



MACRO METALS
L I M I T E D

ABN 28 001 894 033

INTERIM REPORT - 31 DECEMBER 2023

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CORPORATE DIRECTORY

Directors

Peter Huljich	Non-Executive Chairman
Simon Rushton	Managing Director (appointed 5 March 2024)
Robert Jewson	Executive Technical Director (appointed 5 March 2024)
Evan Cranston	Non-Executive Director (appointed 5 March 2024)
Tolga Kumova	Non-Executive Director (appointed 5 March 2024)
Ashley Pattison	Non-Executive Director (resigned 6 March 2024)
John Smyth	Non-Executive Director (resigned 6 March 2024)

Company Secretary

Stefan Ross

Registered Office and Principal Place of Business

Australia: Suite 38, 460 Stirling Highway
Peppermint Grove WA 60111
Tel: +61 3 9692 7222

Nigeria: KCM Mining Limited
139B Eti-Osa Way
Dolphin Estate
Ikoyi, Lagos

Share Register

Link Market Services Limited
Level 12, 250 St Georges Terrace
Central Park
Perth WA 6000

Auditor

RSM Australia Partners
Level 27, 120 Collins Street
Melbourne VIC 3000

Stock Exchange Listing

Macro Metals Limited securities are listed on the Australian Securities Exchange (ASX)
ASX Code: M4M

Website address

www.macrometals.au

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DIRECTORS REPORT

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the “consolidated entity”) consisting of Macro Metals Limited (referred to hereafter as the “Company” or “parent entity”) and the entities it controlled at the end of, or during the half year ended 31 December 2023.

Directors

The following persons were directors of Macro Metals Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Peter Huljich	Non-Executive Chairman
Simon Rushton	Managing Director (appointed 5 March 2024)
Robert Jewson	Executive Technical Director (appointed 5 March 2024)
Evan Cranston	Non-Executive Director (appointed 5 March 2024)
Tolga Kumova	Non-Executive Director (appointed 5 March 2024)
Ashley Pattison	Non-Executive Director (resigned 6 March 2024)
John Smyth	Non-Executive Director (resigned 6 March 2024)

Principal Activities

During the financial half year, the principal activities of the consolidated entity consisted of:

- Exploration & evaluation of WA iron ore tenements;
- Acquisition of additional prospective tenements in WA;
- Proposed acquisition of Chilean lithium projects; and
- Continue evaluation of Agbaja Cast Steel Project.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the consolidated entity.

Operating Results

The loss after tax for the consolidated entity for the half year ended 31 December 2023 was \$579,632 (31 December 2022: \$1,035,393). Loss for the period includes exploration project expenditure of \$211,749 (2022: \$348,850).

Dividends

There were no dividends paid or declared during the current financial half-year (31 December 2023: Nil).

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 Director’s Report.

This report is made in accordance with a resolution of directors, pursuant to section 307C of the Corporations Act 2001 and is signed for and on behalf of the directors by:

Peter Huljich
Non-executive Chairman
15 March 2024

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Macro Metals Limited 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



R J MORILLO MALDONADO
Partner

Melbourne, Victoria
Dated: 15 March 2024

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Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the half year ended 31 December 2023

	Note	31/12/2023 \$	31/12/2022 \$
Revenue			
Interest income		2,012	1,368
Total Income		2,012	1,368
Expenses			
Accounting & audit fees		(35,175)	(13,356)
Consultancy fees		(97,630)	(122,406)
Travel & accommodation		(5,853)	(5,199)
Corporate expenses		(108,991)	(115,213)
Director & employee expenses		(109,998)	(112,749)
Share based payment expenses		-	(200,000)
Exploration & evaluation expenditure		(211,749)	(348,850)
Legal fees		(1,905)	(25,536)
Occupancy		(7,500)	(7,500)
Other expenses		(2,843)	(85,952)
Loss before income tax expense		(579,632)	(1,035,393)
Income tax expense		-	-
Loss after income tax expense for the half-year attributable to the owners of Macro Metals Limited		(579,632)	(1,035,393)
Other comprehensive income			
<i>Items that may be reclassified to the profit and loss account:</i>			
Exchange differences on translation of foreign operations		2,070	(11,201)
Other compressive income/(loss) for the half-year, net of tax		2,070	(11,201)
Total comprehensive loss for the half year attributable to the owners of Macro Metals Limited		(577,562)	(1,046,594)
Loss per share for the half-year attributed to the owners of Macro Metals Limited			
Basic loss per share (cents per share)	2	(0.001)	(0.001)
Diluted loss per share (cents per share)		(0.001)	(0.001)

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



Consolidated Statement of Financial Position

As at 31 December 2023

	Note	31/12/2023 \$	30/06/2023 \$
Assets			
Current assets			
Cash and cash equivalents		1,467,039	467,341
Trade and other receivables		48,131	112,773
Total current assets		1,515,170	580,114
Non-current assets			
Exploration and evaluation assets	3	5,560,029	5,337,278
Property, plant and equipment		67,615	76,608
Total non-current assets		5,627,644	5,413,886
Total assets		7,142,814	5,994,000
Liabilities			
Current liabilities			
Trade and other payables	4	365,271	596,704
Total current liabilities		365,271	596,704
Total liabilities		365,271	596,704
Net assets		6,777,543	5,397,296
Equity			
Contributed equity	5	85,667,177	83,709,367
Reserves	6	89,619	87,549
Accumulated losses		(78,979,253)	(78,399,620)
Total equity		6,777,543	5,397,296

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

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Consolidated Statement of Changes in Equity

For the half year ended 31 December 2023

	Contributed Equity \$	Accumulated Losses \$	Reserves \$	Total \$
Balance at 1 July 2022	81,908,917	(77,775,340)	1,646,026	5,779,603
Loss after income tax expense for the half year	-	(1,035,393)	-	(1,035,393)
Other comprehensive income, net of tax	-	-	(11,201)	(11,201)
Total comprehensive loss for the half year	-	(1,035,393)	(11,201)	(1,046,594)
<i>Transactions with owners in their capacity as owners:</i>				
Issue of shares through placement	1,466,000	-	-	1,466,000
Share issued as repayment of financial liabilities	200,000	-	-	200,000
Transaction costs	(52,763)	-	-	(52,763)
Balance at 31 December 2022	83,522,154	(78,810,733)	1,634,825	6,346,246
Balance at 1 July 2023	83,709,367	(78,399,621)	87,549	5,397,296
Loss after income tax expense for the half year	-	(579,632)	-	(579,632)
Other comprehensive income, net of tax	-	-	2,070	2,070
Total comprehensive loss for the half year	-	(579,632)	2,070	(577,562)
<i>Transactions with owners in their capacity as owners:</i>				
Issue of shares through placement	1,920,000	-	-	1,920,000
Placement shares to be issued	205,000	-	-	205,000
Transaction costs	(167,190)	-	-	(167,190)
Balance at 31 December 2023	85,667,177	(78,979,253)	89,619	6,777,543

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



Consolidated Statement of Cash Flows
For the half year ended 31 December 2023

	Note	31/12/2023 \$	31/12/2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(525,625)	(535,097)
Payments for exploration and evaluation		(211,748)	(348,850)
Interest received		2,012	1,368
Net cash outflow from operating activities		<u>(735,361)</u>	<u>(882,579)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property plant and equipment		-	(33,660)
Payments for exploration and evaluation		(222,751)	-
Net cash outflow from investing activities		<u>(222,751)</u>	<u>(33,660)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		2,125,000	1,466,000
Payment of share issue costs		(167,190)	(52,762)
Repayment of financial liabilities		-	(710,280)
Net cash inflow from financing activities		<u>1,957,810</u>	<u>702,958</u>
Net increase/ (decrease) in cash and cash equivalents held		999,698	(213,282)
Cash and cash equivalents at beginning of the period		<u>467,341</u>	<u>1,519,639</u>
Cash and cash equivalents at end of half year		<u>1,467,039</u>	<u>1,306,357</u>

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

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NOTES TO THE FINANCIAL STATEMENTS
31 December 2023

These financial statements are of the consolidated entity (referred to hereafter as the “consolidated entity”) consisting of Macro Metals Limited (referred to hereafter as the “Company” or “parent entity”) and the entities it controlled at the end of, or during the half year ended 31 December 2023. The financial statements are presented in Australian dollars, which is Macro Metals Limited's functional and presentation currency.

These interim financial statements were authorised for issue by the Company’s Board of Directors on 15 March 2024.

NOTE 1. MATERIAL ACCOUNTING POLICY INFORMATION

(a) Basis of preparation and statement of compliance

These general purpose interim financial statements, for the 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. 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 and 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.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

(b) New, revised or amending Accounting Standards and Interpretations adopted

The consolidated entity has considered the implications of new or amended Accounting Standards, but determined that their application to the financial statements is either not relevant or not material. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

(c) Going concern

This financial report has been prepared on the going concern basis, which contemplates the continuation of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

As disclosed in the financial report, the consolidated entity incurred a loss of \$579,632 and had net cash outflows from operating and investing activities of \$958,112 for the six-month period ended 31 December 2023.

The directors have considered the consolidated entity’s cash forecast for a period exceeding 12 months from the approval date of the financial report and concluded that the consolidated entity will be able to continue as a going concern. The directors’ assessment considers the following matters:

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NOTE 1. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUES)

- as at 31 December 2023, the consolidated entity has cash on hand of \$1,467,039, and current liabilities amounting to \$365,271;
- the consolidated entity has the ability to defer or reduce certain operating expense and exploration expenditure, if necessary, whilst meeting minimum tenement expenditure commitments; and
- as disclosed in note 10, on 12 February 2024, the Company raised \$1,375,000 via the issue of ordinary shares and on 6 March 2024 a further \$1,220,000 has been subscribed by the incoming directors and associates (of which \$941,558 has been received at the date of this report).

NOTE 2. LOSS PER SHARE

	31/12/2023	31/12/2022
	\$	\$
Basic & Diluted Loss per share	(0.001)	(0.001)
Loss from continuing operations used in the calculation of basic & diluted loss per share	(579,632)	(1,035,393)
	31/12/2023	31/12/2022
	Number	Number
Weighted average number of ordinary shares for the purposes of calculation of basic & diluted loss per share*	2,095,618,740	1,666,096,882

*Weighted average number of ordinary shares

Date	Number of shares	Days	Weight	Weighted average number of ordinary shares
01/07/2023	1,988,077,756	183	1.0000	1,988,077,756
20/11/2023	480,000,000	41	0.2240	107,540,984
Total	2,468,077,756			2,095,618,740

NOTE 3. EXPLORATION AND EVALUATION OF ASSETS

	31/12/2023	30/06/2023
	\$	\$
Exploration and evaluation assets - cost	5,560,029	5,337,278
Provision for impairment	-	-
Total exploration and evaluation assets	5,560,029	5,337,278

Reconciliation of the movement is as follows:

	31/12/2023
	\$
Carrying amount at the beginning of the period	5,337,278
Additions	222,751
Carrying amount at the end of the period	5,560,029

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas.

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NOTE 4. TRADE AND OTHER PAYABLES

	31/12/2023	30/06/2023
	\$	\$
Trade and other payables	328,581	496,047
Accrued director fees	-	8,333
Other accrued expenses	36,690	92,324
Total trade and other payables	365,271	596,704

NOTE 5. CONTRIBUTED EQUITY

	31/12/2023	31/12/2023	30/06/2023	30/06/2023
	No. of shares	\$	No. of shares	\$
Ordinary shares - fully paid	2,468,077,756	85,667,177	1,988,077,756	83,709,367

	31/12/2023	31/12/2023
	No. of shares	\$
At the beginning of the reporting period	1,988,077,756	83,709,367
Shares issued on 20 Nov 2023	480,000,000	1,920,000
Placement shares yet to be issued	-	205,000
Share issue costs	-	(167,190)
At reporting date	2,468,077,756	85,667,177

NOTE 6. RESERVES

	31/12/2023	30/06/2023
	\$	\$
Share based payments reserve	339,748	339,748
Foreign currency translation reserve (a)	(250,129)	(252,199)
	89,619	87,549
(a) Foreign currency translation reserve		
Balance at beginning of period	(252,199)	
Foreign currency translation movement	2,070	
Balance at end of period	(250,129)	

NOTE 7. OPERATING SEGMENTS

	Corporate/ Unallocated	Nigeria	Australia	Total
	\$	\$	\$	\$
Profit or Loss				
Sundry income	2,012	-	-	2,012
Exploration and evaluation expenditure	-	(181,789)	(29,960)	(211,749)
Segment expenses	(339,657)	(30,077)	(161)	(369,895)
Loss before income tax expense	(337,645)	(211,866)	(30,121)	(579,632)
Income tax expense	-	-	-	-
Loss after income tax	(337,645)	(211,866)	(30,121)	(579,632)
Assets & Liabilities				
Segment assets	1,502,474	78,108	5,562,232	7,142,814
Segment liabilities	(358,400)	(6,871)	-	(365,271)
Net assets	1,144,074	71,237	5,562,232	6,777,543



NOTE 8. CONTINGENCIES

There were no contingent assets or liabilities as at 31 Dec 2023 (30 June 2023: nil).

NOTE 9. COMMITMENTS

There have been no material commitments as at 31 December 2023 (30 June 2023: nil).

NOTE 10. EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

On 31 January 2024, the Shareholders approved Tranche 2 capital raising (originally announced on 14 November 2023) of \$1,375,000 of capital. The capital raise was completed on 12 February 2024 and included a free 1 for 4 attaching option exercisable at \$0.008.

On 6 March 2024, the company announced board changes. Ashley Pattison and John Smyth resigned; and Simon Rushton, Evan Cranston, Tolga Kumova and Robert Jewson were appointed as new directors.

On 6 March 2024, it was also announced that the incoming directors & associates have provided a firm commitment to subscribed for a further \$1,220,000 out of the total placement of \$1,350,000 in 2 tranches, which included free attaching options exercisable at \$0.008, with tranche 2 and all of the free attaching options in the capital raising subject to shareholder approval. As at the date of this report \$941,558 had been received.

On 12 March 2024, the Company issued the Tranche 1 Placement shares, as announced on 6 March 2024, being 419,989,000 fully paid ordinary shares at an issue price of \$0.002 per share. Tranche 2 of the Placement Shares and all of the Placement Options are subject to shareholder approval at an extraordinary general meeting of shareholders of the Company proposed to be held in early May 2024.

No other matter or circumstance has arisen since 31 December 2023, which has significantly affected, or may significantly affect the operations of the consolidated entity, the result of those operations, or the state of affairs of the consolidated entity in subsequent financial years.

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Declaration by Directors

In the opinion of the Directors of Macro Metals Limited:

- (a) The interim financial statements and notes are in accordance with the Corporations Act 2001 and:
 - (i) comply with Australian Accounting Standard AASB134 “Interim Financial Reporting”, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (ii) give 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.
- (b) 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

Peter Huljich

Non- Executive Chairman

Dated 15 March 2024

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INDEPENDENT AUDITOR'S REVIEW REPORT To the Members of Macro Metals Limited

Conclusion

We have reviewed the accompanying half-year financial report of Macro Metals Limited (the 'Company') and the entities it controlled during the period (together referred as the 'Consolidated entity'), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Consolidated entity does not comply 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 the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* ('ASRE 2410'). 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 Consolidated entity 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 Macro Metals Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Directors' Responsibility for the Half-Year Financial Report

The directors of Macro Metals Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that 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. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Consolidated entity's financial position as at 31 December 2023 and of 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.



RSM AUSTRALIA PARTNERS



R J MORILLO MALDONADO
Partner

Melbourne, Victoria
Dated: 15 March 2024

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