



IDM INTERNATIONAL LIMITED AND CONTROLLED ENTITIES

ABN 26 108 029 198

**ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

Directors' Report

Your directors submit their Annual Report for IDM International Limited and its controlled entities (**the Company**) for the year ended 31 December 2024. The functional and presentation currency of the Company is AUD (\$).

DIRECTORS

The names of the directors of the Company in office during the year and until the date of this report are as below:

Mr Geoffrey Gilmour (appointed 17 November 2015)

Mr Gregory Cunnold (appointed 30 June 2016)

Mr Oliver Cairns (appointed 23 April 2018)

REVIEW AND RESULTS OF OPERATIONS

The principal activities of the Company throughout the year related to the advancement of the Mankayan Copper-Gold Project in the Philippines, in which it holds an indirect interest. In order to progress the project and support its subsidiaries, the Company completed further equity raisings totalling \$1,075,000. The Company's net loss for the year was \$1,261,282.

MEETINGS OF DIRECTORS

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 31 December 2024, and the number of meetings attended by each director were:

	Attended	Held
Geoffrey Gilmour	5	5
Gregory Cunnold	5	5
Oliver Cairns	5	5

Held: represents the number of meetings held during the time the director held office.

INDEMNITY AND INSURANCE OF OFFICERS

The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

INDEMNITY AND INSURANCE OF AUDITOR

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

AUDITOR'S INDEPENDENCE DECLARATION

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

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DIVIDENDS

No dividends have been paid or provided for during the year.

SUBSEQUENT EVENTS

Merger with Blackstone Minerals Ltd

Subsequent to the completion of the financial year, the Company entered into a binding agreement with Blackstone Minerals Ltd (ASX: BSX) for a merger of equals, whereby Blackstone will acquire 100% of the Company in an all-scrip transaction.

The key details of the merger are discussed at note 22 of this report.

Convertible Note Conversion

On 30 January 2025, 500,000 convertible notes with a face value of \$1.00 each were converted at \$0.20, giving rise to 2,500,000 new shares. Interest accrued on these notes was also paid by the issue of further shares (also at \$0.20), totalling 235,067 new shares.

For every 2 shares issued as a result of the conversion, a free option was also issued, giving rise to 1,250,000 new options. These are exercisable at \$0.40 and expire 4 years from the date of issue.

These transactions are discussed further at note 22 of this report.

Apart from the matters discussed above, no other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations or the consolidated entity's state of affairs in future financial years.

ROUNDING

The amounts contained in this report and in the financial report have been rounded to the nearest \$1 (where rounding is applicable) under the option available to the company under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191. The company is an entity to which the Instrument 2016/191 applies.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors.



Geoffrey Gilmour
Director & Secretary
Perth, Western Australia

Dated this 18th day of March 2025



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DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF IDM INTERNATIONAL LIMITED

As lead auditor of IDM International Limited for the year ended 31 December 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 IDM International Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'J Prue', is written over a light blue horizontal line.

Jarrad Prue

Director

BDO Audit Pty Ltd

Perth

18 March 2025

Consolidated statement of financial position

AS AT 31 DECEMBER 2024

	Notes	December 2024 \$	December 2023 \$
ASSETS			
Current Assets			
Cash and cash equivalents	10	49,937	6,776
Total Current Assets		49,937	6,776
Non-current Assets			
Investments accounted for using the equity method	11	-	-
Other		1,023	1,023
Total Non-current Assets		1,023	1,023
TOTAL ASSETS		50,960	7,799
LIABILITIES			
Current Liabilities			
Trade and other payables	12	18,836	95,594
Total Current Liabilities		18,836	95,594
Non-current Liabilities			
Loans and borrowings	13	426,487	383,711
Total Non-current Liabilities		426,487	383,711
TOTAL LIABILITIES		445,323	479,305
NET LIABILITIES		(394,363)	(471,506)
SHAREHOLDERS' EQUITY			
Equity attributable to equity holders of the parent			
Contributed equity	14	96,553,864	95,328,864
Reserves	15	2,463,668	2,350,243
Accumulated losses	15	(99,411,895)	(98,150,613)
TOTAL SHAREHOLDERS' EQUITY		(394,363)	(471,506)

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated statement of profit or loss and other comprehensive income

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	1 Jan 24 – 31 Dec 24 \$	1 Jan 23 – 31 Dec 2023 \$
Continuing operations			
Administration expenses	5	(124,347)	(163,410)
Compliance expenses		(31,769)	(62,951)
Share based payment expense	18	(263,425)	
Impairment expense	6	(841,736)	(884,915)
Foreign exchange gain		(5)	(21)
Loss before income tax from continuing operations		(1,261,282)	(1,111,297)
Income tax expense	7	-	-
Net loss for the year from continuing operations		(1,261,282)	(1,111,297)
Other comprehensive (loss)			
<i>Other comprehensive income to be reclassified to profit or loss in subsequent years</i>			
Net foreign currency translation		-	-
Total comprehensive loss for the year		(1,261,282)	(1,111,297)
Total comprehensive loss attributable to the owners of the Company		(1,261,282)	(1,111,297)
Loss per share for loss attributable to the ordinary equity holders of the Company for continuing operations:			
Basic loss per share (cents per share)	9	(1.47)	(1.52)
Diluted loss per share (cents per share)	9	(1.47)	(1.52)
			-

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	Contributed Equity \$	Reserves \$	Accumulated Losses \$	Total \$
Balance at 1 January 2023		89,145,182	7,635,925	(97,039,316)	(258,209)
Loss for the year		-	-	(1,111,297)	(1,111,297)
Total comprehensive loss		-	-	(1,111,297)	(1,111,297)
Transactions with owners in their capacity as owners					
Acquisition of a subsidiary	15	-	(5,285,682)	-	(5,285,682)
Shares issued during the year	14	6,183,682	-	-	6,183,682
Balance at 31 December 2023		95,328,864	2,350,243	(98,150,613)	(471,506)
Balance at 1 January 2024		95,328,864	2,350,243	(98,150,613)	(471,506)
Loss for the year		-	-	(1,261,282)	-
Total comprehensive loss		-	-	(1,261,282)	(1,261,282)
Transactions with owners in their capacity as owners					
Share based payments	18	150,000	113,425	-	263,425
Shares issued during the year (net of costs)	14	1,075,000	-	-	1,075,000
Balance at 31 December 2024		96,553,864	2,463,668	(99,411,895)	(394,363)

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	December 2024 \$	December 2023 \$
Cash flows from operating activities			
Payments to suppliers and employees		(190,098)	(141,499)
Net cash flows used in operating activities	16	(190,098)	(141,499)
Cash flows from investing activities			
Advances to other entities		(841,736)	(884,915)
Net cash flows used in investing activities		(841,736)	(884,915)
Cash flows from financing activities			
Proceeds from issues of ordinary shares (net of costs)		1,075,000	898,000
Net cash flows from financing activities		1,075,000	898,000
Net increase/(decrease) in cash and cash equivalents		43,166	(128,414)
Net foreign exchange differences		(5)	(21)
Cash and cash equivalents at beginning of financial year		6,776	135,211
Cash and cash equivalents at end of financial year	10	49,937	6,776

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

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Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2024

1 CORPORATE INFORMATION

The financial report of IDM International Limited and its controlled entities for the year ended 31 December 2024 was authorised for issue in accordance with a resolution of the directors on 18 March 2025.

IDM International Limited is a for profit company limited by shares incorporated in Australia. It is domiciled in Australia.

The nature of the operations and principal activities of the Company are described in the Directors' Report.

The address of the registered office is Level 1, 20 Kings Park Road, West Perth WA 6005.

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*, applicable Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report has also been prepared on a historical cost basis, except royalty obligations which are stated at fair value.

Going concern

The directors have prepared the financial report of the Company on a going concern basis which contemplates the continuity of normal business activity and realisation of assets and settlement of liabilities in the normal course of business.

For the year ending 31 December 2024, the group recorded a net loss of \$1,261,282 (Dec 2023: \$1,111,297) and a net cash outflow from operating activities of \$190,098 (Dec 2023: \$141,499). The group had net liabilities of \$394,362 (Dec 2023: \$471,506) and a cash balance of \$49,937 (Dec 2023: \$6,776) at 31 December 2024.

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

Notes to the Consolidated Financial Statements (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

The directors believe that the ability to issue additional shares and obtain additional loan funds will allow time for the Company to source alternative sources of funding for the long term viability of the Company, but recognise that the ability to continue as a going concern is dependent upon;

- (i) The successful recapitalisation of the Company; and
- (ii) The Company raising required capital in the future.

The directors are confident in the ability of securing additional funding through the issue of equity and raising of debt as and when the need to raise working capital arises to continue to fund its planned activities.

The Company has a proven track record of obtaining additional funding when required, as recently demonstrated by its entry into an unsecured loan agreement with Blackstone Minerals Ltd (ASX: BSX); see note 22.

Should the Company be unable to materially achieve the matters set out above, there is significant uncertainty as to whether the Company will be able to meet its debts as and when they fall due, and thus continue as a going concern.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded assets amounts or to the amounts and classification of liabilities that might be necessary should the consolidated entity not be able to continue as a going concern.

(b) Statement of compliance

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

(c) New or amended accounting standards and interpretations adopted

Changes in accounting policy and disclosures

In the year ended 31 December 2024, the Directors have reviewed all the new and revised Standards and Interpretations issued by the AASB that are relevant to IDM International and controlled entities operations and effective for the current annual reporting year.

The Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant and mandatory to their operations and effective for the year.

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

(d) Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

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.

Notes to the Consolidated Financial Statements (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(e) Foreign currency translation

(i) Functional and presentation currency

The functional and presentation currency of IDM International Limited is Australian dollars (AUD).

IDM International Limited determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(ii) Transactions & balances

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 translated at the rate of exchange ruling at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively).

(f) Investments and other financial assets

Financial assets in the scope of AASB 9 *Financial instruments* are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale financial assets. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs. The Company determines the classification of its financial assets on initial recognition.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised costs using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Notes to the Consolidated Financial Statements (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(g) Investment in Associates

Investment in associates is a type of arrangement in which the parties with control of the arrangement have rights to the net assets of the arrangement.

The Company's investment in Crescent Mining & Development Corporation (CMDC) is accounted for using the equity method. Under the equity method, the investment in the associates is initially recognised at cost to the company. In subsequent years, the carrying amount of the investment is adjusted to recognise changes in the Company's share of net assets of the associates since the acquisition date. The statement of profit or loss and other comprehensive income reflects the Company's share of the results of the operations of the associates. In addition, when there has been a change recognised directly in the equity of the associates, the Company recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Company and the associates are eliminated to the extent of the interest in the associates. The aggregate of the Company's share of profit or loss of the associates is shown on the face of the statement of profit or loss and other comprehensive income as part of operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associates. Goodwill relating to the investment in associates is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Income earned from associate entities reduce the carrying amount of the investment.

When necessary, adjustments are made to bring the accounting policies in line with those of the Company. After application of the equity method, the Company determines whether it is necessary to recognise an impairment loss on its investment in associates. At each reporting date, the Company determines whether there is objective evidence that the investment in associates is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the associates and its carrying value, then recognises the loss as 'Share of associated companies' loss using equity method' in the statement of profit or loss and other comprehensive income. On loss of control over the associates, the Company measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associates upon loss of control and the fair value of the retained investment and proceeds from disposal is recognised in the statement of profit or loss and other comprehensive income.

(h) Exploration and evaluation expenditure

Expenditure on exploration and evaluation is accounted for in accordance with the area of interest method. Mineral property acquisition costs are initially capitalised as tangible assets when purchased. The Company assesses the carrying costs for impairment when indicators of impairment exist. Mineral property exploration costs are expensed as incurred.

When the technical feasibility and commercial viability of extracting a mineral resource have been demonstrated then any capitalised exploration and evaluation expenditure is reclassified as capitalised mine development. Prior to reclassification, capitalised exploration and evaluation expenditure is assessed for impairment.

Depreciation is charged using the units-of production method, with separate calculations being made for each area of interest. The units of production basis results in a depreciation charge proportional to the depletion of proved and probable reserves.

Impairment

The carrying value of capitalised exploration and evaluation expenditure is assessed for impairment at the cash generating unit level whenever facts and circumstances suggest that the carrying amount of the asset may exceed its recoverable amount. Any impairment losses are recognized in the income statement. If evidence exists that indicates that an impairment should be reversed, then the reversal is recorded in the income statement.

Notes to the Consolidated Financial Statements (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(i) Loans and borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(j) Financial liabilities

Financial liabilities within the scope of AASB 9 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs. The Company's financial liabilities include trade and other payables, and loans and borrowings

(k) Trade and other payables

Trade payables and other payables are carried at amortised costs. They represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

(l) Impairment of non-financial assets other than goodwill

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

IDM conducts an annual internal review of asset values, which is used as a source of information to assess for any indicators of impairment. External factors, such as changes in expected future processes, technology and economic conditions, are also monitored to assess for indicators of impairment. In any indication of impairment exists, an estimate of the asset's recoverable amount is calculated.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Value in Use is determined using discounted cash flows.

Non-financial assets other than goodwill that suffered impairment are tested for possible reversal of impairment whenever events or changes in circumstances indicate that the impairment may have reversed. An assessment is made at each reporting date as to whether there are any indications, such as decline in price of product, significant decrease in reserve estimates, changes in environmental and/or government regulations, etc.

Notes to the Consolidated Financial Statements (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(m) Share-based payment transactions

(i) Equity settled transactions:

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

The Company has adopted an Employee Share and Option Plan to provide these benefits to directors, executives, employees and consultants.

The cost of equity-settled transactions with employees 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 an external valuer using either a binomial or Black and Scholes model.

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

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled (the vesting period), ending on the date on which the relevant employees become fully entitled to the award (the vesting date).

At each subsequent reporting date until vesting, the cumulative charge to the income statement is the product of (i) the grant date fair value of the award; (ii) the current best estimate of the number of awards that will vest, taking into account such factors as the likelihood of employees turnover during the vesting period and the likelihood of non-market performance conditions being met; and (iii) the expired portion of the vesting period.

The charge to the statement of comprehensive income for the year is the cumulative amount as calculated above less the amounts already charged in previous years. There is a corresponding credit to equity.

Until an award has vested, any amounts recorded are contingent and will be adjusted if more or fewer award vested than were originally expected to do so. Any award subject to a market condition is considered to vest irrespective of whether or not that market condition is fulfilled, provided that all other conditions are satisfied.

If the terms of an equity-settled award 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 payment arrangements, 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 has 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 earnings per share.

(n) 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.

Notes to the Consolidated Financial Statements (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(o) Income tax and other taxes

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current year's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is provided on all temporary differences at the balance sheet 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:

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, 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 credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary differences 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; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

Notes to the Consolidated Financial Statements (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(o) Income tax and other taxes (continued)

The carrying amount of deferred income tax assets is reviewed at each balance sheet 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 balance sheet 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 balance sheet date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

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.

Other taxes

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

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST 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, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

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

Notes to the Consolidated Financial Statements (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(p) Earnings per share

Basic earnings per share is calculated as net profit 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 earnings per share is calculated as net profit 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; and
- other non-discretionary changes in revenues or expenses during the year 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.

(q) Segments

An operating segment is a component of an entity that engages in business activities from which it may earn revenue and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the Board of Directors (the chief operating decision makers) to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. Management will also consider other factors in determining operating segments such as the existence of a line manager and the level of segment information presented to the executive management team.

Currently the Company has only one operating segment, being the Company itself.

3 MATERIAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

In applying the Company's accounting policies management continually evaluates estimates and assumptions based on experience and other factors, including expectations of future events that may have an impact on the Company. All estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to management. Actual results may differ from the estimates and assumptions. Significant estimates and assumptions made by the management in the preparation of these financial statements are outlined below:

(a) Determination of minerals resources and ore reserves

The determination of reserves impacts the accounting for asset carrying values, depreciation and amortization rates and provision for decommissioning and restoration. Industrial Minerals estimates its mineral and ore reserves in accordance with the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserve 2012 (the 'JORC code'). The information on minerals resources and ore reserves were prepared by or under the supervision of Competent Persons as defined in the JORC code. The amounts presented are based on the mineral resources and ore reserves determined under the JORC code.

There are numerous uncertainties inherent in estimating mineral resources and ore reserves and assumptions that are valid at the time of estimation may change significantly when new information becomes available.

Changes in the forecast prices of commodities, exchange rates, production costs or recovery rates may change the economic status of reserves and may, ultimately, result in the reserves being restated.

Notes to the Consolidated Financial Statements (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

3 MATERIAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

(b) Share-based payment transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using either a binomial or Black and Scholes model, with the assumption detailed in note 18. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amount of assets and liabilities within the next annual reporting year but may impact expenses and equity.

(c) Non-consolidation of entities

Non-consolidation of entities Crescent Mining & Development Corporation ("CMDC") (referred to as "the Philippines Associates").

Under IFRS 10, an investor, regardless of the nature of its involvement with an entity (the investee), shall determine whether it is a parent by assessing whether it controls the investee. Based on this, the Board control and voting rights in the Philippines Associates, IDM has determined that there is an absence of control over the Philippines Associates and that they will be equity accounted in line with AASB 128.

(d) Board control

The Boards of each of the Philippine's Associates are comprised of five members, with each company Board sharing a maximum of two common Board members with IDM. It follows that the common IDM Board members cannot directly control the Boards of the Philippines Associates.

(e) Voting rights

IDM, through Asean Copper Investments Limited, controls 64% of the shareholdings of CMDC, with the remaining 36% of the shareholdings being controlled by external Philippine shareholders. Thus, IDM cannot exercise control over these entities via their shareholding positions.

Based on the above assessment of Board Control and Voting Rights, and in the absence of contractual obligations between IDM and the Philippines Associates, IDM is satisfied that it does not have power over the Philippines Associates and hence does not control the Philippines Associates.

(f) Judgements made in applying accounting policies

In the process of applying the Company's accounting policies, management has made the following judgement, which have the most material effect on the amounts recognised in the consolidated financial statement.

Management has applied their judgement in the application of the going concern basis of preparation (refer note 2(a)).

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Notes to the Consolidated Financial Statements (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

4 SEGMENT INFORMATION

Accounting policies and inter-segment transactions

The accounting policies used by the Company in reporting segments internally are the same as those contained in Note 2 to the accounts.

5 EXPENSES

	December 2024	December 2023
	\$	\$
Administration expenses		
Consultancy expenses	14,673	19,385
Insurance expenses	12,795	14,019
Legal expenses	9,616	60,139
Travel expenses	30,896	2,858
Other expenses	56,367	67,009
	124,347	163,410

6 IMPAIRMENT EXPENSE

	December 2024	December 2023
	\$	\$
Impairment of loan – CMDC (i)	841,736	884,915

(i) The loan to CMDC comprises expenses and capital purchases that the Company has paid on behalf of CMDC. The directors have decided that the recoverability of the loan is uncertain and it has therefore been entirely impaired at 31 December 2024.

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Notes to the Consolidated Financial Statements (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

7 INCOME TAX

The major components of income tax expense are:

	December 2024 \$	December 2023 \$
Income Statement		
Current income tax charge/(benefit)	-	-
Deferred income tax charge/(benefit)	-	-
Income tax expense reported in the income statement	-	-

A reconciliation between tax expense and the product of accounting loss before income tax multiplied by the Company's applicable income tax rate as follows:

Accounting profit/(loss) before tax	(1,261,282)	(1,111,297)
At the parent entity's statutory income tax rate of 30%	378,385	333,389
Tax losses and timing differences not brought to account	(378,385)	(333,389)
	-	-

Tax losses not recognised

Unused tax losses for which no deferred tax asset has been recognised	(14,420,508)	(13,422,656)
Potential tax benefit at 30%	4,326,152	4,026,797

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

The taxation benefits of tax losses and temporary differences not brought to account will only be obtained if:

- (i) the Company derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised;
- (ii) the Company continues to comply with the conditions for deductibility imposed by law; and
- (iii) no change in tax legislation adversely affects the consolidated entity in realising the benefits from deducting the losses.

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Notes to the Consolidated Financial Statements (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

8 DIVIDENDS PAID AND PROPOSED

No dividends in respect of the current or previous financial year have been paid, declared or recommended for payment.

9 LOSS PER SHARE

	December 2024 \$	December 2023 \$
Loss per share for loss attributable to the ordinary equity holders of the Company for continuing operations:		
Basic loss per share (cents per share)	(1.47)	(1.52)
Diluted loss per share (cents per share)	(1.47)	(1.52)

(a) Loss used in calculating loss per share

	December 2024 \$	December 2023 \$
For basic and diluted loss per share:	1,261,282	1,111,297
<i>Net loss attributable to ordinary equity holders of the parent</i>	1,261,282	1,111,297
<i>Net loss attributable to ordinary equity holders of the parent for continuing operations</i>	1,261,282	1,111,297

(b) Weighted average number of shares

	December 2024 Number (Thousands)	December 2023 Number (Thousands)
<i>Weighted average number of ordinary shares for basic and diluted loss per share</i>	85,822	73,058
Effect of dilution:		
Share options	-	-
<i>Weighted average number of ordinary shares adjusted for the effect of dilution</i>	85,822	73,058

There are 10,045,000 (Dec 2023: 14,045,000) options (refer note 18) excluded from the calculation of diluted earnings per share that could potentially dilute basic earnings per share in the future.

(c) Information on the classification of securities

(i) Options

Options granted to key management personnel are considered to be potential ordinary shares and have been included in the determination of diluted loss per share to the extent they are dilutive. These options have not been included in the determination of basic loss per share.

Options issued to shareholders pursuant to offers made under disclosure documents in prior financial years are considered to be potential ordinary shares and have been included in the determination of diluted loss per share to the extent they are dilutive. These options have not been included in the determination of basic loss per share.

All share options are not considered dilutive as the conversion of options to ordinary shares will result in a decrease in the net loss per share.

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Notes to the Consolidated Financial Statements (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

10 CASH AND CASH EQUIVALENTS

	December 2024 \$	December 2023 \$
Cash at bank and in hand	49,937	6,776
	<u>49,937</u>	<u>6,776</u>

Cash at bank and in hand earns interest at floating rates based on daily bank deposit rates. The carrying amounts of cash and cash equivalents approximate fair value.

The Company had unused borrowing facilities of \$nil at balance date.

11 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

The Company acquired 64% interest in Crescent Mining & Development Corporation (CMDC) on 6 September 2021.

Whilst the Company holds a 64% total ownership interest in CMDC, this ownership comprises both direct and indirect interests. The Company holds a direct interest of 40% in CMDC, along with a 40% interest in Bezant Holdings Inc. (which holds the remaining 60% direct interest in CMDC). By virtue of its lack of a direct majority holding of both CMDC and Bezant Holdings Inc. (and associated inability to control either general meeting), the Company does not control either entity. This ownership structure obstructs any practical exercise of its theoretical majority controlling interest in CMDC.

As part of the acquisition arrangement the Company was also assigned, by Bezant Resources plc, loans in the amount of \$7,031,444 owing by CMDC. It was determined that these loans had a fair value of nil at recognition.

The Company's interest in CMDC is accounted for using the equity method in the consolidated financial statements. The following table illustrates the summarised financial information of the Company's investment in CMDC.

	December 2024 \$	December 2023 \$
Investment in Crescent Mining & Development Corporation	-	-
	<u>-</u>	<u>-</u>

Interests in associates are accounted for using the equity method of accounting. Information relating to investments in associates that are material to the consolidated entity are set out below:

Name	Principal place of business/ Country of incorporation	Ownership Interest	
		December 2024 %	December 2023 %
Crescent Mining & Development Corporation	Philippines	64	64

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Notes to the Consolidated Financial Statements (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

11 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (CONTINUED)

Summarised financial information

The table below provide the summarised financial information of Crescent Mining & Development Corporation. The information disclosed reflects the amounts presented in the financial statements of CMDC and not IDM International Limited's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments and modifications for any differences in accounting policy.

<i>Summarised statement of financial position</i>	CMDC December 2024 \$
Cash and cash equivalents	39,131
Other current assets	7,333
Non-current assets	9,297,057
Total assets	<u> </u>
Other current liabilities	11,044,288
Non-current liabilities	-
Total liabilities	<u>11,044,288</u>
Net Liabilities	<u>(1,700,767)</u>
 <i>Summarised statement of profit or loss and other comprehensive income</i>	 1 Jan 24 to 31 Dec 2024 \$
Revenue	-
Expenses	(302,124)
Loss before income tax	<u>(302,124)</u>
Total comprehensive loss	<u><u>(302,124)</u></u>
 <i>Reconciliation of the consolidated entity's carrying amount</i>	
Opening balance	-
IDM International Limited's share of loss after income tax	<u>-</u>
Closing carrying amount	<u><u>-</u></u>

Commitments

CMDC did not have any financial commitments as at 31 December 2024.

Contingent liabilities

CMDC did not have any contingent liabilities at 31 December 2024.

Recognition of Loss

IDM International Limited's share of CMDC's loss after income tax totalled \$201,274. This loss, however, must be carried forward as the carrying amount of the CMDC investment had already been reduced to zero in a prior period. As at 31 December 2023, the carried forward amount was \$190,791. The total balance of the loss, being \$392,065 is carried forward at 31 December 2024.

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Notes to the Consolidated Financial Statements (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

12 TRADE AND OTHER PAYABLES

	December 2024	December 2023
	\$	\$
Current		
Trade payables (a)	18,836	95,594
	18,836	95,594

(a) Trade payables are non-interest bearing and are normally settled on 60 - 90 day terms. Due to the short-term nature of these payables, their carrying value approximates their fair value.

Information regarding interest rate and liquidity risk and fair values is set out in note 19.

13 LOANS AND BORROWINGS

	December 2024	December 2023
	\$	\$
Non-current		
Loans – Convertible (i)	426,487	383,711
	426,487	383,711

Loans – Convertible

- (i) Pursuant to the advance of \$500,000 to the Company, convertible notes were issued to Attfield Corporate Pty Ltd, Bezant Resources plc and Mr Gregory Cunnold (or their nominees as the case may be). As the convertible notes were issued at a below-market rate, they have been discounted back to a market rate of 15%. The discount will be amortised during the December 2022 and subsequent financial years. The terms of the convertible notes are as follows:

Issue date	22 nd September 2022
Maturity date	21 st September 2026
Interest rate	4%

These convertible notes were converted subsequent to year-end: see note 22.

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Notes to the Consolidated Financial Statements (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

14 CONTRIBUTED EQUITY

	December 2024 \$	December 2023 \$
Ordinary shares	96,553,864	95,328,864
	96,553,864	95,328,864

(a) Ordinary shares

Issued and fully paid

	Number (Thousands)	\$
<i>Movement in ordinary shares on issue</i>		
At 1 January 2023	47,098	89,145,182
Issue of shares	30,319	5,633,682
Issue of shares to key management personnel	5,750	550,000
At 31 December 2023	83,167	95,328,864
At 1 January 2024	83,167	95,328,864
Issue of shares	3,625	725,000
Issue of shares to key management personnel	2,500	500,000
At 31 December 2024	89,292	96,553,864

Fully paid ordinary shares carry one vote per share and carry the rights to dividends.

(b) Capital Risk Management

Capital is comprised of shareholders equity as disclosed in the Statement of Financial Position.

When managing capital, 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 capital structure that ensures the lowest cost of capital available to the entity.

In order to maintain or adjust the capital structure, the entity may, where applicable, adjust the amount of dividends to shareholders, return of capital to shareholders, issue new shares, enter into joint ventures or sell assets.

The entity does not have a defined share buy-back plan.

No dividends were paid in the year ended 31 December 2024.

The Company is not subject to any externally imposed capital requirements.

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Notes to the Consolidated Financial Statements (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

15 ACCUMULATED LOSSES AND RESERVES

(a) Movement in accumulated losses were as follows:

	December 2024 \$	December 2023 \$
At 1 January	(98,150,613)	(97,039,316)
Net loss	(1,261,282)	(1,111,297)
At 31 December	(99,411,895)	(98,150,613)

(b) Reserves

	December 2024 \$	December 2023 \$
At 1 January	(2,350,243)	7,635,925
Acquisition of a NCI (i)	-	(5,285,682)
Share based payment expense (see note 18)	(113,425)	-
At 31 December	(2,463,668)	(2,350,243)

Acquisition of a NCI

(i) On 27 March 2023, the Company completed the acquisition of 100% of the issued capital of IDM Mankayan Pty Ltd. Prior to the acquisition, the Company held a 62.5% interest while Bezant Resources plc ("Bezant") and Mankayan Management Pty Ltd ("Management") held the remaining 27.5% and 10%, respectively. The Company issued shares to both Bezant and Management in exchange for their interests (as disclosed in previous financial reports). Following the completion of the acquisition, the Company now holds all of the issued capital of IDM Mankayan Pty Ltd.

The total consideration for the acquisition is as follows:

- 26,428,710 fully paid ordinary shares in the Company (issued at \$0.20 per share).

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Notes to the Consolidated Financial Statements (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

16 CASH FLOW RECONCILIATION

	December 2024 \$	December 2023 \$
(a) Reconciliation of net profit/(loss) after tax to net cash flows from operations		
Net profit/(loss)	(1,261,282)	(1,111,297)
<i>Adjustments for:</i>		
Impairment loss	841,736	884,915
Share based payments expense	263,425	-
Amortisation of convertible note discount	42,776	42,659
Unrealised foreign exchange (gain)/loss	5	21
<i>Changes in assets and liabilities</i>		
Increase/(Decrease) in trade and other payables	(76,758)	42,203
Net cash from operating activities	<u>(190,098)</u>	<u>(141,499)</u>

17 KEY MANAGEMENT PERSONNEL

(a) Compensation of Key Management Personnel

There was no compensation paid to key management personnel during the year ended 31 December 2024. The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	December 2024 \$	December 2023 \$
Aggregate compensation	<u>-</u>	<u>-</u>

(b) Other transactions and balances with Key Management Personnel and their related parties

Performance rights to be granted to key management personnel were approved in the December 2024 year: see note 18(d) below.

Key management personnel received convertible notes during the period ended 31 December 2022 pursuant to participation in an advance made to the Company: see note 13.

18 SHARE BASED PAYMENTS

(a) Recognised share-based payment expenses

There was \$263,425 of share based payment expenses during the year ended 31 December 2024 (December 2023: \$nil) summarised as follows:

	December 2024 \$	December 2023 \$
Performance shares issued (see (c) below)	150,000	-
Performance rights issued (see (d) below)	113,425	-
	<u>263,425</u>	<u>-</u>

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Notes to the Consolidated Financial Statements (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

18 SHARE BASED PAYMENTS (CONTINUED)

(b) Options on issue

On 2nd April 2020, the Directors resolved that 3,000,000 free attaching options be issued (exercisable at \$0.20 per option and expiring 4 years from the date of issue) for no consideration (as part of an offer of shares to sophisticated investors). The remaining 1,000,000 options lapsed during the year (see (i) below).

On 14th February 2022, 5,100,000 free attaching options were issued (exercisable at \$0.20 per option and expiring 2 years from the date of issue) pursuant to a capital raising offered to sophisticated investors. The remaining 4,250,000 options lapsed during the year (see (ii) below).

Also on 14th February 2022, 2,000,000 free attaching options were issued to Malekula Projects Pty Ltd (exercisable at \$0.20 per option and expiring 4 years from the date of issue) for no consideration. Malekula Projects Pty Ltd had previously served as a financial adviser to the Company. The Directors also resolved that, on the same date, 2,000,000 free-attaching options be issued to Vison Pty Ltd (on the same terms) in recognition of historic services provided (the precise value of which was deemed incapable of determination) (see (iii) below).

Further to the above, on 1st November 2023, 4,995,000 free attaching options were issued (exercisable at \$0.40 per option and expiring 3 years from the date of issue) pursuant to a capital raising offered to sophisticated investors (see (iv) below).

During the year ended 31 December 2024, an additional 1,250,000 free attaching options were issued pursuant to a capital raising (see (v) below).

Options table

Set out below are the relevant transactions that took place on the various abovementioned options during the December 2024 financial year:

	Grant date	Expiry date	Exercise Price	Balance at start of year Number	Granted during the year Number	Exercised during the year Number	Forfeited/ lapsed during the year Number	Balance at end of year Number	Vested and exercisable at end of year Number
(i)	02-Apr-20	02-Apr-24	\$0.20	1,000,000	-	-	1,000,000	-	-
(ii)	14-Feb-22	14-Feb-24	\$0.20	4,250,000	-	-	4,250,000	-	-
(iii)	14-Feb-22	14-Feb-26	\$0.20	3,800,000	-	-	-	3,800,000	3,800,000
(iv)	01-Nov-23	01-Nov-26	\$0.40	4,995,000	-	-	-	4,995,000	4,995,000
(v)	01-Nov-24	01-Nov-26	\$0.40	-	1,250,000	-	-	1,250,000	1,250,000
Total				14,045,000	1,250,000	-	5,250,000	10,045,000	10,045,000

(c) Performance shares

On 26th August 2024, the Company approved the issue of 750,000 performance shares to the value of \$150,000, issued equally to Mr Joey Nelson Ayson, Mr Ronnie Siapno and Mr Johan Raadsma. The performance shares were granted upon completion of the assemblies and obtaining Indigenous Peoples' consent for the Mankayan project as part of the Free, Prior and Informed Consent process and for their continued support in country. The terms of the performance shares are summarised as follows:

Grant date	2 nd September 2024
Number of performance shares granted	750,000
Fair value per performance share	\$0.20
Total fair value	\$150,000

Notes to the Consolidated Financial Statements (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

(d) Performance rights

On 16th August 2024, the Company approved the issue of 1,500,000 performance rights to the value of \$300,000, issued equally to Mr Geoffrey Gilmour, Mr Oliver Cairns and Mr Gregory Cunnold. The performance rights will issue upon completion of a capital raising by the Company under which the Company raises a minimum of \$3,000,000 at an issue price of no less than \$0.25 per Share by no later than 12 months after the date of the approval (Performance Condition). As there is a 100% probability of the performance condition being satisfied, the fair value of the performance rights has been expensed over the vesting period. The terms of the performance rights are summarised as follows:

Grant date	16 th August 2024
Date of expiry	24 months after granted (if not exercised)
Number of performance rights granted	1,500,000
Vesting condition	The Performance Condition
Fair value per performance right	\$0.20
Total fair value	\$300,000

19 FINANCIAL RISK MANAGEMENT

(a) Financial risk management policies and objectives

The Company's principal financial instruments comprise cash and short-term deposits, bank loans and the royalty obligation.

The main purpose of these financial instruments is to provide finance for the Company's operations. The Company has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations. The main risks arising from the Company's financial instruments are cash flow interest rate risk and liquidity risk. The Board regularly reviews and agrees policies for managing each of these risks as summarised below.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in notes 2 and 3 to the financial statements.

(b) Fair values

The carrying amount of financial assets and trade and other payables recorded in the financial statements approximate their fair values. As at 31 December 2024 the fair value of the current portion of interest-bearing loans and borrowings was \$426,487 (December 2023: \$383,711).

For financial instruments carried at fair value, the Company uses various methods in estimating fair value. The methods comprise:

Level 1 – the fair value is calculated using quoted prices in an active market.

Level 2 – the fair value is estimated using inputs other than quoted prices included in the Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3 – the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

(c) Cash flow interest rate risk

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's cash assets held primarily in short term cash deposits with fixed and floating interest rates and the interest bearing loans and borrowings. All other financial assets and liabilities in the form of receivables and payables are non-interest bearing. The Company does not engage in any hedging or derivative transactions to manage interest rate risk.

The Company has not disclosed any sensitivity analysis as any movement would be immaterial.

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Notes to the Consolidated Financial Statements (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

(d) Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through use of bank overdrafts, bank loans, finance leases and hire purchase contracts.

The contractual maturities of the Company's financial liabilities are shown in the table below. Undiscounted cash flows for the respective years are presented.

	December 2024	December 2023
	\$	\$
Within one year	-	-
After one year but not more than five years	500,000	500,000
More than five years	-	-
	500,000	500,000

Management and the Board monitor the Company's liquidity on the basis of expected cash flow. The information that is prepared by senior management and reviewed by the Board includes annual cash flow budgets.

(e) Foreign Exchange Risk

The Company's exposure to foreign exchange risk lies primarily in its investments in associates, the most significant being Crescent Mining & Development Corporation (CMDC). CMDC is based in the Philippines and thus operates using the Philippine peso (which is therefore also its functional currency). Management has determined that, due to the limited perceived severity of this risk at present, no hedging or other foreign exchange risk management strategies are required at this time.

21 RELATED PARTY TRANSACTIONS

(a) Associates

Interests in associates are set out in note 11.

(b) Key management personnel

Disclosures relating to key management personnel are set out in note 17.

(c) Loans to/from related parties

Loans from related parties totalled \$426,487 at reporting date (December 2023: \$383,711): see note 13.

(d) Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

21 COMMITMENTS AND CONTINGENCIES

The Company has one contingent liability as at 31 December 2024. The contingent liability relates to deferred consideration for the acquisition of Crescent Mining & Development Corporation, set out as follows:

(i) Tranche 1 - \$2,000,000 on completion of a pre-feasibility study by the Company in relation to the Mankayan Project showing a net present value of the Mankayan Project 100% greater than capital expenditure; and

(ii) Tranche 2 - \$2,000,000 on completion of the earlier of a trade sale or a decision to mine in respect of the Mankayan project.

It has been determined that the relevant trigger events are not likely or probable to occur, and this proposition has accordingly formed the basis of the fair value measurement of the contingent liability.

Notes to the Consolidated Financial Statements (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

22 EVENTS AFTER THE REPORTING DATE

Subsequent to the completion of the financial year, the Company entered into a binding agreement with Blackstone Minerals Ltd (ASX: BSX) for a merger of equals, whereby Blackstone will acquire 100% of the Company in an all-scrip transaction.

Merger with Blackstone Minerals Ltd (ASX: BSX) — Transaction Details

Blackstone Minerals Ltd (“Blackstone”) and IDM International Ltd (“IDM”) have entered into a scheme implementation deed (“SID”) pursuant to which they have agreed to a merger to be conducted by way of a Scheme of Arrangement (“Scheme”) under the *Corporations Act 2001* (Cth), whereby Blackstone proposes to acquire 100% of the fully paid ordinary shares in IDM.

Pursuant to the terms of the SID, IDM shareholders will receive 7.4 Blackstone shares (“Consideration Shares”) for every 1 IDM share they hold, resulting in a post-deal shareholder composition of Blackstone shareholders holding 47% of the merged entity and IDM shareholders holding 53%.

Implementation of the Scheme is subject to the satisfaction (or waiver, where applicable) of the following conditions precedent:

- Blackstone shareholders approving the issue of the Consideration Shares (and the issue of Blackstone options referred to below) for the purposes of ASX Listing Rule 7.1;
- Blackstone entering into an agreement with each IDM option holder, pursuant to which the holder agrees to the cancellation of their respective IDM options in exchange for the issue of options in BSX (on equivalent terms);
- approval of the Scheme by a majority in number of IDM shareholders who vote at the Scheme Meeting and at least 75% of all votes cast at the Scheme Meeting;
- the Independent Expert issuing an Independent Expert’s Report which concludes (and continues to conclude) that the Scheme is in the best interests of IDM shareholders;
- no Material Adverse Change or Prescribed Event, (each as defined in the SID) occurring in respect of either Blackstone or IDM;
- Court approval; and
- Other conditions considered customary for a transaction of this nature, including all representations and warranties of the parties remaining true and correct as at the time they are expressed to be given.

Funding

Blackstone and IDM have entered into an unsecured loan agreement pursuant to which Blackstone has agreed to provide IDM with a working capital facility of up to \$1 million to assist with costs incurred by IDM in connection with the proposed merger and working capital during the transaction implementation (“Facility”). The material terms of the Facility are as follows:

- \$1m loan facility. Drawdowns will be \$100,000 per month for 10 months. First \$100,000 drawn down immediately and paid to IDM within 2 business days of execution of the SID.
- The Facility is unsecured.
- The Facility bears interest at ‘the Cash Rate Target’ last published by the RBA plus 1% per annum, accruing monthly but only payable at maturity.
- Maturity is the earlier of: 1 month after the date on which the SID is terminated and 4 years from the date of the Facility agreement.
- At maturity, the loan (plus accrued interest) can be repaid in cash or in IDM shares (at 20 cents per share) at IDM’s election.
- The Facility includes standard representations, warranties, undertakings, and default events typical for a facility of this nature.

Convertible Note Conversion

On 30 January 2025, 500,000 convertible notes with a face value of \$1.00 each were converted at \$0.20, giving rise to 2,500,000 new shares.

Interest accrued on these notes was also paid by the issue of further shares (also at \$0.20), totalling 235,067 new shares.

For every 2 shares issued as a result of the conversion (but not as a result of the payment of accrued interest), a free option was also issued, giving rise to 1,250,000 new options. These are exercisable at \$0.40 and expire 4 years from the date of issue.

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Notes to the Consolidated Financial Statements (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

23 INTERESTS IN SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities, and results of the following subsidiaries in accordance with the accounting policies described in Note 2.

Name	Principal place of business/Country of incorporation	Ownership Interest	
		2024	2023
IDM Mankayan Pty Ltd	Australia	100%	100%
Asean Copper Investments Ltd	British Virgin Islands	100%	100%

24 AUDITOR'S REMUNERATION

During the financial year, the following fees were paid or payable for services provided by BDO Audit Pty Ltd, the auditor of the company:

	December 2024	December 2023
	\$	\$
<i>Audit Services – BDO Audit Pty Ltd:</i>		
- an audit or review of the financial report of the entity and any other entity in the consolidated group (Australia)	22,185	22,145
- other services in relation to the entity and any other entity in the consolidated group (Australia)		
- corporate finance	-	33,475
	22,185	55,620

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CONSOLIDATED ENTITY DISCLOSURE STATEMENT

In accordance with the requirements of Subsections 295(3A) of the Australian Corporations Act 2001 (Cth), set out below is the consolidated entity disclosure statement disclosing information in respect of IDM International Limited and entities it controlled at 31 December 2024.

Entity name	Body corporate, partnership or trust	Place incorporated or formed	Percentage of share capital held	Australian or foreign tax residency	Foreign tax jurisdictions
IDM International Ltd	Body corporate	Australia	N/A	Australian	N/A
Asean Copper Investments Ltd	Body corporate	British Virgin Islands	100%	Australian	N/A
IDM Mankayan Pty Ltd	Body corporate	Australia	100%	Australian	N/A

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DIRECTORS' DECLARATION

In accordance with a resolution of the directors of IDM International Limited, I state that:

1 In the directors' opinion:

- (a) the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- (b) the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- (c) the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the financial year ended on that date;
- (d) the consolidated entity disclosure statement required by section 295(3A) of the Corporations Act is true and correct;
- (e) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the Board



Geoffrey Gilmour
Director & Secretary
Perth, Western Australia

INDEPENDENT AUDITOR'S REPORT

To the members of IDM International Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of IDM International Limited (the Company), which comprises the statement of financial position as at 31 December 2024, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the 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 IDM International Limited, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Company's financial position as at 31 December 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 Company 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(a) 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 entity's ability to continue as a going concern and therefore the entity 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.

Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the directors report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly 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 on the other information obtained prior to the date of this auditor's report, 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 Company's ability 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 Company 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 (<http://www.auasb.gov.au/Home.aspx>) at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd

BDO
J Prue

Jarrad Prue

Director

Perth, 18 March 2025