

**Mastermyne Group Limited**  
**(Formerly known as Metarock Group Limited)**  
**Appendix 4D**  
**Half-year report**

**1. Company details**

Name of entity:	Mastermyne Group Limited
ABN:	96 142 490 579
Reporting period:	For the half-year ended 31 December 2024
Previous period:	For the half-year ended 31 December 2023

**2. Results for announcement to the market**

	31 December 2024 \$'000	31 December 2023 \$'000	Change \$'000	Change %
Revenue from ordinary activities	118,651	146,959	(28,308)	(19%)
Profit from ordinary activities after tax attributable to the owners of Mastermyne Group Limited	969	10,904	(9,935)	(91%)
Earnings per share for profit attributable to the owners of Mastermyne Group Limited			<b>31 December 2024 Cents</b>	<b>31 December 2023 Cents</b>
Basic earnings per share			0.3	3.6
Diluted earnings per share			0.3	3.3

**3. Dividends**

*Current period*

There were no dividends paid, recommended or declared during the half-year ended 31 December 2024.

*Previous period*

There were no dividends paid, recommended or declared during the half-year ended 31 December 2023.

*Interim dividend*

	Amount per security Cents	Franked amount per security Cents
Interim 2025 dividend per share determined	0.500	0.500

**Interim dividend dates**

Ex-dividend date	6 March 2025
Record date	7 March 2025
Payment date	27 March 2025

The Company's Dividend Reinvestment Plan (DRP) will not apply to the interim dividend.

For personal use only

**Mastermyne Group Limited**  
**(Formerly known as Metarock Group Limited)**  
**Appendix 4D**  
**Half-year report**

**4. Net tangible assets**

	<b>31 December 2024</b>	<b>30 June 2024</b>
	<b>\$</b>	<b>\$</b>
Net tangible assets per ordinary security	<u>0.21</u>	<u>0.20</u>

Net tangible assets include right-of-use assets with a carrying value of \$5,075,000 as at 31 December 2024 (30 June 2024: \$8,299,000).

Additional information supporting the Appendix 4D disclosure requirements can be found in the Interim Financial Report for the half-year which contains the Directors' Report and the 31 December 2024 Financial Statements and accompanying notes.

This report is based on the consolidated financial statements for the half-year ended 31 December 2024, which have been reviewed by Grant Thornton Audit Pty Ltd.

**5. Signed**

This statement was approved by the Board of Directors.

Signed 

Peter Barker  
Chair

Date: 26 February 2025

For personal use only



**mastermyne**



**Mastermyne Group Limited  
and its Controlled Entities**

(Formerly known as Metarock Group Limited)

ABN 96 142 490 579

**Interim Financial Report - 31 December 2024**

For personal use only

**Mastermyne Group Limited**  
**(Formerly known as Metarock Group Limited)**  
**Contents**  
**31 December 2024**

Directors' report	2
Auditor's independence declaration	7
Condensed consolidated statement of comprehensive income	8
Condensed consolidated statement of financial position	9
Condensed consolidated statement of changes in equity	10
Condensed consolidated statement of cash flows	11
Notes to the condensed consolidated financial statements	12
Directors' declaration	25
Independent auditor's report to the members of Mastermyne Group Limited	26

For personal use only

**Mastermyne Group Limited**  
**(Formerly known as Metarock Group Limited)**  
**Directors' report**  
**31 December 2024**

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Mastermyne Group 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 2024.

**Directors**

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

**1 Current Directors**

Jeffrey Whiteman  
Andrew Watts  
Peter Barker  
Murray Smith

**2 Former Directors**

Jon Romcke (resigned on 14 October 2024)

**Operating and financial review**

**Results**

**Overview**

Mastermyne Group Limited (ASX Code: MYE) ("Mastermyne" or "the Company" or "the Group") finished FY24 in a strong position having successfully completed the company wide turnaround plan, which included refocusing on the Company's core operations, cost reduction, debt reduction and recapitalisation of the balance sheet. The sale of PYBAR Holdings Pty Limited (PYBAR) on 31 May 2024 was the final step, which assisted in de-risking and positioning the Company to respond to any future challenges.

The 1H FY25 results highlight the benefit of this approach, with the Company's in-built resilience being key in addressing several significant external events which had a marked adverse impact on revenue and margins in the period. These events included: the fire at Anglo American Steel Making Coal's (Anglo American SMC) Grosvenor mine on 29 June 2024 resulting in the suspension of Mastermyne's services at that site effective from 1 September 2024; Anglo American SMC's cost challenges leading to reduced manning requirements at Aquila mine; an earlier than expected closure of Integra mine adversely impacting Wilson Mining's product sales; and broader coal sector headwinds, led by lower coal prices and cost inflation due to industrial relations legislation, which have resulted in pressures on contractors' margins.

In carefully managing its response to these external events, the Company achieved the following results in 1H FY25:

- Revenue of \$118,651,000 (1H FY24: \$146,959,000)
- Normalised EBITDA<sup>1</sup> of \$7,614,000 (1H FY24: \$14,888,000)
- Normalised profit before tax from continuing operations of \$2,926,000 (1H FY24: \$7,863,000)
- Net cash in-flows from operating activities of \$13,225,000 (1H FY24: Net cash out-flows of \$(9,155,000))
- Net cash (excluding leases) as at 31 December 2024 of \$31,867,000 (FY24: \$21,799,000)

(1) Refer to Non-IFRS Measures for further information on EBITDA. Refer to the following page for a reconciliation from EBITDA to Profit/(loss) before tax from continuing operations.

**Mastermyne Group Limited**  
**(Formerly known as Metarock Group Limited)**  
**Directors' report**  
**31 December 2024**

During 1H FY25, Mastermyne secured the following new contracts and contract extensions:

- Anglo American SMC's Grosvenor, Moranbah North, Aquila mines: Mastermyne's contracts covering labour and equipment related services at Moranbah North, Aquila and Grosvenor mines were extended from their original expiry date in October 2024 to 5 April 2025. Discussions are at an advanced stage in relation to a proposed further 6 month extension, broadly aligning with the anticipated completion date for the sale of Anglo American SMC to Peabody Energy.
- Peabody Energy's Centurion mine: Mastermyne executed a contract with a 3-year term valued at over \$15 million for Ventilation Control Devices Installation at this new mine which is currently in the ramp-up phase.
- Whitehaven's Narrabri mine: Mastermyne executed a variation for a 12 month extension of its Longwall Services contract through to October 2025, valued at over \$15 million.

*Statutory Results*

The table below shows the Statutory Results for 1H FY25 compared to the six months ended 31 December 2023 (1H FY24), noting that the contribution from the PYBAR business is disclosed as discontinued operations.

	1H FY25 \$'000	1H FY24 \$'000	Movement \$'000
Revenue	118,651	146,959	(28,308)
Other income	332	4,332	(4,000)
EBITDA <sup>1</sup>	6,914	18,092	(11,178)
Depreciation	(4,215)	(4,477)	262
Amortisation	(78)	(78)	-
Results from operating activities	2,621	13,537	(10,916)
Net finance costs	(395)	(2,470)	2,075
Profit/(loss) before tax	2,226	11,067	(8,841)
Income tax (expense)/benefit	(1,304)	(73)	(1,231)
Net profit/(loss) after tax from continuing operations	922	10,994	(10,072)
Profit/(loss) from discontinued operations	47	(90)	137
Total comprehensive profit/(loss) for the period	969	10,904	(9,935)

Revenue for 1H FY25 was \$118,651,000, a decrease of \$28,308,000 primarily due to the reduction in manning levels at the Grosvenor mine (approximately 140 roles ended, of which 61 roles were redeployed) and Aquila mine (a reduction of approximately 35 roles). The Group's total workforce fell from 882 at 30 June 2024 to 654 at 31 December 2024.

Normalised EBITDA<sup>1</sup> for 1H FY25 of \$7,614,000 was approximately half of the 1H FY24 Normalised EBITDA<sup>1</sup> of \$14,888,000 (refer to the following page for a reconciliation from Statutory Results to Normalised Results<sup>1</sup>) reflecting the loss of roles at the Anglo American SMC mines, combined with lower Wilson Mining product volumes due mainly to the Integra mine closure, and margin pressure on certain contracts. Further, overheads were impacted by costs associated with the Company's response to prosecutions relating to incidents in 2021 and 2022 in addition to costs incurred in strategic investments targeted to enhance the Company's competitive position, including a core management systems upgrade and safety leadership development.

Normalised Profit Before Tax for 1H FY25 of \$2,926,000 compares to 1H FY24 Normalised Profit Before Tax of \$7,863,000.

*Normalised Results*

The table below reconciles the Statutory Results to the Normalised Results, adjusting: 1H FY25 solely for the impact of a \$700,000 impairment relating to plant currently held for sale, which was originally intended for the Crinum mine operation in 2022; and 1H FY24 for the non-recurring gain on the sale of assets held for sale and plant and equipment and impairment related to plant and equipment.

(1) Refer to Non-IFRS Measures for further information on EBITDA, Normalised EBITDA and Normalised Results.

**Mastermyne Group Limited**  
**(Formerly known as Metarock Group Limited)**  
**Directors' report**  
**31 December 2024**

	Statutory Results 1H FY25 \$'000	Assets Held for Sale Impairment Impact \$'000	Normalised Results 1H FY25 \$'000	Statutory Results 1H FY24 \$'000	Asset Sales & Impairment Impact <sup>2</sup> \$'000	Normalised Results 1H FY24 \$'000
Revenue	118,651	-	118,651	146,959	-	146,959
Other income	332	-	332	4,332	(4,066)	266
EBITDA <sup>1</sup>	6,914	700	7,614	18,092	(3,204)	14,888
Depreciation	(4,215)	-	(4,215)	(4,477)	-	(4,477)
Amortisation	(78)	-	(78)	(78)	-	(78)
Results from operating activities	2,621	700	3,321	13,537	(3,204)	10,333
Net finance costs	(395)	-	(395)	(2,470)	-	(2,470)
Profit/(loss) before tax	2,226	700	2,926	11,067	(3,204)	7,863
Income tax (expense)/benefit	(1,304)	(210)	(1,514)	(73)	-	(73)
Net profit/(loss) after tax from continuing operations	922	490	1,412	10,994	(3,204)	7,790
Profit/(loss) from discontinued operations	47	-	47	(90)	-	(90)
Total comprehensive profit/(loss) for the period	969	490	1,459	10,904	(3,204)	7,700

*Balance Sheet and Cash Flows*

The net assets of the Group on 31 December 2024 were \$74,906,000, an increase of \$1,329,000 compared to 30 June 2024, generated predominantly through profit from core operations. The net tangible assets amount of \$63,835,000 as at 31 December 2024 represented 21 cents per ordinary share.

Total assets of the Group decreased by \$4,175,000 to \$113,774,000 on 31 December 2024, compared to 30 June 2024. The decrease was predominantly due to a reduction in Trade and other receivables and a \$700,000 impairment on specific legacy plant items which remain held for sale.

Total liabilities of the Group decreased by \$5,504,000 to \$38,868,000 on 31 December 2024, compared to 30 June 2024. The decrease was predominantly due to the repayment of liabilities associated with assets classified as held for sale, scheduled monthly repayments of equipment finance facilities, and a reduction in trade payables and employee benefits.

Net cash flows from operating activities in 1H FY25 of \$13,225,000 showed a marked turnaround from the net cash outflow of \$(9,155,000) in 1H FY24.

On 22 July 2024, the Group executed an agreement to replace its Westpac invoice finance facility with a new facility from Scottish Pacific Business Finance Pty Ltd. This facility has a limit of \$30,000,000 with a minimum term of two years. A proposed \$5,000,000 equipment finance facility has been approved by Scottish Pacific Business Finance Pty Ltd, subject to documentation.

*Outlook*

As global energy transition and decarbonisation actions continue to evolve, it is evident that the demand for metallurgical coal will remain strong for the foreseeable future, whilst global demand for thermal coal is also expected to persist. Although coal prices, being subject to commodity markets, will continue to fluctuate, and legislative changes in the industrial relations field are starting to impact, the Company maintains a positive view on sustained long-term demand for its services and products.

- (1) Refer to Non-IFRS Measures for further information on EBITDA, Normalised EBITDA and Normalised Results.
- (2) In 1H FY24, the Group has normalised earnings for a gain of \$4,066,000 from the sale of plant and equipment and an impairment of \$862,000 on plant and equipment.

**Mastermyne Group Limited**  
**(Formerly known as Metarock Group Limited)**  
**Directors' report**  
**31 December 2024**

Whilst 1H FY25 revenues and profitability have been adversely impacted by externally driven events including the suspension of the Grosvenor services and competitive market conditions, the Company is well placed to combat these external challenges with its robust capital position, proven technical capabilities, market leading products and diverse project portfolio focused on stable top tier mine owners.

The Company's confidence in the forward outlook for its services and products is supported by a pipeline of identified opportunities valued at approximately \$1.0 billion and its order book as at 31 December 2024 of \$190.2 million (30 June 2024: \$280.5 million), noting that the latter reflects the impacts of the Grosvenor events and Anglo American sale process timing. In seeking to build the margin opportunity contained within the pipeline, the Company is being highly disciplined in selecting projects with a higher value-added component that are better suited to its competitive advantages.

Leading into 2H FY25, Mastermyne is currently mobilising for the supply of Wilson Mining strata control products and services to GM3 at their recently acquired Appin and Dendrobrium mines in NSW and is in discussions in relation to the potential provision of broader services at those projects. The Group's training business unit, MyneSight, has achieved a successful launch of its outsourced digital training services solution at Coronado's new Mammoth mine, which is expected to generate order book growth in that business unit.

The Company's capital position also enables growth and efficiency opportunities to be crystallised. One example is a major systems improvement project progressing to implementation stage, which is expected to enhance cost competitiveness, whilst another relates to potential growth opportunities involving capital expenditure given the net cash balance and reset borrowing capacity.

Overall, the Company intends to continue the themes of maintaining financial stability, continuing to elevate safety performance and providing value adding solutions to its clients.

### Non-IFRS Financial Information

Non-IFRS financial information is not defined or specified in International Financial Reporting Standards (IFRS), however is derived from the Group's Consolidated Financial Statements which are prepared in accordance with IFRS.

Mastermyne uses non-IFRS financial information to reflect the Group's financial performance and the non-IFRS financial information presented in this report is consistent with how management review financial performance of the Group. The definition of non-IFRS financial information and why management believe non-IFRS financial information is useful is outlined below. While management believe non-IFRS financial information is useful, it should not be used as a substitute for statutory financial information. The calculation of the non-IFRS financial information is presented earlier in this report.

- EBITDA refers to Profit/(loss) before Discontinued Operations, Net Finance Expenses, Income Tax Expense/Benefit, Depreciation and Amortisation. Management monitors EBITDA as it is considered to reflect the operational profitability of the Group excluding the impact of previous investments in property, plant and equipment and intangible assets.
- Normalised Results refers to statutory results less normalisations for significant non-recurring income and/or expenditure. Normalised results is presented to improve comparability of financial performance between reporting periods.
- Normalised EBITDA refers to EBITDA, as defined above, less normalisations for significant non-recurring income and/or expenditure. Normalised EBITDA is presented to improve comparability of operating financial performance between reporting periods.

### Dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Recognising the improvements in the Company's financial strength over the past 18 months, the current financial position of the Company, and the Company's outlook, the Board has resolved to recommence dividend payments, starting with the declaration of an interim fully franked dividend for FY25 of 0.5 cents per share.

### 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.



**Mastermyne Group Limited**  
**(Formerly known as Metarock Group Limited)**  
**Directors' report**  
**31 December 2024**

**Rounding of amounts**

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

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

On behalf of the Board



---

Peter Barker  
Chair

26 February 2025  
Brisbane



---

Jeffrey Whiteman  
Managing Director & CEO

For personal use only

---

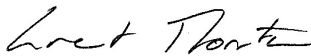
**Grant Thornton Audit Pty Ltd**  
King George Central  
Level 18  
145 Ann Street  
Brisbane QLD 4000  
GPO Box 1008  
Brisbane QLD 4001  
T +61 7 3222 0200

## Auditor's Independence Declaration

### To the Directors of Mastermyne Group Limited (formerly Metarock Group Limited)

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of Mastermyne Group Limited for the half-year ended 31 December 2024. I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b no contraventions of any applicable code of professional conduct in relation to the review.



Grant Thornton Audit Pty Ltd  
Chartered Accountants



A F Newman  
Partner – Audit & Assurance  
Brisbane, 26 February 2025

[www.grantthornton.com.au](http://www.grantthornton.com.au)  
ACN-130 913 594

---

Grant Thornton Audit Pty Ltd ACN 130 913 594 a subsidiary or related entity of Grant Thornton Australia Limited ABN 41 127 556 389 ACN 127 556 389. 'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton Australia Limited is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate one another and are not liable for one another's acts or omissions. In the Australian context only, the use of the term 'Grant Thornton' may refer to Grant Thornton Australia Limited ABN 41 127 556 389 ACN 127 556 389 and its Australian subsidiaries and related entities. Liability limited by a scheme approved under Professional Standards Legislation.

**Mastermyne Group Limited**  
**(Formerly known as Metarock Group Limited)**  
**Condensed consolidated statement of comprehensive income**  
**For the half-year ended 31 December 2024**

	Note	31 December 2024 \$'000	31 December 2023 \$'000
<b>Continuing operations</b>			
Revenue from contracts with customers	4	118,651	146,959
Other income		332	4,332
Contract disbursements		(24,878)	(27,376)
Personnel expenses		(81,346)	(99,339)
Office expenses		(4,333)	(4,501)
Depreciation and amortisation expense		(4,293)	(4,555)
Other expenses		(812)	(1,121)
Impairment loss	5	(700)	(862)
<b>Results from operating activities</b>		<b>2,621</b>	<b>13,537</b>
Finance income	6	392	33
Finance expenses	6	(787)	(2,503)
<b>Net finance expenses</b>		<b>(395)</b>	<b>(2,470)</b>
<b>Profit before income tax expense from continuing operations</b>		<b>2,226</b>	<b>11,067</b>
Income tax expense	7	(1,304)	(73)
Profit after income tax expense from continuing operations		922	10,994
Profit/(loss) after income tax (expense)/benefit from discontinued operations	8	47	(90)
<b>Profit after income tax (expense)/benefit for the half-year attributable to the owners of Mastermyne Group Limited</b>		<b>969</b>	<b>10,904</b>
Other comprehensive income for the half-year, net of tax		-	-
<b>Total comprehensive income for the half-year attributable to the owners of Mastermyne Group Limited</b>		<b>969</b>	<b>10,904</b>
Total comprehensive income for the half-year is attributable to:			
Continuing operations		922	10,994
Discontinued operations		47	(90)
		<b>969</b>	<b>10,904</b>
		<b>Cents</b>	<b>Cents</b>
<b>Earnings per share for profit from continuing operations attributable to the owners of Mastermyne Group Limited</b>			
Basic earnings per share		0.3	3.6
Diluted earnings per share		0.2	3.3
<b>Earnings per share for profit attributable to the owners of Mastermyne Group Limited</b>			
Basic earnings per share		0.3	3.6
Diluted earnings per share		0.3	3.3

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

**Mastermyne Group Limited**  
**(Formerly known as Metarock Group Limited)**  
**Condensed consolidated statement of financial position**  
**As at 31 December 2024**

	Note	31 December 2024 \$'000	30 June 2024 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		35,157	26,036
Trade and other receivables		34,997	45,344
Inventories		9,381	9,572
		<u>79,535</u>	<u>80,952</u>
Assets classified as held for sale	10	2,851	3,572
Total current assets		<u>82,386</u>	<u>84,524</u>
<b>Non-current assets</b>			
Property, plant and equipment	11	10,680	8,040
Right-of-use assets		5,075	8,299
Intangible assets		11,071	11,150
Deferred tax assets	7	4,562	5,936
Total non-current assets		<u>31,388</u>	<u>33,425</u>
<b>Total assets</b>		<u>113,774</u>	<u>117,949</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables		15,915	19,826
Contract liabilities		7	47
Borrowings	12	1,248	652
Lease liabilities		2,213	2,436
Current tax liabilities		1,536	1,377
Employee benefit obligations		10,553	11,507
Provisions		2,013	1,969
		<u>33,485</u>	<u>37,814</u>
Liabilities directly associated with assets classified as held for sale	10	1,038	2,234
Total current liabilities		<u>34,523</u>	<u>40,048</u>
<b>Non-current liabilities</b>			
Borrowings	12	1,004	1,351
Lease liabilities		3,139	2,777
Employee benefit obligations		202	196
Total non-current liabilities		<u>4,345</u>	<u>4,324</u>
<b>Total liabilities</b>		<u>38,868</u>	<u>44,372</u>
<b>Net assets</b>		<u>74,906</u>	<u>73,577</u>
<b>Equity</b>			
Equity	13	112,385	112,003
Other reserves		(23,903)	(23,881)
Accumulated losses		(53,219)	(54,188)
Profit reserve		39,643	39,643
<b>Total equity</b>		<u>74,906</u>	<u>73,577</u>

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

**Mastermyne Group Limited**  
**(Formerly known as Metarock Group Limited)**  
**Condensed consolidated statement of changes in equity**  
**For the half-year ended 31 December 2024**

	Share capital \$'000	Accumulated losses \$'000	Other equity \$'000	Share-based payments \$'000	Common control reserve \$'000	Total equity \$'000
Balance at 1 July 2023	111,180	(54,188)	-	-	(24,237)	32,755
Profit after income tax expense for the half-year	-	10,904	-	-	-	10,904
Other comprehensive income for the half-year, net of tax	-	-	-	-	-	-
Total comprehensive income for the half-year	-	10,904	-	-	-	10,904
<i>Transactions with owners in their capacity as owners:</i>						
Issue of ordinary shares - placement	761	-	-	-	-	761
Share-based payment transactions	-	-	-	13	-	13
Unissued shares	-	-	62	-	-	62
Balance at 31 December 2023	<u>111,941</u>	<u>(43,284)</u>	<u>62</u>	<u>13</u>	<u>(24,237)</u>	<u>44,495</u>

	Share capital \$'000	Accumulated losses \$'000	Profit reserve \$'000	Share-based payments \$'000	Common control reserve \$'000	Total equity \$'000
Balance at 1 July 2024	112,003	(54,188)	39,643	356	(24,237)	73,577
Profit after income tax expense for the half-year	-	969	-	-	-	969
Other comprehensive income for the half-year, net of tax	-	-	-	-	-	-
Total comprehensive income for the half-year	-	969	-	-	-	969
<i>Transactions with owners in their capacity as owners:</i>						
Issue of ordinary shares - Non-executive director plan	52	-	-	(52)	-	-
Share-based payment transactions	-	-	-	360	-	360
Share options exercised	330	-	-	(330)	-	-
Balance at 31 December 2024	<u>112,385</u>	<u>(53,219)</u>	<u>39,643</u>	<u>334</u>	<u>(24,237)</u>	<u>74,906</u>

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

**Mastermyne Group Limited**  
**(Formerly known as Metarock Group Limited)**  
**Condensed consolidated statement of cash flows**  
**For the half-year ended 31 December 2024**

	Note	31 December 2024* \$'000	31 December 2023* \$'000
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		142,678	250,710
Payments to suppliers and employees (inclusive of GST)		(129,186)	(256,462)
		<u>13,492</u>	<u>(5,752)</u>
Insurance recovery		-	93
Interest received		392	77
Interest paid		(787)	(3,842)
Receipts of government grants and subsidies		<u>128</u>	<u>269</u>
Net cash from/(used in) operating activities	9	<u>13,225</u>	<u>(9,155)</u>
<b>Cash flows from investing activities</b>			
Payment of deferred consideration		-	(2,050)
Payments for property, plant and equipment	11	(862)	(3,299)
Proceeds from sale of PYBAR	8	334	-
Proceeds from sale of property, plant and equipment		<u>2</u>	<u>32,018</u>
Net cash from/(used in) investing activities		<u>(526)</u>	<u>26,669</u>
<b>Cash flows from financing activities</b>			
Proceeds from issues of shares		-	761
Proceeds from borrowings		1,892	13,125
Repayment of borrowings		(2,840)	(37,156)
Payments of lease liabilities (principal)		<u>(2,630)</u>	<u>(3,837)</u>
Net cash used in financing activities		<u>(3,578)</u>	<u>(27,107)</u>
Net increase/(decrease) in cash and cash equivalents		9,121	(9,593)
Cash and cash equivalents at the beginning of the financial half-year		<u>26,036</u>	<u>12,902</u>
Cash and cash equivalents at the end of the financial half-year		<u><u>35,157</u></u>	<u><u>3,309</u></u>

Information includes discontinued operations. For the cash flows from discontinued operations, refer to note 8.

**Mastermyne Group Limited**  
**(Formerly known as Metarock Group Limited)**  
**Notes to the condensed consolidated financial statements**  
**31 December 2024**

## 1. Basis of preparation

This condensed consolidated interim financial report for the half-year reporting period ended 31 December 2024 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. The interim report has been prepared for the Group consisting of Mastermyne Group Limited ('the Company') and its controlled entities (together referred to as the 'Group' and individually as 'Group entities').

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by Mastermyne Group Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The interim financial report is presented in Australian dollars, which is the Company's functional currency and the functional currency of each entity in the Group. The interim financial report has been prepared under the historical cost convention. Mastermyne Group Limited is a for-profit entity for the purposes of preparing the interim report. The Group is primarily involved in providing mining services, including mine operations, contracting, training and related services, to underground coal mines and supporting industries across Australia via its core brands: Mastermyne, Wilson Mining and Mynesight.

With effect from 26 November 2024, the name of the Company was changed from Metarock Group Limited to Mastermyne Group Limited.

### Significant estimates and judgements

The preparation of the interim financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The areas involving significant estimates, assumptions or judgements that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities in the next financial period are:

- Recognition of deferred tax asset for carried-forward tax losses;
- Key assumptions used in value-in-use calculations to determine recoverable amount of cash generating units;
- Key assumptions used in estimating demobilisation provisions;
- Determining the lease term and the incremental borrowing rate;
- Measurement of share-based payments.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

### Discontinued operations

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale.

The financial results of discontinued operations, including profit/loss on disposal of the discontinued operation, are excluded from the results of the continuing operations and are presented as a single line item, Profit from discontinued operation, in the consolidated statement of comprehensive income. The consolidated statement of comprehensive income for the comparative period is also restated.

The consolidated statement of financial position and consolidated statement of cash flows is not restated for discontinued operations. The net assets at each period end and the cash flows for the current and prior period are separately disclosed in note 8 'Discontinued operations'.

### Material accounting policy information

The accounting policies applied in this condensed consolidated interim financial report are the same as those applied in the Group's consolidated financial report for the year ended 30 June 2024 and corresponding interim reporting period, except for the adoption of new and amended accounting standards as set out below.

**Mastermyne Group Limited**  
**(Formerly known as Metarock Group Limited)**  
**Notes to the condensed consolidated financial statements**  
**31 December 2024**

**1. Basis of preparation (continued)**

A number of amended standards became applicable in the current reporting period but did not have an impact on the interim financial statements of the Group.

**New or amended Accounting Standards and Interpretations adopted**

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

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

The following Accounting Standards and Interpretations are most relevant to the Group:

- AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current (AASB 101)
- AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants (AASB 101 & AASB Practice Statement 2)

As a result of the adoption of the amendments to AASB 101, the Group changed its accounting policy for the classification of borrowings such that Borrowings are classified as current liabilities unless at the end of the reporting period, the Group has a right to defer settlement of the liability for at least 12 months after the reporting period.

This new policy did not result in a change in the classification of the Groups borrowings and no retrospective adjustments were required as a result of adopting the amendments to AASB 101.

**Rounding of amounts**

The Company is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the interim financial statements. Amounts in the interim financial statements have been rounded off in accordance with the instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

**Corporate information**

The interim financial report was authorised for issue by the board of directors on 26 February 2025.

Mastermyne Group Limited is a Company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Riverside Plaza  
45 River Street  
Mackay QLD 4740

**2. Significant changes in the current reporting period**

The financial position and performance of the Group was particularly affected by the following events and transactions during the six months to 31 December 2024:

- The Group recognised an impairment loss of \$700,000 on assets classified as held for sale. The impairment loss was recognised based on a reassessment of the fair value less costs to sell, which resulted in a write-down to the assets recoverable amount.



**Mastermyne Group Limited**  
**(Formerly known as Metarock Group Limited)**  
**Notes to the condensed consolidated financial statements**  
**31 December 2024**

**3. Segment information**

The Group's operating segments are based on the internal reports that are reviewed and used by Chief Executive Officer (CEO), who is identified as the Chief Operating Decision Maker ('CODM'), in assessing performance and in determining the allocation of resources.

The Group has assessed the reportable segments and determined that there is one reportable segment (Mastermyne), which comprises the following two operating segments:

- Mastermyne Contracting - Provides mine development and all mine support services such as roadway construction, ventilation, conveyors, longwall relocations, application of polymeric strata support, chemical application, cavity fill, strata consolidation, ventilation control devices, production and ancillary equipment services and industrial products. The products and services (including chemical products and services, consumables and training) are provided to the underground long wall coal mining operations in the coalfields and supporting coal mining industries of Queensland and New South Wales.

Mastermyne Operations - Whole of mine operations where we are appointed as the 'Mine Operator' and are responsible for all underground operations and support functions to deliver the coal to the ROM stockpile.

The Group has determined that the operating segments meet the criteria for aggregation into a single reportable segment as the CODM reviewed results, assessed performance and allocated resources at a consolidated level and:

the services exhibit similar economic characteristics;

the products and services are all provided to customers in the underground coal mining sector, to a consistent target customer base using consistent methods of product/service delivery; and

the products and services all operate within the Coal Mining Act regulatory environment.

As the information reported to the CODM is the consolidated results of the Mastermyne Contracting and Mastermyne Operations operating segments, the segment results for the half-year ended 31 December 2024 and 31 December 2023 are shown throughout the financial statements and are not duplicated here.

For information regarding product and service sales, refer to note 4.

**4. Revenue from contracts with customers**

**(a) Disaggregation of revenue from contracts with customers**

The Group derives revenue from contracts with customers from the transfer of goods and services at a point in time as follows:

	<b>Half-year</b>	
	<b>31 December 2024</b>	<b>31 December 2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Contracting revenue	116,223	142,996
Sale of goods	2,051	3,563
Machinery hire	377	400
	<u>118,651</u>	<u>146,959</u>

The Company derives revenue from contracting, sale of goods and machinery hire. Following a management review, it was determined that machinery hire revenue relates to stand-alone equipment hire arrangements. Other equipment related revenue forms part of a broader service agreement with the customer and is reflected within contracting revenue for the half-year ended 31 December 2024. The comparative disclosure for 31 December 2023 has been restated accordingly.

**Mastermyne Group Limited**  
**(Formerly known as Metarock Group Limited)**  
**Notes to the condensed consolidated financial statements**  
**31 December 2024**

**5. Material profit or loss items**

The Group has identified a number of items which are material due to the significance of their nature and/or amount. These are listed separately here to provide a better understanding of the financial performance of the Group.

	Half-year	
	31 December 2024 \$'000	31 December 2023 \$'000
<b>Continuing operations</b>		
<i>Other income</i>		
Government grants and subsidies	128	220
Gain on sale of plant and equipment	-	4,066
	<u>128</u>	<u>4,286</u>
<i>Impairment losses</i>		
Impairment of Crinum property, plant and equipment	-	(90)
Impairment of other property, plant and equipment	-	(772)
Impairment of assets held for sale <sup>(i)</sup>	(700)	-
	<u>(700)</u>	<u>(862)</u>
<i>Expenses</i>		
Onerous contract expense relating to Cook	-	(237)
Total material items from continuing operations	<u>(572)</u>	<u>3,187</u>

(i) Following a management review of assets classified as held for sale, an impairment loss was recognised. This loss was based on a reassessment of the fair value less costs to sell, resulting in a write-down to the assets' recoverable amounts.

**6. Finance income and costs**

	Half-year	
	31 December 2024 \$'000	31 December 2023 \$'000
<b>Finance income</b>		
Finance income	392	33
<b>Finance costs</b>		
Finance costs paid/payable for borrowings	(592)	(1,750)
Finance costs paid/payable for lease liabilities and unwinding of discount	(195)	(321)
Deferred consideration: unwinding of discount/interest	-	(432)
	<u>(787)</u>	<u>(2,503)</u>
Net finance costs	<u>(395)</u>	<u>(2,470)</u>

**Mastermyne Group Limited**  
**(Formerly known as Metarock Group Limited)**  
**Notes to the condensed consolidated financial statements**  
**31 December 2024**

**7. Income tax**

(a) Numerical reconciliation of income tax expense to prima facie tax payable

A reconciliation between income tax expense/(benefit) and the product of accounting profit before income tax multiplied by the Company's applicable income tax rate is as follows:

	<b>Half-year</b>	
	<b>31 December 2024 \$'000</b>	<b>31 December 2023 \$'000</b>
Profit/(loss) from continuing operations before income tax expense	2,226	11,067
Profit/(loss) from discontinued operations before income tax expense	313	(163)
	<u>2,539</u>	<u>10,904</u>
Tax at the Australian tax rate of 30.0% (2024: 30.0%)	762	3,271
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
Non-deductible equity settled share based payment expenses	108	-
Other non-deductible expenses	32	20
Non-assessable gain on sale of Pybar	(94)	-
	<u>808</u>	<u>3,291</u>
Previously unrecognised tax losses used to reduce deferred tax expense	-	(2,428)
Previously unrecognised tax losses now recouped to reduce current tax expense	-	(863)
Under/(over) provision in prior period	762	-
Income tax expense/(benefit)	<u>1,570</u>	<u>-</u>
Income tax (benefit)/expense attributable to:		
Profit/(loss) from continuing operations	1,304	73
Profit/(loss) from discontinued operations	266	(73)
	<u>1,570</u>	<u>-</u>

(b) Deferred tax balances

	<b>31 December 2024 \$'000</b>	<b>30 June 2024 \$'000</b>
Receivables	-	138
Employee benefits	3,272	3,587
Accruals and provisions	1,967	2,625
Lease liabilities	1,635	1,520
Inventory	111	167
Total deferred tax assets	<u>6,985</u>	<u>8,037</u>
Property, plant and equipment	(581)	(512)
Intangible assets	(224)	(248)
Right-of-use assets	(1,522)	(1,341)
Receivables	(96)	-
Total deferred tax liabilities	<u>(2,423)</u>	<u>(2,101)</u>
Net deferred tax assets/(liabilities)	<u>4,562</u>	<u>5,936</u>

**Mastermyne Group Limited**  
**(Formerly known as Metarock Group Limited)**  
**Notes to the condensed consolidated financial statements**  
**31 December 2024**

**7. Income tax (continued)**

The Group has not recognised a deferred tax asset associated with carried forward tax losses as at 31 December 2024 (\$19,741,000) and 30 June 2024 (\$15,909,000). These tax losses predominantly relate to losses transferred into the tax consolidated group as a result of previous acquisitions which can only be utilised in the future if the same business test is passed. The recovery of the potential tax benefit is therefore uncertain. The unrecognised potential tax benefit of the unused tax losses at 31 December 2024 is \$5,922,000 (30 June 2024 \$4,773,000).

**8. Discontinued operations**

Sale of PYBAR

On 18 March 2024, the Group entered into a binding Share Sale and Purchase Agreement to sell 100% of its shareholding in PYBAR Holdings Pty Limited to Thiess Pty Ltd, a wholly owned subsidiary of Thiess Group Holdings Pty Ltd.

The sale completed on 31 May 2024 and is reported in the prior period as a discontinued operation. During the half-year ended 31 December 2024, the Group recognised an adjustment to the disposal consideration following the finalisation and receipt of the completion adjustment required in accordance with the share sale agreement. A summary of the impact is outlined below:

	<b>Half-year 31 December 2024 \$'000</b>
Cash proceeds from sale (completion adjustment)	334
Costs to sell	(56)
Adjustment to carrying amounts of net assets disposed (deferred tax)	35
	<hr/>
Gain on sale of PYBAR	<u>313</u>

Financial performance information

The financial performance and cash flow information presented are for the six months ended 31 December.

	<b>Half-year</b>	
	<b>31 December 2024 \$'000</b>	<b>31 December 2023 \$'000</b>
Revenue	-	87,469
Other income	-	551
Expenses	-	(76,455)
Depreciation expense	-	(8,703)
Amortisation expense	-	(1,473)
Results from operating activities	<hr/>	<hr/> 1,389
Finance income	-	44
Finance expenses	-	(1,596)
Net finance expenses	<hr/>	<hr/> (1,552)
Profit/(loss) before income tax	<hr/>	<hr/> (163)
Income tax (expense)/benefit	(266)	73
Profit/(loss) after income tax of discontinued operations	<hr/> (266)	<hr/> (90)
Gain on sale of PYBAR	313	-
Profit/(loss) from discontinued operations	<hr/> 47	<hr/> (90)

**Mastermyne Group Limited**  
**(Formerly known as Metarock Group Limited)**  
**Notes to the condensed consolidated financial statements**  
**31 December 2024**

**8. Discontinued operations (continued)**

Cash flow information

	Half-year	
	31 December 2024 \$'000	31 December 2023 \$'000
Net cash from operating activities	-	7,188
Net cash from/(used in) investing activities	313	(1,579)
Net cash used in financing activities	-	(10,200)
	<hr/>	<hr/>
Net increase/(decrease) in cash and cash equivalents from discontinued operations	313	(4,591)
	<hr/> <hr/>	<hr/> <hr/>

**9. Reconciliation of profit after income tax to net cash from/(used in) operating activities**

		Half-year	
	Note	31 December 2024* \$'000	31 December 2023* \$'000
Profit after income tax (expense)/benefit for the half-year		969	10,904
Adjustments for:			
Depreciation		4,215	13,180
Amortisation of intangible assets		78	1,551
Impairment of property, plant and equipment		-	862
Impairment of assets held for sale	5	700	-
Net (gain)/loss on termination of leases		(71)	31
Non-cash employee benefits expense - share-based payments		360	75
Net (gain)/loss on sale or loss of current and non-current assets		86	(4,154)
Net (gain)/loss on disposal of PYBAR	8	(313)	-
Net finance expense		-	257
Change in operating assets and liabilities:			
Decrease/(increase) in trade and other receivables		10,291	(6,422)
Decrease/(increase) in inventories		191	(2,439)
Decrease in trade and other payables		(3,907)	(13,944)
Decrease in contract liabilities		(40)	(12)
Decrease in employee benefits		(948)	(2,460)
Increase/(decrease) in provisions		44	(6,584)
Decrease in deferred tax assets	7	1,411	-
Increase in current tax liabilities	7	159	-
		<hr/>	<hr/>
Net cash from/(used in) operating activities		13,225	(9,155)
		<hr/> <hr/>	<hr/> <hr/>

\*Information includes discontinued operations. For the cash flows from discontinued operations, refer to note 8.

For personal use only

**Mastermyne Group Limited**  
**(Formerly known as Metarock Group Limited)**  
**Notes to the condensed consolidated financial statements**  
**31 December 2024**

**10. Assets classified as held for sale**

Assets and liabilities classified as held for sale

During the half-year ended 31 December 2024, the Group recognised an impairment loss of \$700,000 on plant and equipment classified as held for sale. The impairment loss was recognised following a review of the carrying value of these assets in light of the assets' current condition, market conditions and other factors that indicated a reduction in their recoverable amount. These assets are being actively marketed, however due to a limited domestic market for such assets, the Group has extended its marketing actions to include offshore markets. The Group expects the sale of these assets to be completed before the end of December 2025.

The impairment loss was recognised based on a reassessment of the fair value less costs to sell, which resulted in a write-down to the assets' recoverable amount.

(i) Fair value hierarchy level

The fair value measurement of the asset is categorised as Level 2 within the fair value hierarchy, as it is based on observable market data for similar asset. The fair value is determined using recent sales data and market conditions for similar types of asset.

(ii) Valuation technique

The fair value of the asset was determined using a market approach based on recent sales transactions of comparable asset in the market. This technique considers observable market prices for asset with similar specifications and condition.

(iii) Key assumptions

The key assumptions used in determining the fair value less costs to sell include:

**Market price of comparable asset:** The fair value was based on market value for similar asset in overseas market, discounted to take into consideration the current asset condition. Due to the likelihood of sale in an overseas market, the discount for alternate specification and conversion, along with any associated costs, has been factored into the assessment to meet the specifications and standards of the overseas market.

**Selling costs:** The selling costs were estimated based on market premiums as a percentage of the sale value and associated freight costs.

The carrying value of assets held for sale prior to the impairment was \$3,551,000. As a result of this impairment, the carrying amount of these assets has been adjusted to their recoverable value of \$2,851,000.

The assets held for sale and the liabilities directly associated with the assets classified as held for sale are disclosed below:

	<b>31 December</b>	<b>30 June 2024</b>
	<b>2024</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>Assets classified as held for sale</i>		
Property, plant and equipment	2,851	3,572
<i>Liabilities directly associated with assets classified as held for sale</i>		
Borrowings	1,038	2,234

**Mastermyne Group Limited**  
**(Formerly known as Metarock Group Limited)**  
**Notes to the condensed consolidated financial statements**  
**31 December 2024**

**11. Property, plant and equipment**

	<b>31 December 2024 \$'000</b>	<b>30 June 2024 \$'000</b>
Leasehold improvements - at cost	131	216
Less: Accumulated depreciation	(126)	(154)
	<u>5</u>	<u>62</u>
Plant and equipment - at cost	46,009	41,470
Less: Accumulated depreciation	(35,599)	(33,856)
	<u>10,410</u>	<u>7,614</u>
Motor vehicles - at cost	401	401
Less: Accumulated depreciation	(380)	(346)
	<u>21</u>	<u>55</u>
Computer equipment - at cost	1,342	1,988
Less: Accumulated depreciation	(1,098)	(1,679)
	<u>244</u>	<u>309</u>
Total property, plant and equipment	<u><u>10,680</u></u>	<u><u>8,040</u></u>

Reconciliation of carrying amounts

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

	<b>Plant and equipment \$'000</b>	<b>Motor vehicles \$'000</b>	<b>Leasehold improvements \$'000</b>	<b>Computer equipment \$'000</b>	<b>Total \$'000</b>
Balance at 1 July 2024	7,614	55	62	309	8,040
Additions	815	-	-	47	862
Disposals	-	-	(53)	(20)	(73)
Transfers in/(out) <sup>(i)</sup>	3,720	-	-	-	3,720
Depreciation expense	(1,739)	(34)	(4)	(92)	(1,869)
Balance at 31 December 2024	<u><u>10,410</u></u>	<u><u>21</u></u>	<u><u>5</u></u>	<u><u>244</u></u>	<u><u>10,680</u></u>

(i) Right-of-Use assets were transferred to Plant and Equipment as the Company took legal ownership of the equipment upon the conclusion of the hire purchase agreements. The transferred value was \$3,720,000, representing the net book value of the Right-of-Use assets at the time the agreement concluded.

**Mastermyne Group Limited**  
**(Formerly known as Metarock Group Limited)**  
**Notes to the condensed consolidated financial statements**  
**31 December 2024**

**12. Borrowings**

	31 December 2024			30 June 2024		
	Current \$'000	Non-current \$'000	Total \$'000	Current \$'000	Non-current \$'000	Total \$'000
<i>Secured</i>						
Equipment finance facilities <sup>(i)</sup>	680	1,004	1,684	652	1,351	2,003
<i>Unsecured</i>						
Other loans	568	-	568	-	-	-
Total borrowings	1,248	1,004	2,252	652	1,351	2,003

Finance arrangements

The Group had access to the following undrawn credit facilities at the end of the reporting period:

	31 December 2024		30 June 2024	
	Facility limit \$'000	Undrawn amount \$'000	Facility limit \$'000	Undrawn amount \$'000
<i>Secured</i>				
Equipment finance facility <sup>(i)</sup>	2,722	-	4,237	-
Invoice finance facility <sup>(ii)</sup>	30,000	30,000	7,500	7,500
Bank guarantee facility	83	-	350	268
Corporate credit card facility	130	128	150	146
Total secured facilities	32,935	30,128	12,237	7,914
<i>Unsecured</i>				
Other finance facilities <sup>(iii)</sup>	568	-	-	-
Total facilities	33,503	30,128	12,237	7,914

(i) Equipment finance facility

Term facilities comprise agreements with De Lage Landen and drawn amounts are reflected within Borrowings and Assets Directly Associated with Assets Classified as Held for Sale.

The facilities are fixed rate, Australian dollar denominated loans which are carried at amortised cost and repayable monthly in arrears over a term of up to five years. The specific term and interest rate varies by agreement and is set at the outset of each advance.

(ii) Invoice finance facility

On 22 July 2024, the Group's operating subsidiaries jointly executed an invoice finance facility agreement with Scottish Pacific Business Finance Pty Ltd. The facility has a limit of \$30,000,000 with a minimum term of two years.

The above facility replaces the previous Westpac invoice finance facility, which was terminated effective 22 July 2024. Westpac released its general security over the Group in connection with the termination of the facility. The Group has no remaining covenants with Westpac.

(iii) Other finance facilities

Other finance facilities relates to an insurance premium funding loan which commenced in July 2024. The facility is a fixed rate, Australian dollar denominated loan which is carried at amortised cost and repayable monthly in arrears over a term of nine months.



**Mastermyne Group Limited**  
**(Formerly known as Metarock Group Limited)**  
**Notes to the condensed consolidated financial statements**  
**31 December 2024**

**13. Equity**

	<b>31 December 2024 Shares</b>	<b>30 June 2024 Shares</b>	<b>31 December 2024 \$'000</b>	<b>30 June 2024 \$'000</b>
Ordinary shares - fully paid	<u>309,276,963</u>	<u>306,525,971</u>	<u>112,385</u>	<u>112,003</u>

Movements in ordinary share capital

<b>Details</b>	<b>Date</b>	<b>Shares</b>	<b>\$'000</b>
Balance	1 July 2024	306,525,971	112,003
Non-executive director plan		305,439	52
Employee share scheme issues		<u>2,445,553</u>	<u>330</u>
Balance	31 December 2024	<u><u>309,276,963</u></u>	<u><u>112,385</u></u>

Non-executive director plan

On 26 November 2024, the proposed issuance of ordinary shares to non-executive directors was approved at the 2024 Annual General Meeting. The Company granted 101,813 ordinary shares to each of the three non-executive directors at \$0.17 per share.

Performance rights

On 14 October 2024, 2,445,553 performance rights on issue to Mr J. Romcke vested and the remaining 2,069,315 forfeited.

On 26 November 2024, the proposed issuance of performance rights to Mr. J Whiteman was approved at the 2024 Annual General Meeting. The Company granted 2,102,851 performance rights on 26 November 2024. The performance rights will vest on 1 October 2027, subject to the vesting conditions being met.

**14. Related party transactions**

In September 2024, the Equipment Hire Agreement with M Mining Pty Ltd ended. Revenue of \$332,143 was recognised during the half-year ended 31 December 2024 (31 December 2023: \$396,429) in connection with the agreement. M Mining Pty Ltd is a subsidiary of M Mining Services Pty Ltd, a substantial shareholder of the Group. Amounts received are at arm's length and subject to normal payment terms.

In August 2024, the agreement for the lease of business premises in Brisbane from M Resources Trading Pty Ltd ended. Rent expenses of \$16,667 was recognised within Office Expenses during the half-year ended 31 December 2024 (31 December 2023: \$49,998) in connection with the agreement. M Resources Trading Pty Ltd is connected to M Mining Services Pty Ltd, a substantial shareholder of the Group. Amounts paid for rent are at arm's length and subject to normal payment terms.

During the half-year ended 31 December 2024, following the approval of shareholders at the Annual General Meeting, the Group engaged M Resources Pty Ltd on an exclusive basis to provide services that support merger and acquisition opportunities (M&A Support Agreement). M Resources Pty Ltd is an affiliate of M Mining Services Pty Ltd, a substantial shareholder of the Group. The M&A Support Agreement will continue for rolling terms of 2 years unless either party gives notice not to renew the agreement at least 6 months before the end of a 2-year term.

Amounts payable to M Resources Pty Ltd under the M&A Support Agreement comprise a retainer of \$20,000 (excluding GST) per calendar month and, in the event of successfully completing an acquisition of a third-party business, a success fee calculated as 0.7% of the enterprise value of the third-party business acquired (excluding GST). During the half-year period ended 31 December 2024, \$120,000 was recognised as an expense within Office Expenses. The amounts paid for services are at arm's length and are due and payable under normal payment terms.

**Mastermyne Group Limited**  
**(Formerly known as Metarock Group Limited)**  
**Notes to the condensed consolidated financial statements**  
**31 December 2024**

## 15. Dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

*Dividends not recognised at the end of the half -year*

Since the end of the half-year, the directors have resolved to pay an interim dividend of 0.5 cents per fully paid ordinary share. The dividend will be fully franked, based on tax paid at 30%.

## 16. Contingencies

Contingent liabilities

### Claims

The Office of the Work Health and Safety Prosecutor ('OWHSP') has laid charges and served summons on Mastermyne Crinum Operations Pty Ltd subsequent to Resources Safety & Health Queensland's (RSHQ) investigation into the tragic incident at Crinum Mine in September 2021 which fatally injured an experienced Mastermyne employee. Because the court will now consider the charge, it is not appropriate for the Company to make further public comments about the incident until the conclusion of legal proceedings. If a liability eventuates, there is mitigation through the Company's insurance program. No liability for penalties or asset for insurance recoveries has been reflected in the statement of financial position due to the matter's contingent status.

OWHSP has laid charges and served summons on Mastermyne Contracting Services Pty Ltd after the RSHQ investigations into two separate incidents at the Moranbah North Mine:

- The tragic incident in March 2022 which fatally injured an experienced Mastermyne employee. Because the court will now consider the charge, it is not appropriate for the Company to make further public comments about the incident until the conclusion of legal proceedings. If a liability eventuates, there is mitigation through the Company's insurance program. No liability for penalties or asset for insurance recoveries has been reflected in the statement of financial position due to the matter's contingent status.

- An incident in August 2022 which resulted in bodily harm to an experienced Mastermyne employee. Because the court will now consider the charge, it is not appropriate for the Company to make further public comments about the incident until the conclusion of legal proceedings. If a liability eventuates, there is mitigation through the Company's insurance program. No liability for penalties or asset for insurance recoveries has been reflected in the statement of financial position due to the matter's contingent status.

Mine and Tunnel Constructions Pty Limited (MTC) has served a claim upon Mastermyne Pty Limited (Mastermyne) in the Supreme Court of Queensland for \$2,586,774 plus interest and costs. MTC asserts that Mastermyne failed to pay the remaining hire charges for a Continuous Miner that was declared lost and unrecoverable by the mine owner in November 2019. Mastermyne paid MTC the proceeds from its insurance claim for the lost and unrecoverable miner (net of amounts owed by MTC to Mastermyne). Mastermyne is of the opinion that the claim has no basis and has filed a counter-claim.

Notice of a claim under a specific indemnity relating to a historical divestment agreement has been received by the Company. It is not practical to estimate the potential quantum of this claim at this stage, but it is considered unlikely that a significant liability will arise.

A claim for damages was lodged against Mastermyne NSW Pty Ltd (formerly Falcon Mining Pty Ltd) in 2021 in relation to a quality issue that allegedly occurred at a customer site in May 2020. It is not practical to estimate the potential effect of this claim, but legal advice indicates that it is not probable that a significant liability will arise.

## **17. Events occurring after the reporting period**

### **Performance rights issued**

At the annual general meeting for Mastermyne Group Limited on 26 November 2024, shareholders approved the renewal of the Mastermyne Employee Performance Rights Plan and the future issue of securities under that plan. Subsequently, on 27 December 2024, the Group disclosed the issue of 7,212,847 performance rights of which 5,826,273 were offered to employees in December 2024 and subsequently accepted in January 2025. Performance rights of 695,010 were offered to employees post December 2024 and are pending employee acceptance as at the date of this report with the remaining 691,564 available to be offered to employees at a later date.

### **Dividends not recognised at the end of the half-year**

Refer to note 15 for dividends resolved to be declared since the end of the reporting period.

No other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

For personal use only

**Mastermyne Group Limited**  
**(Formerly known as Metarock Group Limited)**  
**Directors' declaration**  
**31 December 2024**

In the directors' opinion:

- (a) the financial statements and notes set out on pages 2 to 24 are in accordance with the *Corporations Act 2001*, including:
- (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
  - (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the half-year ended on that date and
- (b) there are reasonable grounds to believe that Mastermyne Group Limited will be able to pay its debts as and when they become due and payable.

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

For personal use only



---

Peter Barker  
Chair



---

Jeffrey Whiteman  
Managing Director & CEO

26 February 2025  
Brisbane

## Independent Auditor's Review Report

To the Members of Mastermyne Group Limited (formerly Metarock Group Limited)

### Report on the half year financial report

#### Conclusion

We have reviewed the accompanying half year financial report of Mastermyne Group Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2024, and 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, including material accounting policy information, other selected 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 Mastermyne Group Limited does not comply with the *Corporations Act 2001* including:

- a giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half year ended on that date; and
- b complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### Basis for Conclusion

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

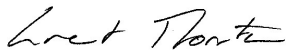
### **Directors' responsibility for the half-year financial report**

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

### **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 Group's financial position as at 31 December 2024 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.



Grant Thornton Audit Pty Ltd  
Chartered Accountants



A F Newman  
Partner – Audit & Assurance  
Brisbane, 26 February 2025

For personal use only