

HALF YEAR REPORT

Financial Report for the half-year
ended
31 December 2023

MT MALCOLM MINES NL

ABN: 78 646 466 435



For personal use only



Corporate Directory.....	1
Directors' Report	2
Auditor's Independence Declaration.....	10
Independent Auditor's Review Report	11
Directors' Declaration.....	13
Financial statements	
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income.....	14
Condensed Consolidated Statement of Financial Position.....	15
Condensed Consolidated Statement of Changes in Equity	16
Condensed Consolidated Statement of Cash Flows	17
Notes to the Condensed Consolidated Financial Statements	18

For personal use only



For personal use only

Directors	Robert Downey – <i>Chairman</i> Trevor Dixon – <i>Managing Director</i> Daniel Tuffin – <i>Technical Non-Executive Director</i> Gary Powell – <i>Non-Executive Director</i>
Company secretary	Henko Vos
Registered office	C/- Nexia Perth Level 3, 88 William Street Perth WA 6000 Telephone: +61 8 9463 2463 Website: www.nexia.com.au
Corporate office	8 Sarich Court Osborne Park, WA, 6017 Telephone: +61 8 6244 6617 Website: www.mtmalcolm.com.au
Auditors	RSM Australia Partners Level 32, Exchange Tower 2 The Esplanade Perth, WA 6000
Share registry	Automic Pty Ltd Level 5, 191 St Georges Terrace Perth WA 6000 Australia Telephone (within Australia): 1300 288 664 Telephone (International): +61 2 9698 5414 Website: www.automicgroup.com.au
Securities exchange listing	Mt Malcolm Mines NL shares are listed on the Australian Securities Exchange (ASX Code: M2M)
Bankers	National Australia Bank West End – 197 St Georges Terrace Perth, WA 6000
Website	www.mtmalcolm.com.au
Corporate governance statement	www.mtmalcolm.com.au



The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Mt Malcolm Mines NL (referred to hereafter as the 'Company' or 'M2M') and the entities it controlled at the end of, or during, the half-year ended 31 December 2023.

Board of Directors

The following persons were directors of Mt Malcolm Mines NL during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Director	Position
Robert Downey	Non-Executive Chair
Trevor Dixon	Managing Director
Daniel Tuffin	Technical Non-Executive Director
Gary Powell	Non-Executive Director

Company Secretary

Henko Vos

Principal Activities

During the financial half-year the principal continuing activities of the Group was exploration with a focus on gold and lithium exploration, predominantly around the Leonora, Mt Malcolm region in Western Australia.

Review Of Operations and Activities

The loss for the half-year for the Group after providing for income tax amounted to \$593,807 (31 December 2022: \$695,309 loss).

Mt Malcolm Mines NL (ASX:M2M) ('Mt Malcolm' or 'the Company') is pleased to provide a review of exploration and operational activities conducted during the six months to 31st December 2023.

Highlights

- Exploration Target* defined at Golden Crown (Au) within a range of 150,000 to 120,000 tonnes grading between 10 to 15g/t Au for a possible 38,585oz to 72,347oz of high grade gold.
- Lithium Targets identified at Mt Feldtman (639km²) and the highly prospective Lake Johnston tenement group (200km²). Applications for new Exploration Licenses are pending. Pegmatite dykes have been observed by company personal in both areas.
- Ultramafic hosted Nickel Target near the Keith Kilkenny Lineament identified in historical Aircore drilling at Mt Stewart.
- Regional Geological Mapping covering the Mt Malcolm Gold Project tenement holding is digitised, consolidated, amalgamated and spliced placing the prospects into a regional geological context.
- Database consolidation of all historical data is in its final stages.

Note: The potential quantity and grade of the Exploration Target is conceptual in nature and as such there has been insufficient exploration drilling conducted to estimate a mineral resource. At this stage it is uncertain if further exploration drilling will result in the estimation of a mineral resource. The Exploration Target has been prepared in accordance with the JORC Code (2012).*

Golden Crown

Evaluation of recent and historic data including 3D modelling has delivered a high grade gold Exploration Target* at Golden Crown (ASX:M2M Announcement 20th September 2023). Golden Crown is the first of the company's prospects selected for model review and drilling as part of the company's short term goal to develop sustained production by investigating shallow mining opportunities.

Geological modelling indicates shallow plunging pod like ore shoots that coincide with untested mineralised zones (ASX:M2M Announcements 11th January 2022 and 1st December 2021).

To estimate a Maiden Indicated Mineral Resource RC drilling was conducted at a nominal (8m x 12m) grid spacing targeting lines parallel to the hanging and foot wall thrust zones.

Historical gold production yielded +1,720 high grade ounces, at a grade of 29g/t Au at the turn of last century. RC drilling was designed to test a 130m wide mineralised corridor which encompasses the historic workings at Golden Crown.

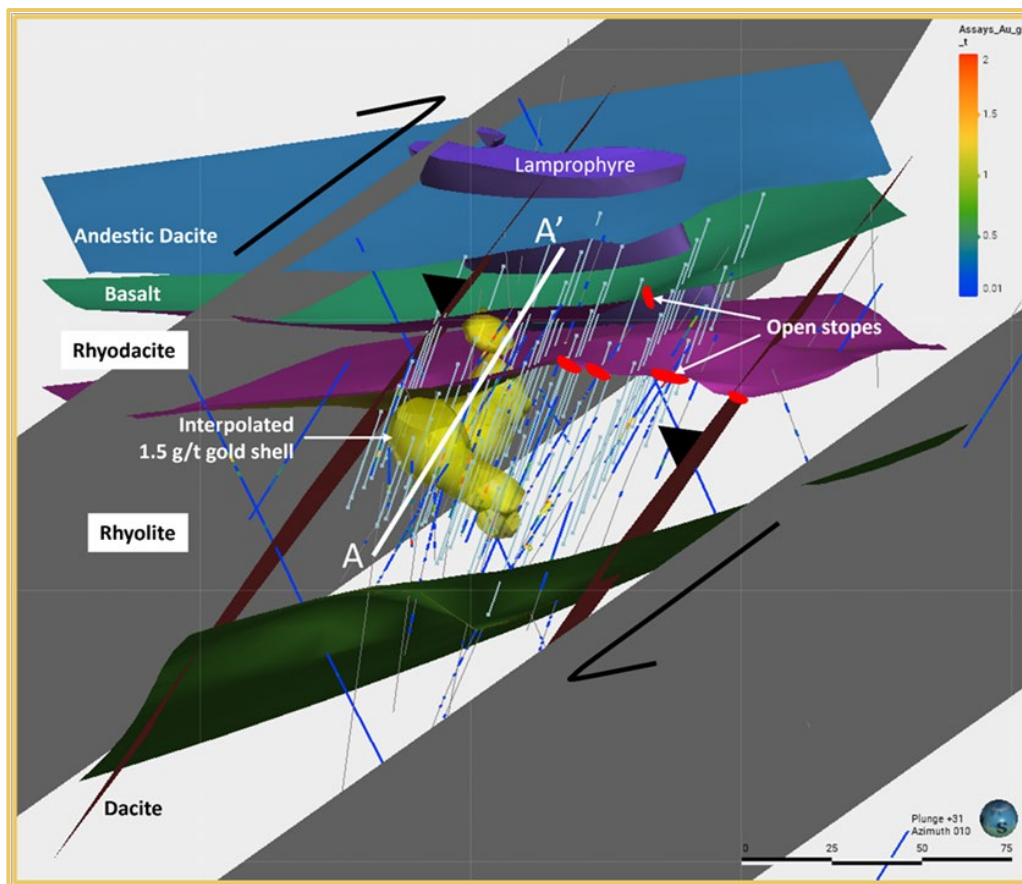


Figure 1 – Optical plan view through the Golden Crown geological model looking north with compiled drill traces and open stopes. Cross section refer Fig 2

For personal use only

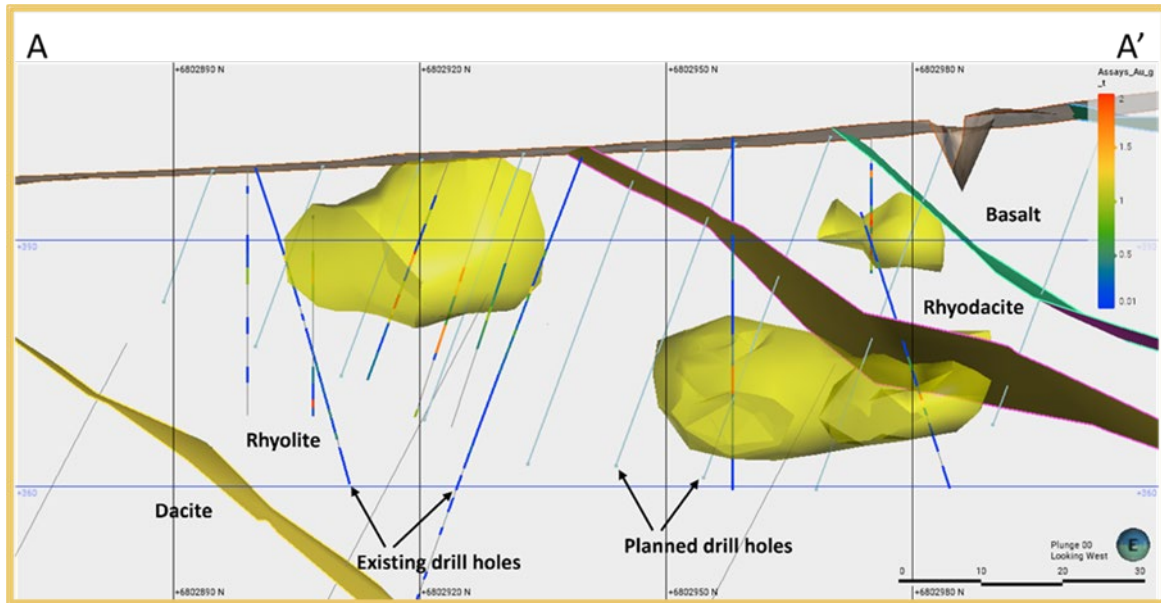


Figure 2 – Longitudinal cross section A-A' through geological model

The close spatial association identified between lamprophyres and many significant gold deposits in the Eastern Goldfields bodes well for upgrading the prospectivity of Golden Crown beyond a small high grade gold deposit. Further exploration efforts will investigate the significance of the magmatic system to understand the potential for upscaling the target.

Lake Johnston

The Company has acquired a 100% beneficial ownership in E63/2258 (75km²) from Golden Ventures Capital Pty Ltd in the prospective Lake Johnston Greenstone Belt. M2M has also submitted three (3) applications for Exploration Licences E63/2403 - 2405 at Lake Johnston. If granted the total tenement holding at Lake Johnston will increase to (200km²). Initial field observations confirm the occurrence of pegmatite dykes in historic RAB drill spoil (ASX:M2M Announcement 18th December 2023).

For personal use only

For personal use only

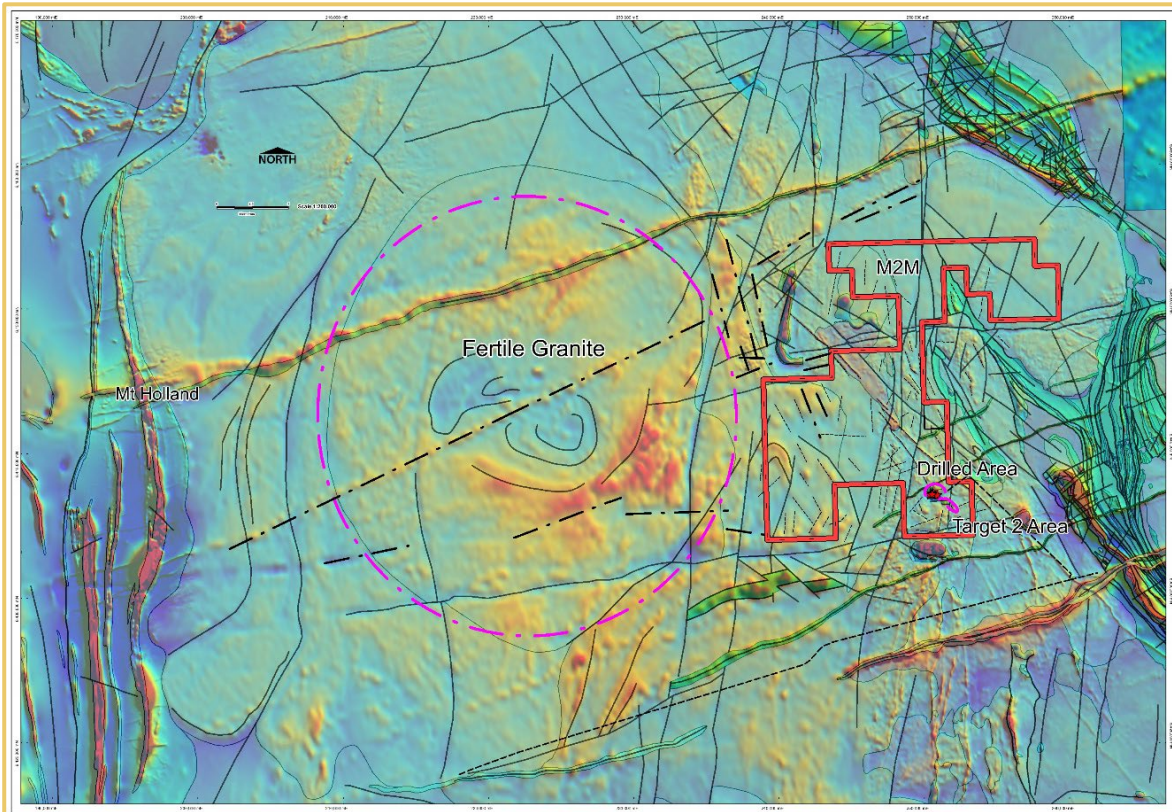


Figure 3 - TMI structural interpretation and the radiating structural relationship between the nearby margin of the circular intrusive granitic dome, the initial target areas and the nearby location of Mt Holland (60km to the west).

The holding is positioned in a centralized location within a prospective lithium field, positioned 10km west of LTC pegmatite prospects at Mt Day (ASX:CHR), 25km southwest of Chatterly LTC pegmatites (ASX:CHR), 20km northwest of the Pagrus pegmatite prospects (ASX:TG6), 50km northwest of the Burmeister Pegmatite prospects (ASX:TG6) and 60km east of Earl Grey, Mt Holland and Forresteria LTC Pegmatite mines, deposits and prospects. (Covalent Lithium Pty Ltd JV). Earl Grey is the largest undeveloped hard rock lithium bearing pegmatite project in Australia with a documented Mineral Reserve of 186Mt @ 1.53% Li₂O (M2M:ASX 31st January 2024).

The Lake Johnston region is emerging as a Lithium “hot spot” with numerous recent spodumene discoveries by nearby exploration companies. The tenement borders on a circular granitic intrusive. The regional geological setting and close proximity to fertile granites are important in the emplacement of LTC pegmatites. Structural interpretation indicates brittle fracture zones moving out of the granite terrain and into the surrounding greenstone host rocks, EW, NW and NE structural lineations are observable in the TMI magnetic images.

Field observation and historic drill data confirm the presence of pegmatites in historical RAB drill chips, 71 shallow holes for 2,209m (ASX:M2M Announcement 30th November 2023). Re-logging, field observations and sampling of drill spoil indicate more extensive pegmatite occurrences than originally documented. No lithium analysis was conducted by early explorers.

Contact zones between granitic domes and nearby adjoining greenstones present as first class target areas in the Lake Johnston region. Historic RAB drilling covers a small area (0.5km²) of the 75km² tenement, the majority of the tenement has not been explored. The holding is considered prospective for Li-Cs-Ta (LCT) pegmatite hosted mineralisation.

The company intends to target Spodumene and Rare Earth mineralisation by conducting several staged exploration programs including geological mapping, rock chip sampling and soil geochemical sampling (auger) over areas that have the potential to host lithium mineralisation.

Mount Feldtman

M2M completed two (2) tenure applications (E38/3905 and E38/3986) during the September Quarter (ASX:M2M Announcement 31st October 2023).

The tenements are prospective for Lithium (Li), Gold (Au) and Base Metal mineralisation. The project area is surrounded by countless industrial mineral and precious/base metal occurrences. The GSWA Throssel 1:250,000 Explanatory notes describe "Minor granitic dykes within the greenstone belts are common, especially near the margins. Pegmatite is abundant in foliated granite east of Mt Cumming".

Mt Cumming is 5km south of E38/3905 and 8km west of E38/3906. Aeromagnetic images confirm numerous NE structural trends extending 10's of kilometres crosscutting the holding (Fig. 3). The pegmatite swarm extends easterly into E38/3908.

Initial on ground reconnaissance confirms the presence of significant pegmatite swarms and dykes at surface however its noted that not all pegmatite dykes are rich in lithium (ASX:M2M 11th September 2023).

For personal use only

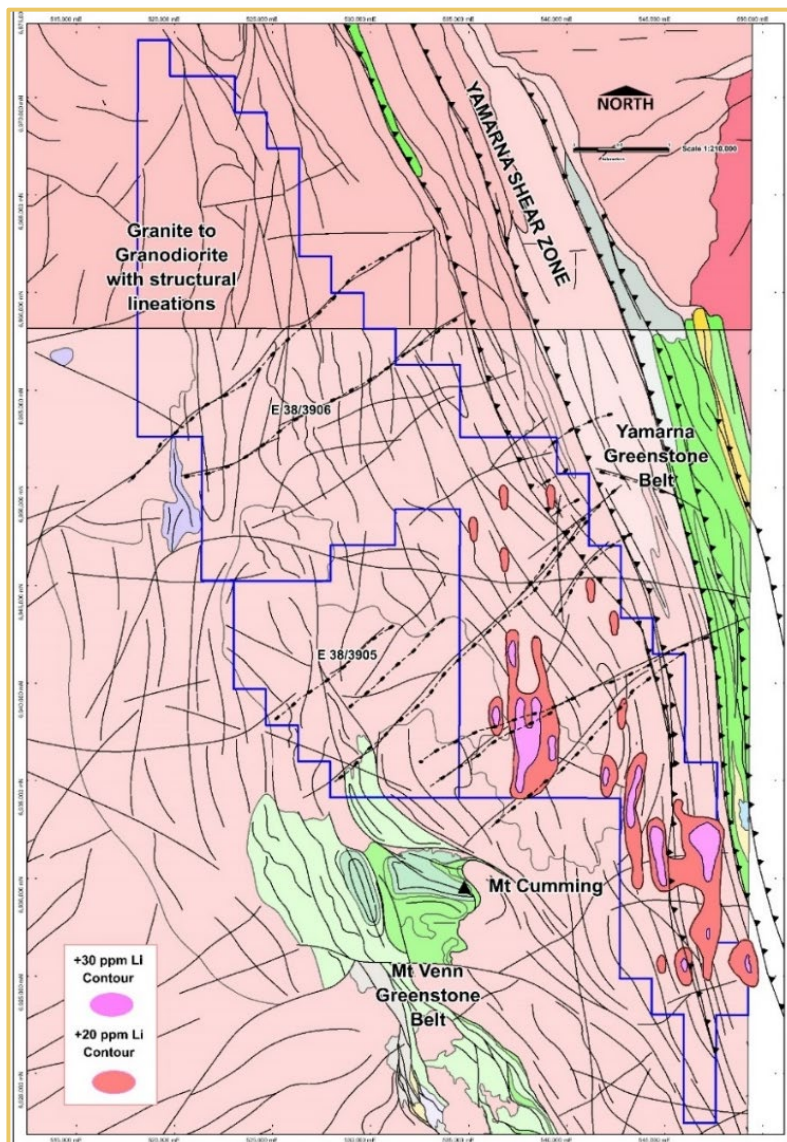


Figure 4 - Mt Feldtman tenements and GSWA geology with structural interpretation and +20ppb and +30ppb Lithium-in-soil contours east of Mt Cumming.

The holdings regionally overlie a mixed foliated Archean granitic sequence (granite and granodiorite) that have been intruded by pegmatite dykes and swarms.

The southern half of E38/3906 was historically auger sampled by Breaker Resources (2012) at a 1,600m x 400m grid. Gold was the target commodity, a 25km long (+3ppb Au) anomaly was defined with smaller (+6ppb Au) internal pods. Geochemical analysis included Lithium. Two large (+20ppb) Lithium anomalies (8km x 3¹/₂km and 12km x 4¹/₂km) are identified in the vicinity of Mt Cummings displaying a central core of (+30ppb Li) (Fig. 3).

Mount Stewart

Lithological modelling at Paleochannel has returned a unique geological setting for nickel anomalism within a 100-200m wide intercalated ultramafic, basalt and intermediate volcanic greenstone package abutting the granite contact and the Keith Kilkenny Lineament (KKL) (ASX:M2M Announcement 25th August 2023). Peak historical intercepts include:

- 17m @ 1,273 ppm Ni (30-47m) in MSAC331 incl. 3m @ 4,661ppm Ni
- 32m @ 1,641ppm Ni (29-61m) in MSAC419 incl. 1m @ 2,609ppm Ni and
- 44m @ 747ppm Ni (5-49m) in MSAC484

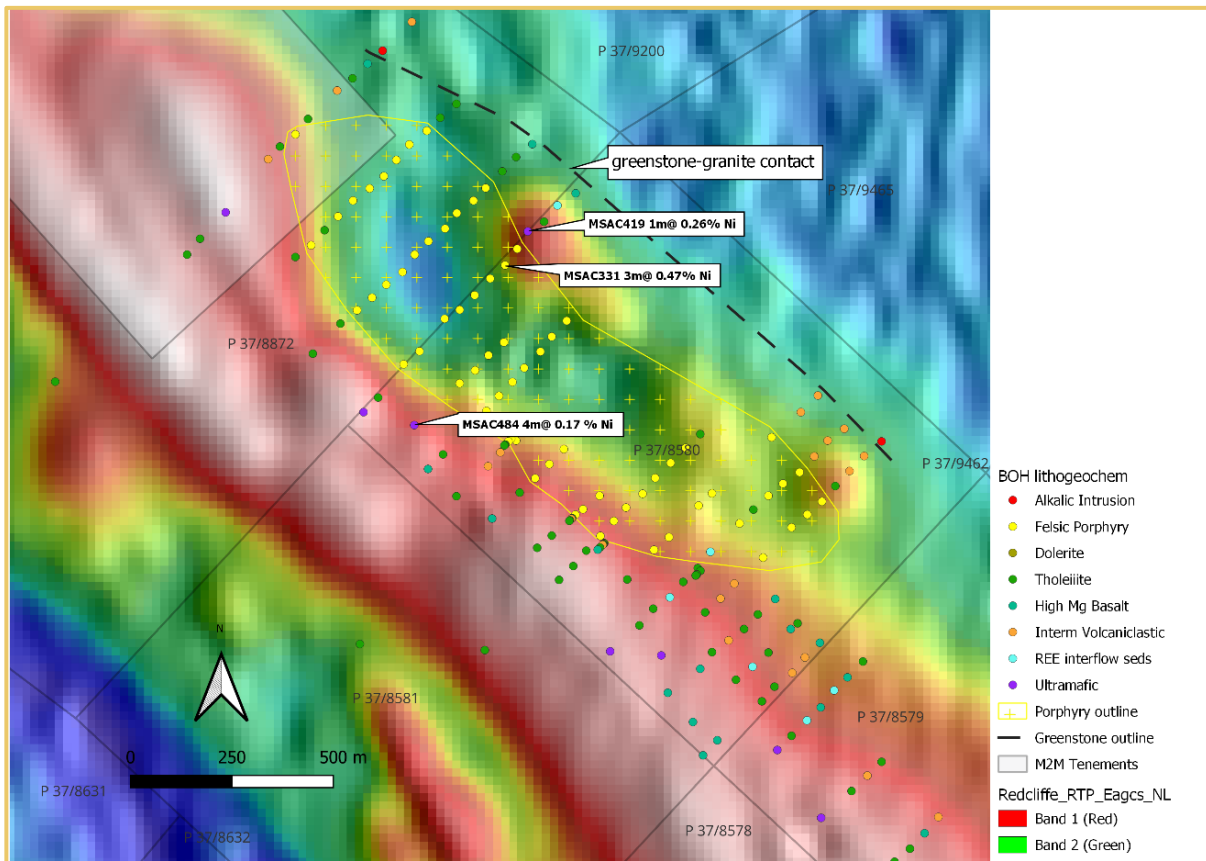


Figure 5 - Paleochannel prospect at Mt Stewart over RTP magnetics and down hole geology with the interpreted porphyry outline and best nickel intersections near the granite contact.

Ultramafics and associated saprolite hosted nickel anomalism within the porphyry foot wall is relatively continuous in strike but at a lower grade returning a maximum of 4m @ 0.17% Ni in MSAC484 (Fig. 4)

The structural setting controlling the mineralisation, including upgrading through remobilisation and mechanical focusing, adjacent to a porphyry heat source and the KKL warrants drilling to test the depth extent below the anomalous

For personal use only



intercepts. With an objective of compiling a better understanding of the lithological and mineralisation architecture of the system.

Mt Stewart has also returned significant historic gold intersections including:

- 2m @ 40.47g/t Au (108-110m) incl 1m @ 78.97g/t Au and
- 3m @ 10.01 g/t (65-68m) incl 1m @ 26.38g/t Au

Stratigraphic, lithological, regolith and multi-element data has been assessed and reveals most of the gold mineralisation is hosted within bedrock. Follow up exploration activities include definition of the central volcanic package aimed at dividing lithologies into intermediate, tholeiitic, Mg rich basalts, ultramafic and shale components in conjunction with structural analysis to understand mineralisation controls and “fine tune” drill hole targeting.

Health and Safety

The focus on health and safety continued during the half-year which has been incident free.

Significant changes in the state of affairs

During the financial half-year, there were no significant changes in the state of affairs of the Group other than as referred to in the financial statements or notes thereto.

Events Occurring after the Reporting Date

Following shareholder approval at the General Meeting held on 31 January 2024, the Company issued the following securities on 28 February 2024:

- 4,500,000 shares at an issue price of \$0.02 per share to Golden Venture Capital Pty Ltd as part settlement for the acquisition of exploration license E63/2258.
- 2,000,000 shares at an issue price of \$0.025 per share, raising \$50,000 as part of the 30 November 2023 announced Placement and 1,000,000 free attaching options (exercisable at \$0.07 per Option with an expiry date of 31 December 2025).
- 1,760,000 shares at an issue price of \$0.025 per share and 880,000 free attaching options (exercisable at \$0.07 per Option with an expiry date of 31 December 2025) in settlement of \$20,000 legal fees (Mr Downey) and \$24,000 director fees (\$12,000 each for Messrs Tuffin and Powell).
- 20,000,000 shares at an issue price of \$0.025 per share and 10,000,000 free attaching options (exercisable at \$0.07 per Option with an expiry date of 31 December 2025) in settlement of a \$500,000 loan owed to Mr Dixon.

There has not been any matter or circumstance occurring subsequent to the end of the reporting date that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Dividends

No dividends were paid or declared since the start of the financial year. No recommendation for the payment of dividends has been made.

For personal use only



Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 10.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

A handwritten signature in black ink, appearing to read 'T. J. Dixon'.

Trevor Dixon
Managing Director

Perth, Western Australia
12 March 2024

COMPETENT PERSON'S STATEMENT

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr. Paul Maher, a Competent Person and a full-time employee of the company who is a Member of The Australasian Institute of Mining and Metallurgy. Mr. Paul Maher has sufficient experience that is relevant to the style of mineralisation and type of deposit 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'. Mr. Maher consents to the inclusion in the report of the matters based on the information compiled by him, in the form and context in which it appears.' The Company is not aware of any new information or data that materially affects the information included in the above.

FORWARD LOOKING STATEMENT

This report contains forward looking statements concerning the projects owned by Mt Malcolm Mines NL. Statements concerning mining reserves and resources may also be deemed to be forward looking statements in that they involve estimates based on specific assumptions. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward looking statements are based on management's beliefs, opinions and estimates as of the dates the forward looking statements are made and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

For personal use only

RSM Australia Partners

Level 32 Exchange Tower
2 The Esplanade Perth WA 6000
GPO Box R1253 Perth WA 6844

T +61 (0) 8 92619100
F +61 (0) 8 92619111

www.rsm.com.au

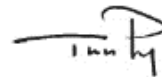
AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Mt Malcolm Mines NL for the half-year ended 31 December 2023, 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.



RSM AUSTRALIA PARTNERS



TUTU PHONG
Partner

Perth, WA
Dated: 12 March 2024

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF MT MALCOLM MINES NL

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Mt Malcolm Mines NL (the Company) which comprises the statement of financial position as at 31 December 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended 31 December 2023, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Mt Malcolm Mines NL is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *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*, which has been given to the directors of Mt Malcolm Mines NL, would be in the same terms if given to the directors as at the time of this auditor's review report.

THE POWER OF BEING UNDERSTOOD AUDIT | TAX | CONSULTING

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

Material Uncertainty Related to Going Concern

We draw attention to Note 1, which indicates that the consolidated entity incurred a net loss of \$593,807 and had net cash outflows from operating and investing activities of \$585,242 and \$614,833 respectively for the half-year ended 31 December 2023 and as at the date, the current liabilities exceeded its current assets by \$317,147. These events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the consolidated entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Directors' Responsibility for the Half-Year Financial Report

The directors of Mt Malcolm Mines NL 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 is free from material misstatement, whether due to fraud or error.

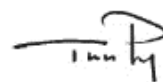
Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 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.

A handwritten signature in black ink that reads "RSM".

RSM AUSTRALIA PARTNERS

A handwritten signature in black ink that reads "Tutu Phong".

TUTU PHONG
Partner

Perth, WA
Dated: 12 March 2024



In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the financial half-year ended on that date; and
- 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 303(5)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to read "T. J. Dixon".

Trevor Dixon
Managing Director

Perth, Western Australia
12 March 2024

For personal use only

Mt Malcolm Mines NL
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the half-year ended 31 December 2023



	Note	Half-year ended 31 Dec 2023 \$	Half-year ended 31 Dec 2022 \$
Interest and other income		9,721	34,028
Corporate expenses		(279,336)	(341,015)
Employee expenses		(133,202)	(224,847)
Administration expenses		(52,873)	(90,344)
Exploration and evaluation expenses		(74,171)	-
Finance expenses		(5,280)	(2,370)
Depreciation and amortisation expense		(45,798)	(42,434)
Share based payments expense	6	(12,868)	(28,327)
Loss before income tax expense		(593,807)	(695,309)
Income tax expense		-	-
Loss for the half-year		(593,807)	(695,309)
Other comprehensive loss		-	-
Other comprehensive loss for the year, net of tax		-	-
Total comprehensive loss income for the half-year		(593,807)	(695,309)
Loss for the period is attributable to:			
Owners of Mt Malcolm Mines NL		(593,807)	(695,309)
		(593,807)	(695,309)
Earnings per share			
Basic loss per share (cents)		(0.57)	(0.82)
Diluted loss per share (cents)		(0.57)	(0.82)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

For personal use only



	Note	31 Dec 2023 \$	30 Jun 2023 \$
Current Assets			
Cash and cash equivalents		367,581	733,903
Trade and other receivables		179,492	97,662
Other assets		30,000	10,000
Total Current Assets		577,073	841,565
Non-Current Assets			
Right-of-use asset		64,253	78,801
Property, plant and equipment		208,498	213,649
Exploration and evaluation expenditure	3	7,253,676	6,741,161
Other assets		8,133	8,133
Total Non-Current Assets		7,534,560	7,041,744
Total Assets		8,111,633	7,883,309
Current Liabilities			
Trade and other payables		282,940	320,729
Employee benefit provisions		86,557	66,170
Lease liability		24,723	25,507
Borrowings	4	500,000	-
Total Current Liabilities		894,220	412,406
Non-Current Liabilities			
Lease liability		36,476	51,000
Total Non-Current Liabilities		36,476	51,000
Total Liabilities		930,696	463,406
Net Assets		7,180,937	7,419,903
Equity			
Issued capital	5	12,818,100	12,476,127
Reserves	6	589,721	576,853
Accumulated losses		(6,226,884)	(5,633,077)
Total Equity		7,180,937	7,419,903

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

For personal use only

Mt Malcolm Mines NL
Condensed Consolidated Statement of Changes in Equity
For the half-year ended 31 December 2023



	Consolidated			Total Equity
	Issued capital	Reserves	Accumulated losses	
	\$	\$	\$	\$
Balance at 1 July 2022	11,962,675	520,661	(4,302,709)	8,180,627
Loss for the period	-	-	(695,309)	(695,309)
Other comprehensive loss for the period	-	-	-	-
Total comprehensive loss for the period	-	-	(695,309)	(695,309)
<i>Transactions with owners in their capacity as owners:</i>				
Share-based payments	-	28,327	-	28,327
	-	28,327	-	28,327
Balance at 31 December 2022	11,962,675	548,988	(4,998,018)	7,513,645
Balance at 1 July 2023	12,476,127	576,853	(5,633,077)	7,419,903
Loss for the year	-	-	(593,807)	(593,807)
Other comprehensive loss for the year	-	-	-	-
Total comprehensive loss for the year	-	-	(593,807)	(593,807)
<i>Transactions with owners in their capacity as owners:</i>				
Issue of shares	375,000	-	-	375,000
Share issue costs	(33,027)	-	-	(33,027)
Share-based payments	-	12,868	-	12,868
	341,973	12,868	-	354,841
Balance at 31 December 2023	12,818,100	589,721	(6,226,884)	7,180,937

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

For personal use only

Mt Malcolm Mines NL
Condensed Consolidated Statement of Cash Flows
For the half-year ended 31 December 2023



Note	Half-year ended 31 Dec 2023 \$	Half-year ended 31 Dec 2022 \$
Cash Flows from Operating Activities		
Payments for exploration expenditure	(74,171)	-
Payments to suppliers	(385,606)	(350,343)
Payments to employees	(135,308)	(163,116)
Interest received	122	37,755
Other revenue	9,721	-
Net cash outflow from operating activities	(585,242)	(475,704)
Cash Flows from Investing Activities		
Payments for property, plant and equipment	(26,100)	(86,560)
Payments for exploration and evaluation	(568,733)	(1,987,157)
Deposit paid for tenements	(20,000)	-
Net cash outflow from investing activities	(614,833)	(2,073,717)
Cash Flows from Financing Activities		
Proceeds from issue of shares and equity securities	375,000	-
Proceeds from issue of shares- held in trust	8,788	-
Proceeds from borrowings	500,000	-
Share issue costs	(33,027)	-
Repayment of lease liabilities	(17,008)	(16,512)
Net cash inflow/(outflow) from financing activities	833,753	(16,512)
Net decrease in cash and cash equivalents	(366,322)	(2,565,933)
Cash and cash equivalents at the start of the year	733,903	4,654,216
Cash and cash equivalents at the end of the year	367,581	2,088,283

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

For personal use only



1. General information

Material accounting policies

These general-purpose financial statements for the interim half-year reporting period ended 31 December 2023 have been prepared in accordance with Australian Accounting Standard AASB 134 *'Interim Financial Reporting'* and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *'Interim Financial Reporting'*.

These general-purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and the ASX Listing Rules.

The condensed consolidated financial statements have been prepared on the basis of historical cost, except for where applicable, financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Group's annual financial report for the financial year ended 30 June 2023, other than those stated below.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Going concern

The 31 December 2023 consolidated financial statements have been prepared on the going concern basis that contemplates the continuity of normal business activities and the realisation of assets and extinguishment of liabilities in the ordinary course of business. For the half-year ended 31 December 2023, the Group recorded a net loss of \$593,807 and had net cash outflows from operating activities of \$585,242. As at that date, the Group had net current liabilities of \$317,147.

Based on the Group's cash flow forecast it is likely that the Group will need to access additional working capital in the next 12 months to advance its exploration projects and to ensure the realisation of assets on an orderly basis and the extinguishment of liabilities as and when they fall due. The directors are confident that the Group will be successful in raising additional funds through the issue of new equity or other funding methods, should the need arise. The directors are also aware that the Group has the option, if necessary, to defer expenditure or relinquish certain projects and reduce administration costs in order to minimise its capital raising requirements.

Based on these facts, the directors consider the going concern basis of preparation to be appropriate for this financial report. Should the Company be unsuccessful in raising additional funds through the issue of new equity or through other funding methods, there is a material uncertainty which may cast significant doubt whether the Group will be able to continue as a going concern and therefore, whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the consolidated financial statements. The consolidated financial statements do not include any adjustments relative to the recoverability and classification of recorded asset amounts or, to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board 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.

For personal use only



2. Operating segments

The consolidated entity has identified its operating segments based on the nature of activity, with the consolidated entity having one operating segment; mining and exploration activities. Corporate costs are presented to reflect amounts that are not core to the reportable segment. Operating segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision-maker has been identified as the Board of Directors of Mt Malcolm Mines NL.

The following table presents the revenue and results information regarding the segment information provided to the Board of Directors for the half-year ended 31 December 2023.

	Corporate \$	Exploration \$	Consolidated \$
31 December 2023			
Segment revenue	9,519	202	9,721
Segment expenditure	(514,155)	(89,373)	(603,528)
Segment loss	(504,636)	(89,171)	(593,807)
31 December 2023			
Current assets	400,207	176,866	577,073
Non-current assets			
Exploration	-	7,253,676	7,253,676
Other non-current assets	267,707	13,177	280,884
Total assets	667,914	7,443,719	8,111,633
Current liabilities	859,519	34,701	894,220
Non-current liabilities	36,476	-	36,476
Total liabilities	895,995	34,701	930,696
Net assets/(liabilities)	(228,081)	7,409,018	7,180,937
	Corporate \$	Exploration \$	Consolidated \$
31 December 2022			
Segment revenue	33,943	85	34,028
Segment expenditure	(684,499)	(44,838)	(729,337)
Segment loss	(650,556)	(44,753)	(695,309)
30 June 2023			
Current assets	731,179	110,386	841,565
Non-current assets			
Exploration	-	6,741,161	6,741,161
Other non-current assets	286,496	14,087	300,583
Total assets	1,017,675	6,865,634	7,883,309
Current liabilities	357,367	55,039	412,406
Non-current liabilities	51,000	-	51,000
Total liabilities	408,367	55,039	463,406
Net assets	609,308	6,810,595	7,419,903

For personal use only



3. Exploration and evaluation expenditure

	31 December 2023	30 June 2023
	\$	\$
Exploration and evaluation - at cost	7,253,676	6,741,161

Reconciliations:

Reconciliations of the written down values at the beginning and end of the current and previous financial period are set out below:

	31 December 2023	30 June 2023
	\$	\$
Balance at beginning of year	6,741,161	3,717,766
Capitalised during the year	512,515	3,023,395
Balance at end of year	7,253,676	6,741,161

4. Borrowings

	31 December 2023	30 June 2023
	\$	\$
<i>Unsecured borrowings at amortised cost</i>		
Loan from related party	500,000	-
	500,000	-

On 31 October 2023 an unsecured loan facility of \$500,000 was advanced to the Company by Mr. Trevor Dixon, the Company's Managing Director. The loan was due for repayment by 31 October 2024 and carried a fixed interest rate at 5% per annum on amounts drawn down.

On 30 November 2023, the Company advised that it would seek shareholder approval to settle the outstanding loan balance (\$500,000), other than interest which will be settled in cash, through the issue of 20,000,000 shares (at an issue price of \$0.025 per share) and 10,000,000 free attaching options (exercisable at \$0.07 per option with an expiry date of 31 December 2025). The shares and options are on the same terms as those afforded to participants of the 30 November 2023 announced Placement.

Shareholder approval for the settlement was obtained on 31 January 2024 and the Company issued the shares and attaching options on 28 February 2024.

5. Issued Capital

	31 December 2023	30 June 2023
	\$	\$
Ordinary Shares – fully paid	12,818,100	12,476,127

Movements in ordinary share capital

	No. of shares	Issued capital \$
Opening balance	102,343,504	12,476,127
Issue of shares - 8 December 2023	15,000,000	375,000
Capital raising costs	-	(33,027)
Closing balance	117,343,504	12,818,100

For personal use only



6. Share-based payments

a. Performance rights:

On 21 November 2022, the Annual General Meeting resolved to issue 1,200,000 performance rights (and issue up to 1,200,000 shares on conversion of such performance rights) as a long-term incentive, to the Managing Director, Trevor Dixon, subject to the terms of the Employee Securities Incentive Plan. The long-term incentive has been determined at a total value of \$92,000; being the maximum value of 40% of Trevor Dixon's current fixed remuneration package.

The performance rights will be spread equally over three tranches covering a three-year period. The amount and terms of the incentive is completely within the discretion of the Board and will be determined annually. Each performance right will vest on the date on which both of the following are satisfied:

Tranche	Vesting conditions	Weighting
Tranche 1 1 July 2022 – 30 June 2023	Company's Absolute TSR	50%
	Company's TSR relative to Peers	50%
Tranche 2 1 July 2023 – 30 June 2024	Company's Absolute TSR	50%
	Company's TSR relative to Peers	50%
Tranche 3 1 July 2024 – 30 June 2025	Company's Absolute TSR	50%
	Company's TSR relative to Peers	50%

The Company has recorded a share-based payment expense of \$12,868 for the performance rights related to the 6-month period to 31 December 2023.

7. Contingent liabilities

There has been no change in contingent liabilities since the last annual reporting date.

8. Commitments

The Group's commitments have not significantly changed since the last annual reporting date.

9. Subsequent events

Following shareholder approval at the General Meeting held on 31 January 2024, the Company issued the following securities on 28 February 2024:

- 4,500,000 shares at an issue price of \$0.02 per share to Golden Venture Capital Pty Ltd as part settlement for the acquisition of exploration license E63/2258.
- 2,000,000 shares at an issue price of \$0.025 per share, raising \$50,000 as part of the 30 November 2023 announced Placement and 1,000,000 free attaching options (exercisable at \$0.07 per Option with an expiry date of 31 December 2025).
- 1,760,000 shares at an issue price of \$0.025 per share and 880,000 free attaching options (exercisable at \$0.07 per Option with an expiry date of 31 December 2025) in settlement of \$20,000 legal fees (Mr Downey) and \$24,000 director fees (\$12,000 each for Messrs Tuffin and Powell).

For personal use only



9. Subsequent events (continued)

- 20,000,000 shares at an issue price of \$0.025 per share and 10,000,000 free attaching options (exercisable at \$0.07 per Option with an expiry date of 31 December 2025) in settlement of a \$500,000 loan owed to Mr Dixon.

There has not been any matter or circumstance occurring subsequent to the end of the reporting date that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

For personal use only