,295
Issue of shares on conversion of options at $0.08685 each	653,325	56,741
Issue of shares on conversion of options at $0.035 each	52,275	1,830
Issue of shares on conversion of options at $0.08685 each	6,460,780	561,119
Capital raising costs – cash	-	(506,631)
Capital raising costs – broker options	-	(626,867)
Balance at the end of the year	1,027,912,335	37,061,281

NOTE 12: ISSUED CAPITAL (continued)

(b) Share options

The following movements in share options occurred during the half-year:

	Note (i)	*Note (ii)*	*Note (iii)*
Balance at 1 July 2022	57,464,575	4,328,026	36,273,496
Expired during the half-year	-	-	-
Exercised during the half-year	(4,595,828)	(4,328,026)	(168,924)
Issued during the half-year	-	-	-
Balance at 31 December 2022	52,868,747	-	36,104,572

(i) Unlisted options exercisable at 3.5c each on or before 30/06/23 issued as part of an equity placement agreement. During the period, 4,595,828 unlisted options were exercised and converted into ordinary shares at $0.0.35 each.

(ii) Unlisted options exercisable at 5.55c each on or before 30/06/23 issued as part of an equity placement agreement. All options were exercised in the period prior to expiry.

(iii) Unlisted options exercisable at 20c each on or before 31/07/23 issued as part of an equity placement agreement (26,273,496) and issued to brokers as part of the fees for a capital raising (10,000,000). During the period 168,924 listed options were exercised and converted into ordinary shares at $0.20 each.

(c) Performance rights

The following movements in performance rights occurred during the half-year:

	31 December 2022 No.	**30 June 2022 No.**
Balance at beginning of period/year	21,000,000	21,000,000
Converted to ordinary shares during the period/year	-	-
Balance at end of period/year	21,000,000	21,000,000

Refer to Note 17(c) for further details on these performance rights.

NOTE 13: RESERVES

	31 December 2022 $	30 June 2022 $
Value of reserves:		
Balance at beginning of period/year	3,754,799	2,885,223
Vesting of Performance Rights (i)	115,122	(38,863)
Issue of broker options (ii)	-	626,866
Change in value of financial assets FV-OCI (iii)	(34,721)	(22,863)
Movement in Foreign Currency Translation Reserve (iv)	(224,440)	304,416
Balance at end of period/year	**3,610,760**	**3,754,799**

(i) In a prior period, shareholders approved the issue of 16,600,000 Performance Rights at the Company's Annual General Meeting held on 12 November 2019. The vesting of the Performance Rights is conditional upon the achievement of various performance hurdles (see Note 17©). The value of the Performance Rights is amortised over the period during which the respective performance hurdles may be achieved. In the event a performance hurdle is achieved before the end of the vesting period, the remaining unamortised value is immediately expensed. The expense recognised in the half year includes performance rights issued in prior periods which continue to be amortised.

(ii) Shareholders approved the issue of 10,000,000 options to brokers as part of the fees for raising capital in the prior year. The options granted were valued using the Black Scholes Option Pricing Model (Note 17(b)).

(iii) Investments designated as fair value through other comprehensive income revalued to their market value.

(iv) This movement is as a result of the movement in exchange rates during the half year between the presentation currency and each subsidiary's functional currency on translation.

NOTE 14: INTEREST IN SUBSIDIARIES

		Ownership Held by the Company	
Name of Subsidiary	**Principal Place of Business**	**31 Dec 2022**	**30 June 2022**
Tikal Minerals SA	Guatemala	100%	100%
Rhodes Resources Pty Ltd	Australia	100%	100%
Western Cobalt Pty Ltd	Australia	100%	100%
A1 Lithium Inc.	USA	100%	100%
Paradox Lithium LLC	USA	100%	100%
Blackstone Resources Inc	USA	100%	100%
State Exploration Pty Ltd	Australia	100%	100%

NOTE 15: COMMITMENTS AND CONTINGENCIES

The Group's commitments and contingencies remain consistent with those disclosed in the 2022 annual report.

NOTE 16: EVENTS SUBSEQUENT TO REPORTING DATE

In January 2023, the Company announced three key appointments to strengthen its executive team as it continues development of its Paradox Lithium Project and advances its portfolio of projects.

- Experienced chemical engineer and project manager Navin Gupta appointed Project Director for Anson's US subsidiary, A1 Lithium Inc.
- Financial professional Mathew Beattie appointed Chief Financial Officer for Anson Resources; and
- Highly experienced financial services and commodities sector professional Timothy Murray appointed Anson Resources' Chief Operating Officer.

On 13 February 2023, Anson issued 1,085,009 shares on exercise of 1,079,280 listed options exercisable at $0.035 expiring 30 June 2023 and 5,729 listed options exercisable at $0.20 expiring 31 July 2023.

On 8 March 2023, the holder of a convertible note was issued with 39,517,154 shares, thereby extinguishing the convertible note.

There have been no other significant events from end of financial period to the date of this report which significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

NOTE 17: SHARE BASED PAYMENTS

(a) Loan Funded Share Plan Shares

The Company operates a Loan Funded Share Plan ("Plan") as a means of attracting and retaining Directors and employees of a high calibre.

No shares were issued under the Plan during the half-year ended 31 December 2022.

The number of shares on issue under the Plan is as follows:

	6 months to 31 December 2022 No.	12 months to 30 June 2022 No.
Opening balance	8,750,000	8,750,000
Closing balance	8,750,000	8,750,000

Loan funded share plan contingent asset

The Company has issued shares to key management personnel under a loan funded share plan. The grant of these securities is accounted for as a share-based payment with the value having been calculated using a Black-Scholes option pricing model at the date of issue. Notwithstanding the accounting treatment of the loan funded share plan as an option, the shares are restricted and can only be released upon the holder paying the loan attached to the shares. The balance of the contingent asset increased due to interest and was:

	31 December 2022 $	30 June 2022 $
Loan funded share plan contingent asset	197,747	189,957

(b) Options

No options were issued during the financial period.

During the prior year, the following options were granted to brokers as part of the fees for raising capital. The following table lists the assumptions used in the valuation:

NOTE 17: SHARE BASED PAYMENTS (continued)

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Risk free rate	Dividend yield	Number of options	Value per Option	Total Value $	Vesting terms
01/12/2021	31/07/23	$0.125	$0.20	129%	0.93%	0%	10,000,000	$0.0627	626,866	Immediately

(c) Performance Rights

The following performance rights were granted under the Performance Rights Plan during the period:

	31 December 2022 No.	30 June 2022 No.
Opening balance	**21,000,000**	**21,000,000**
Converted to ordinary shares/granted during the period/year:		
Bruce Richardson	-	-
Greg Knox	-	-
Michael van Uffelen	-	-
	-	**-**
Closing balance	**21,000,000**	**21,000,000**

The Performance Rights issued during prior periods were issued for nil cash consideration and are subject to the following performance hurdles:

	No. of Performance Rights		
Performance Hurdles	**B. Richardson**	**M. van Uffelen**	**P. Knox**
passing first stage battery/cathode manufacturer lithium chemical acceptance testing;	1,000,000	400,000	400,000
securing an off-take agreement for lithium and / or bromine chemicals;	1,000,000	800,000	400,000
securing funding for a full-scale production plant;	1,000,000	400,000	400,000
securing an off-take agreement(s) for chemical products other than lithium or bromine from the Paradox Brine project;	1,200,000	400,000	400,000
securing a strategic investor to finance boron, bromine and/or iodine production in an on-site pilot plant program;	1,200,000	400,000	400,000
divestment, joint venture or financing of any project;	1,000,000	800,000	800,000
establishing a JORC Resource for a mineral exploration project other than the Paradox Brine project.	1,200,000	400,000	800,000
commissioning an in field pilot plant	1,200,000	-	400,000
securing a strategic investor to finance an on - site pilot plant program	1,200,000	-	400,000
completion of an on-site pilot testing program	1,200,000	-	400,000
A. the Sale by the Company of the Paradox Lithium Project or a majority interest in the Project, where the sale consideration values the Project at a higher value than the sum of the acq cost of the Project and all money spent by the Company developing the Project; or B. the farm out by the Company of the Project where the sum of any consideration received by the Company in consideration of the farm-out and the value of the retained interest of the Company in the project is higher than the sum of the acq cost of the Project and all money spent by the Company in developing the Project	1,000,000	-	400,000
Total	**12,200,000**	**3,600,000**	**5,200,000**

NOTE 17: SHARE BASED PAYMENTS (continued)

The shares issued on vesting of the Performance Rights rank pari-passu in all respects with other fully paid ordinary shares in the Company. Any unvested Performance Rights will lapse 7 years after their date of issue.

The Performance Rights were valued at $0.031 each and are being expensed over the estimated vesting period.

(d) Valuation of Loan funded Shares, Options and Performance Rights

The fair value of securities issued under the loan funded share plan as at the date of grant is estimated on the basis of equity-settled share options using the Black Scholes model taking into account the terms and conditions upon which the shares were issued.

The fair value of options issued as share-based payments is estimated on the basis of equity-settled share options using the Black Scholes model taking into account the terms and conditions upon which the options were issued. The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value. The amount recognised as a capital raising cost for the 10,000,000 options issued in the prior year was $626,866 (See Note 17(b)).

The initial undiscounted value of performance rights is the value of an underlying share in the Company as traded on ASX at the date of deemed date of grant of the performance right. As the performance conditions are not market based performance conditions, no discount is applied.

DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. The consolidated financial statements and notes thereto, as set out on pages 21 to 39:

    a. comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations; and

    b. give a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance for the half-year then ended.

2. In the Directors' opinion there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

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

Bruce Richardson
Executive Chairman and CEO

Dated this 16th day of March 2023

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

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Anson Resources Limited (the "Company") and its subsidiaries (the "Group"), which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, condensed notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

(a) giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and

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

Basis for Conclusion

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

We confirm that the independence declaration required by the *Corporations Act 2001* has been given to the directors of the Company on 16 March 2023.

Responsibility of the Directors for the Financial Report

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

Stantons

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2021 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(An Authorised Audit Company)

Stantons International Audit & Consulting Pty Ltd

Martin Michalik

Martin Michalik
Director

West Perth, Western Australia
16 March 2023