Annual Report FY25

MRG Metals Limited

ABN: 83 148 938 532

For the Year ended 30 June 2025

Contents

Chairman's Letter

Dear Shareholders,

FY25 has been a defining year for MRG Metals. We are proud of the substantial progress achieved across our portfolio, particularly in advancing the World-class, two billion tonne Corridor Sands Joint Venture (JV) in Mozambique.

During the year, we materially advanced the Corridor Sands JV with our partner, Sinowin Lithium. Securing both the Corridor Central and Corridor South mining licences was a major de-risking milestone, providing the regulatory foundation for development. These licences underpin a JORC resource in excess of two billion tonnes, positioning MRG as one of the most significant heavy mineral sands developers in the region.

Sinowin has already invested more than US$1 million into pre-production activities, and the first US$3 million tranche of their US$6 million commitment will be deposited once the Mozambican Government finalises the transfer of the licences into the JV entity, Terriland. Importantly, the JV structure ensures Sinowin funds 100% of development and operating costs up to 440,000 tonnes per annum (tpa) of production, with MRG free-carried at 30% equity in Stage One, reducing to a floor of 20% in later stages. A binding US$50 million drag-along clause further underpins the strategic value of our equity position.

Our pathway is now clear: initial production of 110,000tpa of heavy mineral concentrate within 12–18 months, scaling up to 220,000tpa and then 440,000tpa. Offtake agreements are fully managed by Sinowin, ensuring sales channels are in place and de-risking a key component of project delivery.

Beyond licences and funding, important groundwork has been laid. A US$500,000 Environmental and Social Impact Study is underway; Mozambique's state utility EDM has indicated they would invest US$820,000 for electrical infrastructure to enable year one production and Sinowin has assumed full operational control on the ground. Once final government approvals are received, the JV is well-positioned to move rapidly into construction and production.

Parallel to progress at Corridor Sands, MRG advanced its highly prospective rare earth element portfolio. At Adriano, our maiden exploration program delivered outstanding results, with every sample returning anomalous rare earths, 74% exceeding 1,000 parts per million TREO, and a peak of 3.24%. Notably, magnetic rare earths such as neodymium, praseodymium, dysprosium, and terbium accounted for ~22% of the total, commodities critical to electric vehicles and wind energy.

Adjacent to Adriano, the Fotinho licence creates the foundation of a district-scale rare earth corridor. Exploration will commence in October 2025, building on Adriano's early success and targeting both hard rock and alluvial mineralisation. Together, these assets represent a second growth engine for MRG, well aligned with global demand, which is forecast to triple by 2035.

Adding further depth to our portfolio, the Olinga Project was granted during the year, providing exposure to both uranium and rare earth elements. Early work programs including stream sediment sampling, auger drilling, and mineralogy are underway. Olinga diversifies our footprint into uranium, a commodity experiencing renewed global demand as nuclear power re-emerges as a key part of the clean energy transition. Adriano, Fotinho, and Olinga together establish MRG as a critical minerals and energy-transition company, not just a HMS developer. Our ability to achieve these milestones has also depended on the continued support of our Shareholders. Over the past 12 months, we successfully executed minimal capital raisings, as required to provide critical working capital to advance both the JV and our exploration portfolio. This funding has been instrumental to our progress, and I extend sincere thanks to Shareholders for their confidence and commitment.

The foundations laid this year provide a strong platform for the future. With a fully funded path to production, strategic partnerships, and an increasingly diversified critical minerals portfolio, we are confident in our ability to deliver sustainable shareholder value.

On behalf of the Board, I thank you for your ongoing support as we move into this exciting next chapter.

Andrew Van Der Zwan
Non-Executive Chairman
MRG Metals Limited

Review of Operations

Review of Operations

Mozambique Joint Venture – Fully Funded 2 Billion Tonne Heavy Mineral Sands

The financial year marked a transformational period for MRG Metals as it advanced the fully funded two billion tonne Corridor Sands Heavy Mineral Sands (HMS) Project in Mozambique toward development.

Production is targeted in the next 12 to 18 months.

The Joint Venture (JV) with Sinowin Lithium (HK) Co., Ltd and Sinowin Lithium Cobalt Ltd (collectively "Sinowin") was formally established, with the JV company Terriland now operational and majority-funded by our partner. Sinowin brings a strong history of identifying high-growth resource projects and converting them into significant shareholder value, having advanced and exited major ventures in other jurisdictions, including a recent successful exit in Canada valued at approximately US$86.5 million, before committing capital to Mozambique.

Key regulatory approvals were secured during the year. In January 2025, the Corridor Central Mining Licence (11142C) was granted by Mozambique's National Mining Institute (INAMI) and signed by the Minister of Mineral Resources and Energy. This licence covers the Koko Massava deposit, which hosts a JORC Mineral Resource Estimate of 1.53 billion tonnes at 5.1% total heavy minerals (THM), including a high-grade zone of 103 Mt at 6.6% THM.

In June 2025, the Corridor South Mining Licence (11137C) was approved, which includes the Nhacutse and Poiombo deposits, collectively containing 860 Mt at 4.9% THM with 257 Mt at 6.0% THM in high-grade material.

The JV is awaiting only the final approval from the Mozambique Government on the transfer of these licenses into the JV entity. Administrative restructuring within INAMI has temporarily delayed the formal transfer of Corridor Central and South licences into the JV entity. This is expected to be resolved before the end of 2025.

Although the first US$3 million tranche has not yet been formally deposited, a large share of these funds has already been applied to advance pre-production activities, with Sinowin having contributed an estimated US$1 million so far. Once the formal transfer of ownership has been approved, the first US$3 million tranche will be deposited into the JV's bank account.

Importantly, Sinowin has committed to fund 100% of capital and operating costs through to a production rate of 440,000 tonnes per annum.

Joint Venture Structure

The JV is structured such that Sinowin holds 70% and MRG 30% at inception, with MRG free carried until steady-state operations.

The staged development pathway is clearly defined:

- Phase One will target production of 110,000 tonnes per annum of heavy mineral concentrate within 12–18 months, with mine planning, environmental and social impact assessments, and procurement already advanced.

- Phase Two will expand production to 220,000 tpa, underpinned by the integration of Linhuane's high-grade mineralisation, where drilling has confirmed intercepts up to 17.9% THM.
- Phase Three will lift output to 440,000 tpa, incorporating the Marao licence, at which point MRG's interest adjusts to 20% but remains free carried.

In addition, the Linhuane Licence (7423L) was granted in May 2025. This asset is regarded as a potential company-maker given:

- The Linhuane project contains continuous, near-surface zones of HMS and is within proximity of Corridor Sands.
- Exceptionally high Total Heavy Mineral grades, ranging from 5% to 25%.
- THM at shallow depths (up to 10.5m), with standout drill results such as 10.5m @ 15.6% THM and 10m @ 17.9% HM.
- Such grades are well above industry averages and have the potential to substantial value to the JV.

During FY25, MRG completed a 100-hole infill auger drilling program at the Magonde target within the Marao licence.
Results:

- Laboratory assay results confirming standout mineralisation: 24MUHA048 returned 4.0% THM to 13.5m depth; 24MUHA070 returned 3.4% THM to 13.5m depth.
- Individual sample grades as high as 4.57% THM.
- Average THM assay grades were 8% higher than visually estimated values.
- Valuable Heavy Mineral (VHM) content confirmed at 48.16%, including rutile, zircon, and ilmenite.
- Geological continuity confirmed across 100-hole program totalling 1,350m.
- Potential to support a future JORC-compliant resource.

These results validate Marao inclusion as a future JV asset, scheduled to be transferred into the JV once Stage 3 production is underway.

Offtakes are De-Risked

A key strength of MRG's Joint Venture structure with Sinowin Lithium is the complete de-risking of the offtake strategy — often a major barrier for early-stage resource projects in frontier markets.

Unlike most junior-led developments, where offtake must be secured before funding or construction, the MRG-Sinowin JV structure delegates all offtake responsibilities to Sinowin.

Advantages:

- Removes the need for MRG to source offtake partners or negotiate long-term contracts independently.
- Eliminates the requirement for a pilot plant, avoiding up to US$10 million in CAPEX and associated delays.
- Streamlines project delivery by avoiding complex sampling and testwork logistics.
- Leverages Sinowin's established commercial network in China to secure multiple offtake options and downstream engagement.
- Sinowin has advised the Chongoene rail and industrial wharf consortium that JV production targets are increasing to 360,000 tonnes in Year 1, with a five-year goal of 800,000 tonnes per annum

With current market prices for concentrate exceeding US$300 per tonne the Company has strong near-term revenue visibility.

Project Delivery

Sinowin Lithium has taken control of JV field operations in early 2025 and is now driving the development roadmap. Key activities include:

- Funding all costs associated with licensing, permitting, exploration, management and early works.
- EDM (Mozambique's state utility) has confirmed electricity supply for Year 1 production with ~US$820,000 in JV capex committed for substation and line connection. Expansion planning is underway to meet the staged ramp-up.
- EIAS Study (contracted at >US$500k) expected to complete in 2025, after minor delays due to post-election disruption.
- Progressing pre-construction engineering works and procurement to meet the 12–18 month production timeline, supported by in-country staff and approvals from key government bodies.
- In parallel, Sinowin is progressing pre-construction engineering works and procurement to meet the 12–18 month production timeline, supported by in country staff and approvals from key government bodies.

Environmental Impact Assessment Study (EIAS)

EIAS with contract value in excess of USD$500,000 (refer ASX Announcement 8 November 2024):

- Progresses after 6-8 week delay associated with social unrest.
- Planned completion moved to mid Q3, 2025.

Electrical supply

- The JV has requested power supply from Electricidade de Moçambique, E.P. (EDM), a state-owned energy company of Mozambique. EDM has confirmed capacity for year 1, with transmission line and substation connection costs of circa USD$0.82 million.
- Supply in years 2 and 3 will be at higher levels with a planned plant expansion to require substation work, with Capex commitments from EDM/JV approaching USD$2 Million.
- The confirmation of year 1 supply is a significant benefit as the JV will be able to
- evaluate the best approach for plant expansion, while knowing Stage 1 plant requirements can be met by local supply.

With licences secured, funding commitments in place, and Sinowin managing the pathway to production, the Joint Venture is firmly positioned to transition from development to revenue generation within the next 12–18 months.

Developing Highly Prospective Rare Earths and Uranium Assets

In parallel with advancing the Heavy Mineral Sands joint venture, MRG Metals has built significant momentum across its pipeline of rare earth element (REE) and uranium assets in Mozambique.
These licences are supported by exceptional results from Adriano, which highlight its strong potential as a rare earth deposit. In addition, Fotinho lies directly adjacent to Adriano, together forming a large drainage catchment with proven rare earth element and thorium prospectivity.

Mozambique Exploration Portfolio

- **Adriano Project (Licence 11002L):** The Company's maiden program delivered outstanding results, with 100% of stream sediment samples anomalous in rare earths and 74% assaying above 1,000 ppm TREO. Peak assays reached 32,393 ppm TREO (3.24%), with magnetic rare earths (Nd, Pr, Dy, Tb) comprising ~22% of the assemblage, underscoring the project's high-value profile. Mobilisation for follow-up exploration, including auger drilling, soil sampling, and mineralogical testwork, is scheduled for late September 2025.
- **Fotinho Project (Licence 11000L):** Granted in late 2024, Fotinho sits directly adjacent to Adriano, creating a district-scale REE corridor with combined potential for both hard-rock and alluvial mineralisation. Exploration will commence in October 2025 and is expected to validate the catchment-wide REE potential.
- **Forming a large drainage catchment**: Fotinho sits directly alongside Adriano, with exploration commencing mid-October and targeting the definition of a strong, district-scale REE corridor
- **Olinga Project (Licence 11005L):** Olinga's Uranium potential is based on elevated uranium/thorium ratios observed in geophysical surveys.

Together, Adriano, Fotinho and Olinga establish a highly prospective exploration hub in Mozambique outside the HMS joint venture, providing a diversified portfolio.

Zimbabwe – Shawa Carbonatite Complex

Exploration at the Shawa Carbonatite Complex has confirmed multi-commodity potential. Laboratory assays returned phosphate grades up to 17.24% P_2O_5 and rare earth concentrations exceeding 2,500 ppm TREO.

A 50 kg bulk sample is undergoing metallurgical testwork targeting a concentrate grade of ~30% P_2O_5, while vermiculite and additional REE mineralisation provide further upside. Trenching and reverse circulation drilling are planned to test continuity of grade and tonnage in the coming phases.

Strategic Value

Taken together, MRG's REE and uranium portfolio positions the Company at the forefront of future-facing commodities.

While the HMS joint venture is expected to deliver near-term cash flow, the exploration portfolio provides exposure to sectors with structural long-term demand growth.

This dual strategy ensures shareholders benefit from both imminent production and participation in the accelerating global shift toward critical minerals.

Events After Balance Date

- **Capital Raise:** Post financial year, in July 2025 MRG announced a 3 for 10 entitlement offer of options to eligible shareholders to raise up to $817,956. The offer closed in August 2025 raising $500,646 and the Company issued 500,646,241 new MRQOD Options. The Company placed the shortfall of $317,309 on 25 September 2025.

- **Adriano and Fotinho Exploration:** Mobilisation of exploration teams is scheduled for September to October 2025, with initial assay results expected in the March 2026 quarter.
- **Mozambique Government Restructure:** Administrative restructuring within INAMI has temporarily delayed the formal transfer of Corridor Central and South licences into the JV entity. This is expected to be resolved during the second half of 2025.

Licences & Drilling Activities in FY25

- Corridor Central 11142C – HMS Mining Licence, granted January 2025.
- Corridor South 11137C – HMS Mining Licence, granted June 2025.
- Linhuane 7423L – HMS Exploration Licence, granted May 2025.
- Adriano 11002L – REE Exploration Licence, granted November 2023.
- Fotinho 11000L – REE Exploration Licence, granted October 2024.
- Marao 6842L – HMS Exploration Licence (granted previously, ongoing work).
- Corridor North 10779L – HMS Exploration Licence (active drilling).
- Olinga 11005L – Uranium Exploration Licence (early-stage exploration).

Drilling & Field Activities

- **Marao (Magonde target):** 100-hole infill auger drilling program completed (March 2025).
- **Corridor North:** 130-hole auger program underway (commenced post March 2025).
- **Adriano:** 42 stream sediment samples – all anomalous, peak 3.24% TREO.
- **Zimbabwe (Shawa):** 550 soil and rock samples analysed; bulk metallurgical testwork ongoing.

Planned FY26 Developments

- Achievement of first production (110,000 tpa) from Corridor Central and South.
- Expansion of operations to 220,000 tpa with Linhuane, followed by 440,000 tpa with Marao.
- Continued advancement of the Adriano – Fotinho corridor as a potential district scale REE discovery.
- Progression of the Shawa phosphate REE project in Zimbabwe through metallurgical test work and potential drilling.

Corporate

$0.8m Raised from Placement to Fund Exploration Developments

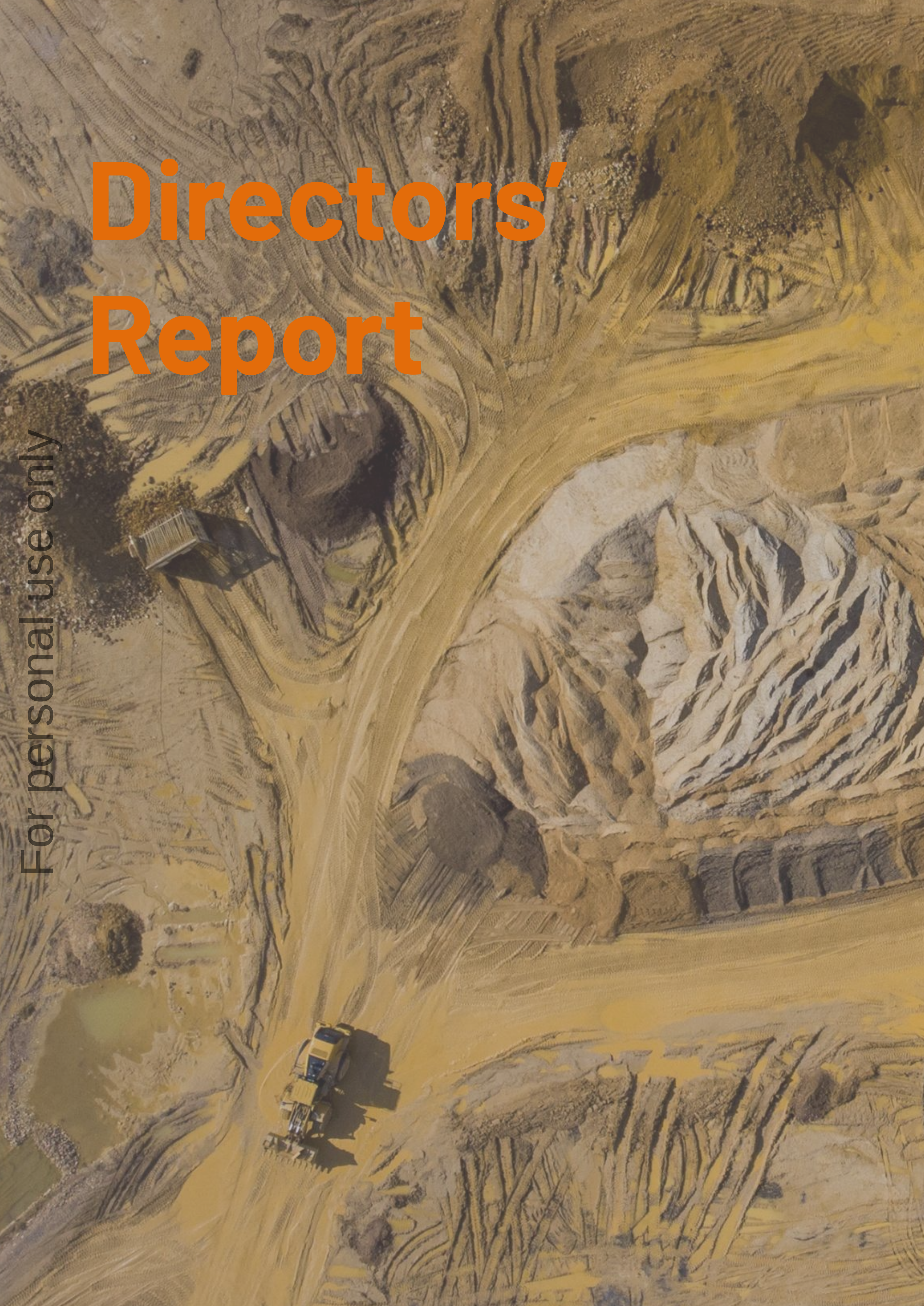
MRG completed a capital raising in July 2024 comprising a Placement of 177,777,776 fully paid ordinary shares at $0.0045, with 1 for 1 free attaching MRQO options, raising $0.8 million. Lead Manager for the Placement was Peak Asset Management, who received a fee of 6% of monies raised and 10,000,000 MRQO Options.

Tenements

The Tenements held by the Group at reporting date are as follows:

Project	Tenement	% Owned	Note
Norrliden	K nr 1	10	
Malanaset	nr 100	10	
Malanaset	nr 101	10	
Corridor Central	11142C	100	Mining Licence
Corridor South	11137C	100	Mining Licence
Corridor North	10779L	100	
Linhuane	7423L	100	
Marão	6842L	100	
Olinga	11005L	100	
Fotinho	11000L	100	
Adriano	11002L	100	
Lake Johnston	E63/2394	100	Application
Lake Johnston	E63/2446	100	Application
Forrestania	E77/3164	100	Application

Directors' Report



Directors' Report

The Directors of MRG Metals Ltd present their report together with the financial statements of the consolidated entity, being MRG Metals Ltd ('MRG' or 'the Company') and its controlled entities, MRG Metals (Australia) Pty Ltd, MRG Metals (Exploration) Pty Ltd, Lake Hope Lithium Pty Ltd, Sofala Resources Pty Ltd, Sofala Mining & Exploration Lda, Sofala Mining & Exploration I Lda, Sofala Mining & Exploration II Lda, Sofala Mining & Exploration III Lda, Sofala Mining & Exploration IV Lda, Sofala Mining & Exploration V Lda, Sofala Mining & Exploration VI Lda, Sofala Mining & Exploration VII Lda, Sofala Mining & Exploration VIII Lda, Sofala Mining & Exploration IX Lda and Sofala Mining & Exploration X Lda ('the Group') for the year ended 30 June 2024 and the Independent Auditor's Report thereon.

Director details

The following persons were directors of MRG Metals Ltd during or since the end of the financial year.

Mr Andrew Van Der Zwan

- BE Chemical Engineering (hons)
  Independent Non Executive Director since 07/01/2013
- Chairman since 08/10/2013
- Director since 14/02/2011
- Andrew has over 30 years engineering and commercial experience, both local and international. He was a Non Executive Director of Gulfx Ltd for 11 years and was employed in various senior positions within the worldwide operations of Exxon Mobil for 17 years.

Other current directorships:

- Argo Exploration Ltd (ASX: AXT) since 19/03/2013

Previous directorships (last 3 years):

- None

Interests in shares and options:

- 54,156,679 shares
- 14,166,667 options

Mr Shane Turner

- CA, Bachelor of Business
- Independent Non-Executive Director
- Director since incorporation 24/01/2011
- Shane is a Chartered Accountant and has over 30 years financial and accounting experience. He has been employed with KPMG, a large regional public accounting practice, operated his own public accounting practice and now is employed with RSM Australia. He has been Company Secretary and CFO of Akora Resources Ltd (ASX: AKO) since December 2023.

Other current directorships:

- None

Previous directorships (last 3 years):

- None

Interests in shares and options:

- 31,982,509 shares
- 6,666,667 options

Mr Christopher Gregory

- BSc Geology, MAusIMM, MAIG, FSEG, MAICD
- Independent Non-Executive Director
- Director since 12/08/2013
- Chris has extensive global minerals industry experience over 38 years, at both technical and executive levels. Career foundation of 22 years in the Asia-Pacific region with Rio Tinto. Past Vice President – Operational Geology at Mandalay Resources (TSX: MND). Founding Partner and Director of Sasak Minerals, vended into SensOre (Private).

Other current directorships:

- Trigg Minerals Limited (ASX: TMG) since 28 July 2025

Previous directorships (last 3 years):

- None

Interests in shares and options:

- 74,813,986 shares
- 9,166,667 options

Company secretary

Shane Turner is a Chartered Accountant and the Group Chief Financial Officer. Shane has held senior positions with a number of professional accounting firms and has a degree in Business. Shane has held the role of Company Secretary at Akora Resources Ltd (ASX: AKO) since December 2023. He has been the Company Secretary of MRG since incorporation on 24 January 2011.

Principal activities

During the period, the principal activities of entities within the Group were exploration and development of heavy mineral sands, rare earths and uranium within Mozambique, exploration at a Carbonatite Complex in Zimbabwe and Lithium in Western Australia. There have been no significant changes in the nature of these activities during the period.

Review of operations and financial results

The operating result of the Group for the year ended was a loss of $939,011 (2024 loss $847,054). Refer detailed Review of Operations that precedes this report.

Earnings per share from continuing operations (0.03) cents (2024 (0.04) cents).
Earnings per share from discontinued operations (0.01) cents (2024 (0.00) cents).

Further information on the detailed operations of the Group during the year is included in the Review of Operations Report.

Significant changes in the state of affairs

During the year, the Group continued its Joint Venture to progress its Mozambique Heavy Mineral Sands (HMS) Projects to production, with the Joint Venture taking over management and funding of HMS Projects.

The Group carried out exploration on its Mozambique Rare Earth Elements Adriano Project.

The Group continued due diligence exploration on a Zimbabwe Carbonatite Project.

The West Australian Lithium Projects were on care and maintenance.

During the year, the Group raised $898,000 before costs.

Dividends

There were no dividends declared or paid during the financial period.

Events arising since the end of the reporting period

Entitlement Offer of $0.8m to Fund Exploration Developments: Post financial year, in July 2025 MRG announced a 3 for 10 entitlement offer of options to eligible shareholders to raise up to $817,956. The offer closed in August 2025 raising $500,646 and the Company issued 500,646,241 new MRQOD Options. Subsequently, on 25 September 2025, the Company placed the shortfall of $317,309 and issued 317,309,000 MRQOD Options.

Likely developments

- Progress Corridor HMS projects to Production with JV Partner.
- Explore on recently granted Linhuane HMS Project.
- Explore on Mozambique Rare Earth Elements and Uranium Projects.
- Explore on West Australian Lithium tenements.
- Progress exploration due diligence on Zimbabwe Carbonatite Project to decide if MRG will enter into a Joint Venture to own and further explore and develop.
- Pursue a sale of Norrliden.

Business risk management

The Company is committed to the effective management of risk to reduce uncertainty in the Company's business outcomes and to protect and enhance shareholder value. There are various risks that could have a material impact on the achievement of the Company's strategic objectives and future prospects.

Key risks and mitigation activities associated with the Company's objectives are set out below:

The Company is committed to the effective management of risk to reduce uncertainty in the Company's business outcomes and to protect and enhance shareholder value. There are various risks that could have a material impact on the achievement of the Company's strategic objectives and future prospects.

Exploration and development risk

The Company's projects are at various stages of exploration and development, and potential investors should understand that mineral exploration is a high-risk undertaking. There can be no assurance that exploration of these projects, or any other tenements that may be acquired in the future, will result in the discovery of an economic mineral deposit.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, local title processes, changing government regulations and many other factors beyond the control of the Company.

In addition, the tenements forming the projects of the Company may include various restrictions excluding, limiting or imposing conditions upon the ability of the Company to conduct exploration activities. While the Company will formulate its exploration plans to accommodate and work within such access restrictions, there is no guarantee that the Company will be able to satisfy such conditions on commercially viable terms, or at all.

The Company uses a number of exploration techniques in order to reduce the level of exploration risks and continues to explore new and innovative technologies through its day to day operations.

Regulatory risk

The Company's mining and exploration activities are dependent upon the maintenance (including renewal) of the tenements in which the Company has or acquires an interest. Maintenance of the Company's tenements is dependent on, among other things, the Company's ability to meet the licence conditions imposed by relevant authorities. Although the Company has no reason to think that the tenements in which it currently has an interest will not be renewed, there is no assurance that such renewals will be given as a matter of course and there is no assurance that new conditions will not be imposed by the relevant authority or whether the Company will be able to meet the conditions of renewal on commercially reasonable terms, if at all.

The Company works with local government and mining departments to ensure it meets the required level of reporting requirements and to reduce any potential for breach of regulatory requirements

Future funding risk

The Company has no operating revenue and is unlikely to generate any operating revenue in the foreseeable future. Exploration and development costs and pursuit of its business plan will use funds from the Company's current cash reserves and the amounts raised under future Equity Offers.

Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the then market price (or Offer Price) or may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities.

Although the Directors believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its activities and this could have a material adverse effect on the Company's activities and could affect the Company's ability to continue as a going concern. The Company's funding requirements are reviewed on a regular basis in order to mitigate future funding risk.

Farm in and joint venture risk

The Company has commenced a joint venture on its Mozambique Corridor Sands projects during the year. This joint venture arrangement is subject to conditions and expenditure requirements to achieve certain ownership percentage ownership of the relevant projects.

The joint venture arrangement will be subject to risks typically associated with arrangements of that kind, including but not limited to that either party may seek to terminate or withdraw from the arrangement or fail to meet their obligations thereunder. There is also the potential for disputes in respect of the obligations of the parties to the joint venture.

Environmental regulation

The consolidated entity holds participating interests in a number of exploration tenements. The various authorities granting such tenements require the tenement holder to comply with the terms of the grant of the tenement and all directions given to it under those terms of the tenement. To the best of the Directors' knowledge, the Group has adequate systems in place to ensure compliance with the requirements of all environmental legislation described above and are not aware of any breach of those requirements during the financial year and up to the date of the Directors' report.

Directors' meetings

The number of meetings of directors held during the period and the number of meetings attended by each director were as follows:

Name	Board meetings	
	A	B
Mr A Van Der Zwan	4	4
Mr S Turner	4	4
Mr C Gregory	4	4

Legend

A is the number of meetings the Director was entitled to attend
B is the number of meetings the Director attended

Remuneration Report (audited)

The Directors of MRG Metals Ltd ('the Group') present the Remuneration Report prepared in accordance with the Corporations Act 2001 and the Corporations Regulations 2001.

The remuneration report is set out under the following main headings:

a) Principles used to determine the nature and amount of remuneration
b) Details of remuneration
c) Service agreements
d) Share-based remuneration
e) Bonuses included in remuneration
f) Other information

(a) Principles used to determine the nature and amount of remuneration

The principles of the Group's executive strategy and supporting incentive programs and frameworks are:

- To align rewards to business outcomes that deliver value to shareholders;
- To drive a high performance culture by setting challenging objectives and rewarding high performing individuals; and
- To ensure remuneration is competitive in the relevant employment market place to support the attraction, motivation and retention of executive talent.

MRG Metals Ltd has structured a remuneration framework that is market competitive and complementary to the reward strategy of the Group.

The Board, in accordance with its charter as approved by the Board, is responsible for determining and reviewing compensation arrangements for the directors and the executive team.

The remuneration structure that has been adopted by the Group consists of the following components:

- Fixed remuneration being annual salary;
- Share-based payments; and
- Superannuation to meet statutory obligations.

Fixed remuneration consists of base salary and superannuation. The Board assesses the appropriateness of the nature and amount of remuneration on a periodic basis by reference to recent employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and executive team.

The payment of bonuses, share options and other incentive payments are reviewed by the Board annually as part of the review of executive. Long-term incentives include share-based payments. All bonuses, options and incentives must be linked to pre-determined performance criteria.

Non-executive directors remuneration.
Fees and payments to non-executive directors reflect the demands and responsibilities of their role.

Consolidated entity performance and link to remuneration
Remuneration for certain individuals is tied to the performance of the consolidated entity. Refer to the section 'Additional information' below for details of the earnings and total shareholders return for the last five years

Use of remuneration consultants
During the financial year ended 30 June 2025, the consolidated entity did not engage any external remuneration consultants to review or advise on its remuneration policies. Instead alternative methods were used to ensure that remuneration arrangements remained competitive and aligned with market standards. The Board is satisfied that these processes provided a robust framework for determining remuneration outcomes.

Voting and comments made at the Company's 2024 Annual General Meeting ('AGM')
At the 2024 AGM, 82.38% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2024. The Company did not receive any specific feedback at the AGM regarding its remuneration practices

(b) Details of remuneration

Details of the nature and amount of each element of the remuneration of each key management personnel ('KMP') of MRG Metals Ltd are shown in the table below.

Director and other Key Management Personnel Remuneration

	Short term employee benefits			**Post-employment benefits**	**Long-term benefits**	**Termination benefits**	**Share-based payments**		**% of remuneration that is performance based**
Name	**Cash salary & fees ($)**	**Cash bonus ($)**		**Superannuation ($)**	**Long-term bonus ($)**	**Termination payments ($)**	**Performance Rights ($) (1)**	**Total ($)**	
Non-executive directors									
Mr A Van Der Zwan	100,000	-		11,500	-	-	11,156	122,656	9%
Mr S Turner	100,000	-		11,500	-	-	11,156	122,656	9%
Mr C Gregory	100,000	-		11,500	-	-	11,156	122,656	9%
2025 Total	**300,000**	**-**		**34,500**	**-**	**-**	**33,468**	**367,968**	**9%**
Non-executive directors									
Mr A Van Der Zwan	100,000	-		11,000	-	-	-	111,000	0%
Mr S Turner	100,000	-		11,000	-	-	-	111,000	0%
Mr C Gregory	100,000	-		11,000	-	-	-	111,000	0%
2024 Total	**300,000**	**-**		**33,000**	**-**	**-**	**-**	**333,000**	**0%**

(1) Non-monetary benefits include Performance Rights that will lapse if they have not vested within their performance period ranging from 2 to 5 years from grant date (29 November 2024). The amount for each Non-executive director was $11,156 for the year based on the Monte-Carlo valuation model.

(c) Service agreements

Remuneration and other terms of employment for Directors and other Key Management Personnel are formalised in a service agreement. The major provisions of the agreements relating to remuneration are set out below:

Name	Base salary	Term of agreement	Notice period
Mr A Van Der Zwan - Director	$50,000	Rotation per Corporations Act 2001	Nil
Mr A Van Der Zwan - Consultant	$50,000	No fixed term	Nil
Mr C Gregory - Director	$50,000	Rotation per Corporations Act 2001	Nil
Mr C Gregory - Consultant	$50,000	No fixed term	Nil
Mr S Turner - Director	$50,000	Rotation per Corporations Act 2001	Nil
Mr S Turner - Consultant	$50,000	No fixed term	Nil

(d) Share based remuneration

Issue of shares – There were no shares issued to directors and other key management personnel as part of compensation.

Issue of options - There were no options issued to directors and other key management personnel as part of compensation.

Issue of performance rights – On 29 November 2024, a total of 67,500,000 performance rights were issued. Each director received 22,500,000 performance rights as part of this allocation. The fair value of each right was determined based on the Company's share price at the grant date, which was 0.3 cents. These performance rights carry a nil exercise price. The combined fair value of these rights was $202,500 and is being amortised over the vesting period, of which $33,469 was incurred as an expense in the current period. The specific terms and conditions attached to these performance rights are outlined below:

1. Class A – 5,000,000 vesting upon the Joint Venture on Heavy Minerals Sands Projects achieving Stage 1 Milestone. That is, 110,000 tonnes of annual HMS Concentrate Capacity, as confirmed by the feasibility study report. The performance period is 2 years from grant (29 November 2026);
2. Class B – 7,500,000 vesting upon the Joint Venture on Heavy Minerals Sands Projects achieving Stage 2 Milestone. That is, 220,000 tonnes of annual HMS Concentrate Capacity, as confirmed by the feasibility study report. The performance period is 4 years from grant (29 November 2028); and
3. Class C – 10,000,000 vesting upon the Joint Venture on Heavy Minerals Sands Projects achieving Stage 3 Milestone. That is, 440,000 tonnes of annual HMS Concentrate Capacity, as confirmed by the feasibility study report. The performance period is 5 years from grant (29 November 2029).

(e) Bonuses included in remuneration

No short-term incentive cash bonuses were awarded as remuneration during the financial year.

(f) Other information

Loans to key management personnel (KMP) – there were no loans from the Group to KMP's during the financial year (2024: nil).

The Group used the accounting and taxation services of RSM Australia, an entity associated with Mr. Turner and Mr. Turner. The amounts billed were based on normal market rates and amounted to $38,000 to Mr. Turner and $0 to RSM (2024 $38,000 to Mr. Turner and $0 to RSM).

Shares held by key management personnel

The number of ordinary shares in the Company held by each of the Group's key management personnel, including their related parties, is set out below:

2025 Key Management Person	Balance at start of year	Additions	Received on exercise	Other changes	Held at the end of the reporting period
Van Der Zwan	54,156,679	-	-	-	54,156,679
Turner	31,982,509	-	-	-	31,982,509
Gregory	74,813,986	-	-	-	74,813,986
	160,953,174	**-**	**-**	**-**	**160,953,174**

2024 Key Management Person	Balance at start of year	Additions	Received on exercise	Other changes	Held at the end of the reporting period
Van Der Zwan	44,156,679	10,000,000	-	-	54,156,679
Turner	26,982,509	5,000,000	-	-	31,982,509
Gregory	69,813,986	5,000,000	-	-	74,813,986
	140,953,174	**20,000,000**	**-**	**-**	**160,953,174**

Options held by key management personnel

The number of options to acquire shares in the Company held by each of the key management personnel of the Group; including their related parties are set out below.

2025 Key Management Person	Balance at start of year	Additions	Deleted on exercise	Ceased/Lapsed	Held at the end of the reporting period
Van Der Zwan	14,166,667	-	-	-	14,166,667
Turner	6,666,667	-	-	-	6,666,667
Gregory	9,166,667	-	-	-	9,166,667
	30,000,001	**-**	**-**	**-**	**30,000,001**

2024 Key Management Person	Balance at start of year	Additions	Deleted on exercise	Ceased/Lapsed	Held at the end of the reporting period
Van Der Zwan	4,166,667	10,000,000	-	-	14,166,667
Turner	1,666,667	5,000,000	-	-	6,666,667
Gregory	4,166,667	5,000,000	-	-	9,166,667
	10,000,001	**20,000,000**	**-**	**-**	**30,000,001**

Additional information

The results of the Group for the five years to 30 June 2025 are summarised below, together with the factors that are considered to affect total shareholders return:

	2025	2024	2023	2022	2021
Net profit/(loss) attributable to equity holders of the parent	$(939,011)	$(847,054)	$(846,894)	$(702,340)	$(665,660)
Closing share price at period end	$0.003	$0.004	$0.002	$0.0065	$0.008
Closing cash balance	$193,834	$359,546	$575,046	$1,017,533	$1,610,733

End of audited remuneration report.

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Shares under option:

2024	Date	No. options 1 July 2024	Issued/ (Expired)	No. options	Ex. price (cents)	Expiry date
Issue of options - placement	29/11/2022	140,000,000	-	140,000,000	0.8	31/12/2025
Issue of options - corporate mandate	29/11/2022	10,000,000	-	10,000,000	0.8	31/12/2025
Issue of options - corporate mandate	02/12/2022	9,240,000	-	9,240,000	0.8	31/12/2025
Issue of options – rights issue	19/01/2023	312,682,557	-	312,682,557	0.8	31/12/2025
Issue of options - placement	19/01/2023	10,000,001	-	10,000,001	0.8	31/12/2025
Issue of options - placement	07/08/2023	100,000,000	-	100,000,000	0.8	31/12/2025
Issue of options - corporate mandate	07/08/2023	10,000,000	-	10,000,000	0.8	31/12/2025
Issue of options - placement	15/12/2023	250,000,000	-	250,000,000	0.8	31/12/2025
Issue of options - corporate mandate	20/12/2023	211,200	-	211,200	0.8	31/12/2025
Issue of options - placement	12/03/2024	20,000,000	-	20,000,000	0.8	31/12/2025
Issue of options - corporate mandate	12/03/2024	17,388,800	-	17,388,800	0.8	31/12/2025
Issue of options - placement	10/07/2024	-	177,999,998	177,999,998	0.8	31/12/2025
Issue of options - corporate mandate	10/07/2024	-	18,400,000	18,400,000	0.8	31/12/2025
Issue of options – entitlement offer	27/08/2025	-	500,646,241	500,646,241	0.4	19/08/2027
Issue of options – entitlement offer	25/09/2025	-	317,309,000	317,309,000	0.4	19/08/2027
Closing balance at 29 September 2025		**879,522,558**	**1,014,355,239**	**1,893,877,797**		

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Shares issued on the exercise of options

There were no shares issued on the exercise of options during the year ended 30 June 2025 and up to the date of this report.

Environmental legislation

The Group's projects are subject to environmental regulation under laws in Australia, Sweden, Mozambique and Zimbabwe; specifically the Group is required to comply with terms of the grant of the tenement and all directions given to it under those terms of the tenement which it holds. There have been no known breaches of the tenement conditions, and no such breaches have been notified by any government agency during the period ended 30 June 2025.

Indemnities given and insurance premiums paid to auditors and officers

During the year, MRG Metals Ltd negotiated a premium to insure officers of the Group. The officers of the Group covered by the insurance policy include all directors.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else to cause detriment to the Group.

Details of the amount of the premium paid in respect of the insurance policies are not disclosed as such disclosure is prohibited under the terms of the contract.

The Group has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnity any current or former officer or auditor of the Group against a liability incurred as such by an officer or auditor.

Non-audit services

During the period, William Buck Audit (Vic) Pty Ltd, the Group's auditors, performed no other services in addition to their statutory audit duties.

Details of the amounts paid to the auditors of the Group, and its related practices for audit and non-audit services provided during the year are set out in note 13 to the Financial Statements.

A copy of the auditor's independence declaration as required under s307C of the Corporations Act 2001 is included on page 24 of this financial report and forms part of this Directors' Report.

Proceedings of behalf of the Group

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

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of MRG Metals Limited

As lead auditor for the audit of MRG Metals Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

— no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

— no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of MRG Metals Limited and the entities it controlled during the year.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

J. C. Luckins
Director
Melbourne, 29 September 2025

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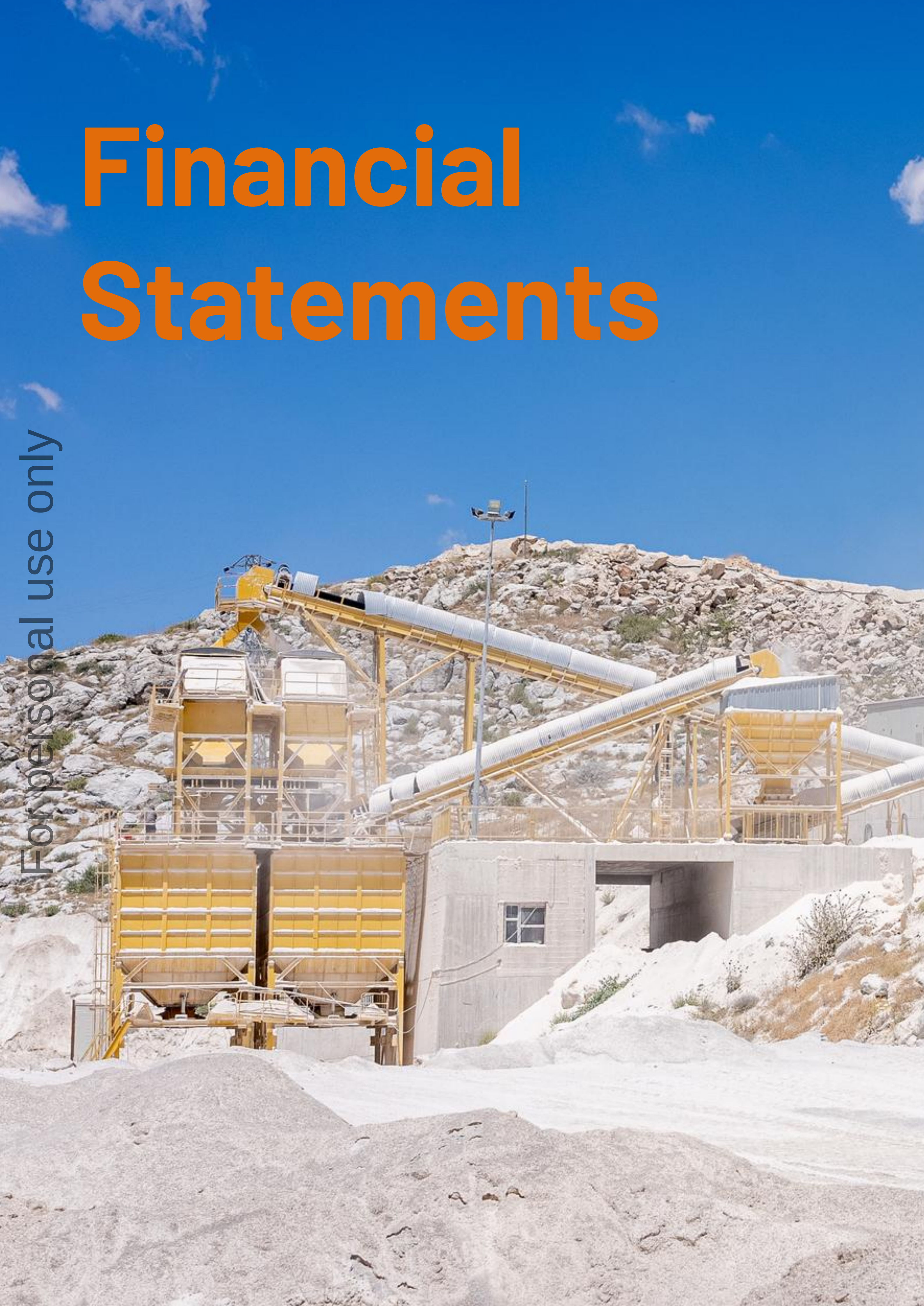
Financial Statements



Statement of Profit or Loss and other Comprehensive Income

for the year ended 30 June 2025

	Notes	Consolidated 2025 $	Consolidated 2024 $
Interest income		5,842	8,152
Employee benefits expense	6	(267,968)	(233,000)
Consultants		(126,311)	(24,733)
Administration expenses		(222,546)	(452,343)
Exploration expenses		(105,610)	(165,615)
Foreign exchange gain/(loss)		(9,622)	7,211
Loss before income tax expense from continuing operations		(726,215)	(860,328)
Income tax expense		-	-
Loss after income tax expense from continuing operations		(726,215)	(860,328)
Profit/(Loss) after income tax from discontinued operations	12	(212,796)	13,274
Other comprehensive income, net of tax		-	-
Total comprehensive loss attributable to the owners of MRG Metals Limited		(939,011)	(847,054)
Total comprehensive loss attributable to:			
Continuing operations		(726,215)	(860,238)
Discontinued operations		(212,796)	13,274

	Notes	2025	2024
Earnings per share for (loss)/profit from continuing operations attributable to the owners of MRG Metals Ltd		**Cents**	**Cents**
Basic earnings per share	14	(0.03)	(0.04)
Diluted earnings per share	14	(0.03)	(0.04)
Earnings per share for (loss)/profit from discontinued operations attributable to the owners of MRG Metals Ltd		**Cents**	**Cents**
Basic earnings per share	14	(0.01)	(0.00)
Diluted earnings per share	14	(0.01)	(0.00)
Earnings per share for (loss)/profit attributable to the owners of MRG Metals Ltd		Cents	Cents
Basic earnings per share	14	(0.04)	(0.04)
Diluted earnings per share	14	(0.04)	(0.04)

This statement should be read in conjunction with the notes to the financial statements.

Statement of Financial Position

As at 30 June 2025

	Notes	Consolidated 2025 $	Consolidated 2024 $
Assets			
Current			
Cash and cash equivalents		193,834	359,546
Other receivables and prepayments	8	66,764	403,012
		260,598	762,558
Non-current assets classified as held for sale	12	6,418,804	-
Total current assets		6,679,402	762,558
Non-current			
Plant and equipment		7,340	28,859
Exploration and evaluation	11	400,291	6,416,262
Total non-current assets		407,631	6,445,121
Total assets		7,087,033	7,207,679
Liabilities			
Current			
Trade and other payables	10	168,828	223,536
Total current liabilities		168,828	223,536
Total liabilities		168,828	223,536
Net assets		6,918,205	6,984,143
Equity			
Share capital	9	30,561,860	29,722,256
Reserve	9	346,152	312,683
Retained earnings		(23,989,807)	(23,050,796)
Total equity		6,918,205	6,984,143

This statement should be read in conjunction with the notes to the financial statements.

Statement of Changes in Equity

for the year ended 30 June 2025

This statement should be read in conjunction with the notes to the financial statements.

	Issued Capital $	Reserves $	Retained earnings $	Total equity $
Balance at 1 July 2024	29,722,256	312,683	(23,050,796)	6,984,143
Loss after income tax expense for the period	-	-	(939,011)	(939,011)
Total comprehensive loss for the period	-	-	(939,011)	(939,011)
Transactions with owners in their capacity as owners:				
Issue of share capital	898,800	-	-	898,800
Transaction costs	(59,196)	-	-	(59,196)
Share based payment expense	-	33,469	-	33,469
Balance at 30 June 2025	30,561,860	346,152	(23,989,807)	6,918,205

	Issued Capital $	Reserves $	Retained earnings $	Total equity $
Balance at 1 July 2023	28,638,645	312,683	(22,203,742)	6,747,586
Loss after income tax expense for the period	-	-	(847,054)	(847,054)
Total comprehensive loss for the period	-	-	(847,054)	(847,054)
Transactions with owners in their capacity as owners:				
Issue of share capital	1,165,000	-	-	1,165,000
Transaction costs	(81,389)	-	-	(81,389)
Balance at 30 June 2024	29,722,256	312,683	(23,050,796)	6,984,143

This statement should be read in conjunction with the notes to the financial statements.

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Statement of Cash Flows

for the year ended 30 June 2025

	Notes	Consolidated 2025 $	Consolidated 2024 $
Operating activities			
Interest received		5,842	8,152
Management fees received		193,424	44,984
Payments to suppliers and employees		(813,646)	(784,052)
Net cash used in operating activities	15	(614,380)	(730,916)
Investing activities			
Receipt from term deposits		-	23,096
Payment for exploration & evaluation		(341,136)	(589,622)
Acquisition of plant & equipment		-	(1,643)
Net cash used in investing activities		(341,136)	(568,169)
Financing activities			
Proceeds from issue of capital		801,000	1,040,000
Payment of transaction costs		(11,196)	(31,389)
Joint venture funds on trust		-	74,974
Net cash from financing activities		789,804	1,083,585
Net change in cash and cash equivalents		(165,712)	(215,500)
Cash and cash equivalents, beginning of year		359,546	575,046
Cash and cash equivalents, end of year		193,834	359,546

This statement should be read in conjunction with the notes to the financial statements.

Notes to the Consolidated Financial Statements

1. Nature of operations

The activities of MRG Metals Ltd and its controlled entities, MRG Metals (Australia) Pty Ltd, MRG Metals (Exploration) Pty Ltd, Lake Hope Lithium Pty Ltd, Sofala Resources Pty Ltd, Sofala Mining & Exploration Lda, Sofala Mining & Exploration I Lda, Sofala Mining & Exploration II Lda, Sofala Mining & Exploration III Lda, Sofala Mining & Exploration IV Lda, Sofala Mining & Exploration V Lda, Sofala Mining & Exploration VI Lda, Sofala Mining & Exploration VII Lda, Sofala Mining & Exploration VIII Lda, Sofala Mining & Exploration IX Lda and Sofala Mining & Exploration X Lda are exploration and development of heavy mineral sands, rare earths, uranium in Mozambique; exploration at a Carbonatite Complex in Zimbabwe and exploration for Lithium in Western Australia.

2. General information and statement of compliance

The consolidated general purpose financial statements of the Group have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. Compliance with Australian Accounting Standards results in full compliance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

MRG Metals Ltd is the Group's ultimate parent company. MRG Metals Ltd is a public company incorporated and domiciled in Australia.

The consolidated financial statements for the year ended 30 June 2025 were approved and authorised for issue by the board of directors on 29 September 2025.

3 New 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.

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

4 Material accounting policy information

4.1 Overall considerations

The accounting policies that are material to the consolidated entity are set out below.

The consolidated financial statements have been prepared using the measurement bases specified by Australian Accounting Standards for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies below.

The financial statements are presented in Australian dollars, which is the Group's functional and presentation currency.

4.2 Basis of measurement

Going Concern

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

For the year ended 30 June 2025, the Group recorded a loss after tax of $939,011 (which included an impairment charge against VAT receivable of $406,220) and net cash outflows for the year then ended from operating and investing activities were $955,516. These factors indicate a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern.

The following matters have been considered by the Directors in assessing the Group's continuing viability of the business having the ability to pay its debts as and when they fall due:

- The Group raised $500,646 in August 2025 and $317,309 in September 2025 via an Entitlement Offer subsequent to 30 June 2025 (refer Note 20). The Group has a successful record in raising capital in the past and will continue to seek opportunities as they arise.
- Under the Joint Venture entered into on 12 June 2024, the Joint Venture is funding all costs of the HMS projects.
- The ability of the Group to scale down its operations or redirect exploration expenditure if required, including the ability to defer amounts payable to Directors as far as necessary should sufficient working capital not be available.
- The Group's position as at 26 September 2025 includes cash reserves of $696,623; a positive working capital position and no material changes to the Group's liabilities or non-cancellable commitments.

Based on the factors outlined above and management's assessment of the Group's financial position and operational flexibility, the Directors are satisfied that the Group has access to sufficient working capital to enable it to pay its debts as and when they fall due for a period of at least twelve months from the date of this report, and for that reason the financial statements have been prepared on the basis that the Group is a going concern, which contemplates the continuity of normal business activity, realisation of assets and the settlement of liabilities in the normal course of business.

4.3 Basis of consolidation

The Group financial statements consolidate those of the parent company and its subsidiary undertakings drawn up to 30 June 2025. The parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. All subsidiaries have a reporting date of 30 June.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

4.4 Segment reporting

Operating segments are presented using the 'management approach', where information is presented on the same basis as the internal reports provided to chief operating decision makers, being the Board of Directors. The Board of Directors are responsible for the allocation of resource to operating segments and assessing their performance.

4.5 Other income

Interest income is recognised on an accrual basis using the effective interest method.

4.6 Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the service or at the date of their origin.

4.7 Exploration and evaluation

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit or loss in the year in which the decision to abandon the area is made.

A regular review for impairment is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

4.8 Income taxes

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, the Australian Taxation Office (ATO) and other fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with investments in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are always provided for in full.

Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income.

Deferred tax assets and liabilities are offset only when the Group has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income (such as the revaluation of land) or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively. The carry forward tax losses at 30 June 2025 were $20,990,046.

4.9 Other Receivables

Other receivables are recognised at amortised cost, less any impairment.

4.10 Trade Payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial period and which are unpaid. Due to their short term nature they are measured at amortised cost and not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

4.11 Equity

Share capital represents the nominal value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from share capital, net of any related income tax benefits.

Retained earnings include all current and prior period retained profits.

4.12 Provisions, contingent liabilities and contingent assets

Provisions are recognised when present obligations as a result of a past event will probably lead to an outflow of economic resources from the Group and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. Provisions are not recognised for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.
Possible inflows of economic benefits to the Group that do not yet meet the recognition criteria of an asset are considered contingent assets.

4.13 Property, plant & equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Any gains and losses on disposal of an item of property, plant and equipment are recognised in profit or loss.

(ii) Depreciation

Items of property, plant and equipment are depreciated from the date that they are installed and are ready for use. Depreciation is recognised in profit or loss or capitalised in exploration and evaluation on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment.

The estimated useful lives for the current and comparative periods are as follows:

- plant and equipment: 2-20 years
- motor vehicles: 4-20 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

4.14 Non current assets classified as held for sale

Non-current assets and assets of disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For non-current assets or assets of disposal groups to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write down of the non-current assets and assets of disposal groups to fair value less costs of disposal. A gain is recognised for any subsequent increases in fair value less costs of disposal of a non-current assets and assets of disposal groups, but not in excess of any cumulative impairment loss previously recognised.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current assets. The liabilities of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current liabilities.

4.15 Share based payments

Share-based remuneration is recognised as an expense in profit or loss, with a corresponding credit to share option reserve or capitalised as a cost of raising capital. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest.

In addition, equity settled share based payment transactions, the company shall measure the goods or services rendered and the corresponding increase in equity, directly at fair value of the goods or services received, unless that fair value cannot be estimated reliably.

The Company issued shares and options to a Lead Manager in consideration for corporate advisory services, calculated on the same basis as the Placement in July 2024 (8,400,000 shares @ $0.0045 and 8,400,000 MRQO options) plus 10,000,000 MRQO options.

The Company issued 15,000,000 shares in October 2024 in relation to tenement acquisitions.

4.16 Foreign currency translation

The financial statements are presented in Australian dollars, which is Group's functional and presentation currency. The Group's exploration assets are located in Mozambique and Australia.

Foreign Currency Transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australia dollars using the exchange rates at the reporting date. The expenses of foreign operations are translated into Australian dollars using the average exchange rates.

5 Significant management judgement in applying accounting policies

The following are significant management judgements in applying the accounting policies of the Group that have the most significant effect on the financial statements.

Deferred tax assets/Tax losses

The assessment of the probability of future taxable income in which deferred tax assets can be utilised is based on the Group's latest approved budget forecast, which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. The tax rules in the numerous jurisdictions in which the Group operates are also carefully taken into consideration. If a positive forecast of taxable income indicates the probable use of a deferred tax asset, especially when it can be utilised without a time limit, that deferred tax asset is usually recognised in full. The recognition of deferred tax assets that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

The Group has not recognised a deferred tax asset with regard to unused tax losses and other temporary differences, as it has not been determined whether the Company will generate sufficient taxable income against which the unused tax losses and other temporary differences can be utilised in the foreseeable future.

Exploration and evaluation assets

At each reporting date, the directors review the carrying amount of each area of interest, with reference to the indicators of impairment outlined in AASB 6 Exploration for and Evaluation of Mineral Resources.

One or more of the following facts and circumstances indicate that an entity should test exploration and evaluation assets for impairment (the list is not exhaustive):

a) the period for which the entity has a right to explore in the specific area has expired during the period or will expire in the near future and is not expected to be renewed.

b) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned.
c) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area.
d) sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

Exploration and evaluation costs have been capitalised on the basis that the consolidated entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

The Directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information and that capitalised exploration costs are expected to be recovered either through successful development or sale of the relevant mining interest.

Held for sale and discontinued operation

The directors have exercised judgement in determining whether the non-current asset meets the criteria to be classified as held for sale or as a discontinued operation under AASB 5 Non-current Assets Held for Sale and Discontinued Operations. This includes assessing whether the sale is highly probable, the asset is available for immediate sale in its present condition, and whether management is committed to a plan to sell. Furthermore, judgement is required in determining whether a component of the entity represents a separate major line of business or geographical area of operations, which impacts its classification as a discontinued operation. Changes in these assumptions or the timing of disposal may significantly affect the presentation and measurement of assets, liabilities, and results in the financial statements.

6 Employee benefit expense

	Consolidated 2025	Consolidated 2024
	$	$
Employee benefit expense incurred	367,968	333,000
Employee benefit expense capitalised in exploration assets (note 11)	(100,000)	(100,000)
	267,968	**233,000**

7 Segment reporting

The Group is organised into two operating segments, which is the exploration and development of rare earth elements and uranium projects within Mozambique and the exploration of lithium in Australia. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers) in assessing performance and in determining the allocation of resources. Non current assets excluding financial instruments are located in Mozambique and Australia.

Consolidated - 30 June 2024	Mozambique $	Australia $	Total $
Segment result from continuing operations	(225,866)	(634,462)	(860,328)
Loss before income tax expense			(860,328)
Income tax expense			-
Loss after income tax expense			(860,328)

Consolidated - 30 June 2025	Mozambique $	Australia $	Total $
Segment result from continuing operations	(121,150)	(605,065)	(726,215)
Loss before income tax expense			(726,215)
Income tax expense			-
Loss after income tax expense			(726,215)

	Consolidated 30 June 2025 $	Consolidated 30 June 2024 $
Mozambique	6,697,753	6,756,221
Australia	389,280	451,458
Total segment assets	7,087,033	7,207,679

	Consolidated 30 June 2025 $	Consolidated 30 June 2024 $
Mozambique	20,123	26,323
Australia	148,705	197,213
Total segment liabilities	168,828	223,536

8 Other receivables and prepayments

	Consolidated 2025 $	Consolidated 2024 $
GST receivables	12,865	12,300

Other Receivable	18,004	-
Prepayments	35,895	-
Mozambique VAT receivable	-	390,712
Other receivables	**66,764**	**403,012**

The receivables noted above are not impaired nor past due.

9 Equity Share capital & reserves

The share capital of MRG Metals Ltd consists of fully paid ordinary shares, the shares do not have a par value. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at the shareholders' meeting of MRG Metals Ltd.

Details	**Quantity**	**Consolidated 2025 $**
SHARES		
Total at 1 July 2024	2,525,118,628	29,722,256
Issue of shares	201,399,998	898,800
Costs of raising	-	(59,196)
Total share capital at 30 June 2025	2,726,518,626	30,561,860
OPTIONS RESERVE		
Total at 1 July 2024	879,522,558	312,683
Issue of options	196,399,998	-
Total issued options at 30 June 2025	1,075,922,556	312,683
SHARE BASED PAYMENTS RESERVE		
Total at 1 July 2024		-
Share based payments expense		33,469
Total reserve at 30 June 2025		33,469
SHARE CAPITAL & RESERVES		**30,908,012**

Details	**Quantity**	**Consolidated 2024 $**
SHARES		
Total at 1 July 2023	1,985,918,628	28,638,645
Issue of shares	539,200,000	1,165,000
Costs of raising	-	(81,389)
Total share capital at 30 June 2024	2,525,118,628	29,722,256
OPTIONS RESERVE		
Total at 1 July 2023	481,922,558	312,683

Additions during the year	397,600,000	-
Total issued options at 30 June 2024	879,522,558	312,683

SHARE CAPITAL & RESERVES	**30,034,939**

(i) Movements in issued capital:

	Date	No of shares	Issue price (cents)	$
Opening balance at 1 July 2023		**1,985,918,628**		**28,638,645**
Capital Raising - placement	07/08/2023	200,000,000	0.25	500,000
Issue of Ordinary Shares - tenement	02/10/2023	20,000,000	0.2	40,000
Capital Raising - placement	15/12/2023	250,000,000	0.2	500,000
Issue of Ordinary Shares - tenement	15/12/2023	15,000,000	0.2	30,000
Issue of Ordinary Shares – corporate mandate	20/12/2023	422,400	0.25	1,056
Capital Raising - placement	12/03/2024	20,000,000	0.2	40,000
Issue of Ordinary Shares – corporate mandate	12/03/2024	33,777,600	0.16	53,944
Less costs associated with capital raisings		-	-	(81,389)
Closing balance at 30 June 2024		**2,525,118,628**		**29,722,256**

	Date	No of shares	Issue price (cents)	$
Opening balance at 1 July 2024		**2,525,118,628**		**29,722,256**
Capital Raising - placement	10/07/2024	177,999,998	0.45	801,000
Issue of Ordinary Shares – corporate mandate	10/07/2024	8,400,000	0.45	37,800
Issue of Ordinary Shares – tenement acquisition	23/10/2024	15,000,000	0.4	60,000
Less costs associated with capital raisings		-	-	(59,196)
Closing balance at 30 June 2025		**2,726,518,626**		**30,561,860**

(ii) Movements in options:

2024	Date	No. options 1 July 2023	Issued/ (converted)	No. options 30 June 2024	Ex. price (cents)	Expiry date
Issue of options - placement	29/11/2022	140,000,000	-	140,000,000	0.8	31/12/2025
Issue of options - corporate mandate	29/11/2022	10,000,000	-	10,000,000	0.8	31/12/2025
Issue of options - corporate mandate	02/12/2022	9,240,000	-	9,240,000	0.8	31/12/2025
Issue of options – rights issue	19/01/2023	312,682,557	-	312,682,557	0.8	31/12/2025
Issue of options - placement	19/01/2023	10,000,001	-	10,000,001	0.8	31/12/2025
Issue of options - placement	07/08/2023	-	100,000,000	100,000,000	0.8	31/12/2025
Issue of options - corporate mandate	07/08/2023	-	10,000,000	10,000,000	0.8	31/12/2025
Issue of options - placement	15/12/2023	-	250,000,000	250,000,000	0.8	31/12/2025
Issue of options - corporate mandate	20/12/2023	-	211,200	211,200	0.8	31/12/2025
Issue of options - placement	12/03/2024	-	20,000,000	20,000,000	0.8	31/12/2025
Issue of options - corporate mandate	12/03/2024	-	17,388,800	17,388,800	0.8	31/12/2025
Closing balance at 30 June 2024		**481,922,558**	**397,600,000**	**879,522,558**		

2025	Date	No. options 1 July 2024	Issued/ (Expired)	No. options 30 June 2025	Ex. price (cents)	Expiry date
Issue of options - placement	29/11/2022	140,000,000	-	140,000,000	0.8	31/12/2025
Issue of options - corporate mandate	29/11/2022	10,000,000	-	10,000,000	0.8	31/12/2025
Issue of options - corporate mandate	02/12/2022	9,240,000	-	9,240,000	0.8	31/12/2025
Issue of options – rights issue	19/01/2023	312,682,557	-	312,682,557	0.8	31/12/2025
Issue of options - placement	19/01/2023	10,000,001	-	10,000,001	0.8	31/12/2025
Issue of options - placement	07/08/2023	100,000,000	-	100,000,000	0.8	31/12/2025
Issue of options - corporate mandate	07/08/2023	10,000,000	-	10,000,000	0.8	31/12/2025
Issue of options - placement	15/12/2023	250,000,000	-	250,000,000	0.8	31/12/2025
Issue of options - corporate mandate	20/12/2023	211,200	-	211,200	0.8	31/12/2025
Issue of options - placement	12/03/2024	20,000,000	-	20,000,000	0.8	31/12/2025
Issue of options - corporate mandate	12/03/2024	17,388,800	-	17,388,800	0.8	31/12/2025
Issue of options - placement	10/07/2024	-	177,999,998	177,999,998	0.8	31/12/2025
Issue of options - corporate mandate	10/07/2024	-	18,400,000	18,400,000	0.8	31/12/2025
Closing balance at 30 June 2025		**879,522,558**	**196,399,998**	**1,075,922,556**		

10 Trade and other payables

Trade and other payables recognised in the Statement of Financial Position can be analysed as follows:

	Consolidated 2025	Consolidated 2024
Current	$	$
Trade payables	111,005	49,390
Other payables and accrued expenses	57,823	67,462
Income in advance	-	31,710
Joint Venture funds on trust	-	74,974
	168,828	**223,536**

11 Exploration and evaluation assets

	Consolidated 2025
Mozambique:	**$**
Cost as at 1 July 2024	6,336,650
Other exploration costs	333,958
Transfer to non current assets held for sale (note 12)	(6,418,804)
Cost as at 30 June 2025	**251,804**
Australia:	
Cost as at 1 July 2024	79,612
Acquisition costs	60,000
Other exploration costs	8,875
Cost as at 30 June 2025	**148,487**
Total:	**400,291**

	Consolidated 2024 $
Mozambique:	
Cost as at 1 July 2023	5,794,788
Other exploration costs	541,862
Cost as at 30 June 2024	**6,336,650**
Australia:	
Cost as at 1 July 2023	**-**
Acquisition costs	46,265
Other exploration costs	33,347
Cost as at 30 June 2024	**79,612**
Total:	**6,416,262**

Refer to Note 12 for further information on the discontinued operations and held for sale. The licences which have been transferred to assets held for sale include the following:

- 11142C – Corridor Central
- 11137C – Corridor South
- 10779L – Corridor North
- 7423L – Linhuane
- 6842L – Marao

12 Assets held for sale and discontinued operations

A Joint Venture agreement was signed between MRG Metals Limited ("MRG") and Sinowin Lithium Co ("SLC") Limited. On 10 September 2024 the conditions precedent of the Joint Venture Agreement were satisfied and as a result the HMS tenements held in the respective Sofala entities of the Joint Venture agreement are now presented as discontinued operations in the statement of profit and loss and other comprehensive income and as held for sale in the statement of financial position.

The transaction is awaiting tax assessment from the Mozambique Government, prior to the simultaneous transfer of the tenements from MRG and SLC's contribution of US$3 million, the first part of an initial US$6M injection into the JV Trust Account, being working capital. This is expected to be resolved before the end of 2025.

	Consolidated 30 June 2025 $	30 June 2024 $
Management fees received from Joint Venture	193,424	13,274
Consultants expense	(103,557)	-
Reimbursement of Consultants expense	103,557	-
Impairment of VAT receivable	(406,220)	-
Profit/(Loss) before income tax expense	**(212,796)**	**13,274**
Income tax expense	-	-
Profit/(Loss) after income tax expense from discontinued operation	**(212,796)**	**13,274**

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Cash flow information

	Consolidated 30 June 2025 $	30 June 2024 $
Net cash from operating activities	193,424	13,274
Net cash used in investing activities	-	-
Net cash used in financing activities	-	-
Net increase/(decrease) in cash and cash equivalents from discontinued operations	193,424	13,274

Carrying amounts of assets and liabilities held for sale

	Consolidated 30 June 2025 $	30 June 2024 $
Exploration and evaluation	6,418,804	-

13 Auditor remuneration

	Consolidated 2025 $	Consolidated 2024 $
Audit services	42,856	37,900
Audit services remuneration	42,856	37,900
Other services	-	-
Total Auditor's remuneration	**42,856**	**37,900**

14 Earnings per share

The weighted average number of shares for the purposes of diluted earnings per share can be reconciled to the weighted average number of ordinary shares used in the calculation of basic earnings per share as follows:

	Consolidated 2025 $	Consolidated 2024 $
Loss after income tax from continuing operations	(727,215)	(860,328)
Weighted average number of shares used in basic earnings per share	2,717,237,530	2,341,236,276
Weighted average number of shares used in diluted earnings per share	2,717,237,530	2,341,236,276

Earnings Per Share	(0.03) cents	(0.04) cents
Diluted Earnings Per Share	(0.03) cents	(0.04) cents

	Consolidated 2025 $	Consolidated 2024 $
Loss after income tax from discontinued operations	(212,796)	13,274
Weighted average number of shares used in basic earnings per share	2,717,237,530	2,341,236,276
Weighted average number of shares used in diluted earnings per share	2,717,237,530	2,341,236,276

Earnings Per Share	(0.01) cents	(0.00) cents
Diluted Earnings Per Share	(0.01) cents	(0.00) cents

The rights to options held by option holders have not been included in the weighted average number of ordinary shares for the purposes of calculating diluted EPS as they do not meet the requirements for the inclusion in AASB 133 "Earnings per Share". The rights to options are non-dilutive as the Group is loss generating.

15 Reconciliation of cash flows from operating activities

	Consolidated 2024 $	Consolidated 2024 $
Cash flows from operating activities		
(Loss) after income tax expense for the year	(939,011)	(847,054)
Cash flows excluded from loss attributable to operating activities		
Non cash flows in loss:		
Foreign exchange (gain)/loss	9,622	(7,211)
Vesting charges for share based payments transactions	33,469	-
Impairment of VAT receivable	406,220	-
Change in other assets and liabilities:		
(Increase)/decrease in trade and other receivables	(69,972)	(40,663)
Increase/(decrease) trade and other payables	(54,708)	164,012
Net cash used in operating activities	(614,380)	(730,916)

16.1 Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly-owned subsidiaries in accordance with the accounting policy described in note 4:

Name	Principal place of business / Country of incorporation	Ownership interest % 2025	2024
MRG Metals (Australia) Pty Ltd	Australia	100.00%	100.00%
MRG Metals (Exploration) Pty Ltd	Australia	100.00%	100.00%
Lake Hope Lithium Pty Ltd	Australia	100.00%	100.00%
Sofala Resources Pty Ltd	Australia	100.00%	100.00%
Sofala Mining & Exploration Lda	Mozambique	99.00%	99.00%

Sofala Mining & Exploration I Lda	Mozambique	99.00%	99.00%
Sofala Mining & Exploration II Lda	Mozambique	99.00%	99.00%
Sofala Mining & Exploration III Lda	Mozambique	99.00%	99.00%
Sofala Mining & Exploration IV Lda	Mozambique	99.00%	99.00%
Sofala Mining & Exploration V Lda	Mozambique	99.00%	99.00%
Sofala Mining & Exploration VI Lda	Mozambique	99.00%	99.00%
Sofala Mining & Exploration VII Lda	Mozambique	99.00%	99.00%
Sofala Mining & Exploration VIII Lda	Mozambique	99.00%	99.00%
Sofala Mining & Exploration IX Lda	Mozambique	99.00%	99.00%
Sofala Mining & Exploration X Lda	Mozambique	99.00%	99.00%

Sofala Resources Pty Ltd owns the shares in the Mozambique Companies.
Sofala Mining & Exploration Limitada to Sofala Mining & Exploration IX Lda own the Mozambique tenements.
Mozambique law requires a separate company for each licence application.
Lake Hope Lithium Pty Ltd owns the Australia tenements.
MRG Metals (Australia) Pty Ltd and MRG (Exploration) Pty Ltd have no Assets or Liabilities.
The Group's related parties include its key management and others as described in Note 16.2.
Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received.

16.2 Transactions with related parties

The following transactions occurred with related parties:

Payment for goods and services:

The Group used the accounting and taxation services of RSM Australia, an entity associated with Mr. Turner and Mr. Turner. The amounts billed were based on normal market rates and amounted to $38,000 to Mr. Turner and $0 to RSM (2024 $38,000 to Mr. Turner and $0 to RSM).

Receivable from and payable to related parties

There were no trade receivable from or trade payables to related parties.

Loans to/from related parties

There were no loans to or from related parties at the reporting date.

Terms and conditions

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

16.3 Transactions with key management personnel

Key management of the Group are the Board of Directors. Key management personnel remuneration is set out in the Remuneration Report in the Director's Report.

	Consolidated 2025 $	Consolidated 2024 $
Short term benefits	300,000	300,000
Post employment benefits	34,500	33,000
Share based payments	33,468	-
Total KMP remuneration	**367,968**	**333,000**

17 Contingent assets and contingent liabilities

There were no contingent assets or liabilities in the current financial year (2024 Nil).

18 Commitments for expenditure

	2025 $	2024 $
Exploration and evaluation:		
Within 12 months	88,031	172,011
After 12 months but not later than 5 years	352,124	688,044

Exploration and evaluation:
In order to maintain current rights of tenure for exploration tenements, the Group is required to meet the minimum exploration requirements of the Mining Department. The Group holds five granted exploration tenements in Mozambique. Each year the Mozambique mining regulations require companies to submit exploration programs which indicate the expected mining expenditure for the year.
Mozambique New Mining Law Regulations require a minimum spend of 60% of the exploration program submitted for the year. The commitment for FY26 to FY29 is the Group's estimated tenement expenses to be incurred for each licence at a rate of 60%, which is expected to be the best estimate of the required commitment.

19 Financial instrument risk

Risk management objectives and policies

The Group is exposed to various risks in relation to financial instruments. The main types of risks are market risk (including interest rate risk), credit risk and liquidity risk.
The Group's risk management is carried out by the board of directors and focuses on actively securing the Group's short to medium-term cash flows by minimising the exposure to financial markets.
The Group does not engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Group is exposed are described below.

20 Foreign currency sensitivity

The Group's transactions during the year have been carried out in Australian Dollars, United States Dollars (USD), and Mozambican Meticals (MZN).

There is a risk that changes in foreign exchange rates will affect the Group's income or amounts to be paid or received arising from its financial obligations. The Group's objective of foreign currency risk management is to manage and control foreign currency risk exposures within acceptable parameters, while optimising the return.

The Group's exposure to foreign currency risk relates primarily to foreign exchange rates applicable to the Group's foreign currency denominated obligations recognised in the balance sheet.

Foreign currency risk refers to the risk that the value of a financial commitment, recognised asset or liability will fluctuate due to changes in foreign currency rates. The primary foreign currency exposure is to the MZN and USD.

Management monitors the exposure to foreign exchange risk on an ongoing basis by regularly reviewing forward foreign exchange rates applicable to its foreign currency denominated obligations.

The Group's exposure to assets and liabilities to MZN at 30 June 2025 is set out below (Australian dollar equivalents):

	30 June 2025
Reported exchange rate	41.85
Cash at Bank	1,667
Other receivables	18,004
Trade and other payables	(20,123)
Total exposure	**(452)**

The Group's exposure to assets and liabilities to USD at 30 June 2025 is set out below (Australian dollar equivalents):

	30 June 2025
Reported exchange rate	0.6550
Cash at Bank	7,360
Total exposure	**7,360**

The table below shows the effect on profit after income tax expense and total equity from MZN currency exposures, had the rates been 10% higher or lower than the year end rate. Whilst directors cannot predict movements in foreign currency rates, a sensitivity of 10% is considered reasonable taking in to account the current level of exchange rates and the volatility observed on a historical basis.

	30 June 2025	
	Increase/(Decrease) in profit after income tax	Increase/(Decrease) in Equity
Foreign exchange rates - 10%	(45)	(45)
Foreign exchange rates + 10%	45	45

21 Credit risk analysis

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. The Group is exposed to minimal credit risk as its only exposure is to interest receivable and GST refunds.

22 Liquidity risk analysis

Liquidity risk is that the Group might be unable to meet its obligations. The Group manages its liquidity needs by monitoring actual and forecast cash inflows and outflows due in day-to-day business.

The Group's working capital, being current assets less current liabilities, at 30 June 2025 was $6,510,574.

The Directors are confident that the Group will be able to secure sufficient funds or reduce or defer expenditure to ensure that the Group can meet essential operational and expenditure commitments for at least the next twelve months.

Based on this, the directors are satisfied the Group will have sufficient funds to pay its debts as and when they fall due.

As at 30 June, the Group's non-derivative financial liabilities have contractual maturities (including interest payments where applicable) as summarised below:

	Current		Non current	
	Within 6 months	6 to 12 months	1 to 5 years	Later than 5 years
30 June 2025	$	$	$	$
Trade and other payables	168,828	-	-	-
Total	168,828	-	-	-

	Current		Non current	
	Within 6 months	6 to 12 months	1 to 5 years	Later than 5 years
30 June 2024	$	$	$	$
Trade and other payables	223,536	-	-	-
Total	223,536	-	-	-

The above amounts reflect the contractual undiscounted cash flows, which may differ to the carrying values of the liabilities at the reporting date. Unless otherwise stated, the carrying amounts of financial instruments reflect their fair values due to their short term nature.

23 Capital risk management

The Group's objectives when managing capital is to ensure the Group's ability to continue as a going concern so that it can provide an adequate return to shareholders.

The Group would look to raise capital when an opportunity to invest in a business, company or tenement is seen as value adding.

24 Events after the reporting period

Since the end of the year the following significant non-adjusting events have occurred:

- **Capital Raise**: Post financial year, in July 2025 MRG announced a 3 for 10 entitlement offer of options to eligible shareholders to raise up to $817,956. The offer closed in August 2025 raising $500,646 and the Company issued 500,646,241 new MRQOD Options. The Company placed the shortfall of $317,309 on 25 September 2025.

- **Adriano and Fotinho Exploration**: Mobilisation of exploration teams is scheduled for September to October 2025, with initial assay results expected in the March 2026 quarter.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the state of affairs in future financial years.

24 Parent entity information

Set out below is the supplementary information about the parent entity being MRG Metals Ltd ('the parent entity')

	2025 $	2024 $
Statement of financial position		
Total current assets	6,679,402	762,558
Total assets	7,087,033	7,207,679
Total current liabilities	168,828	223,536
Total liabilities	168,828	223,536
Equity		
Issued capital	30,561,860	29,722,256
Reserves	346,152	312,683
Retained earnings	(23,989,807)	(23,050,796)
Total Equity	**6,918,205**	**6,984,143**
Statement of profit or loss or other comprehensive income		
Profit/(loss) for the period	(939,011)	(847,054)
Total comprehensive income	**(939,011)**	**(847,054)**

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2025 and 30 June 2024.

Capital commitments - Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2025 and 30 June 2024

Material accounting policy information

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1 except for that investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.

Consolidated entity disclosure statement as at 30 June 2025

Entity name	Entity type	Body corporates Place formed or incorporated	Body corporates % of share capital held	Tax residency Australian or foreign	Tax residency Foreign Jurisdiction
MRG Metals Ltd	Body Corporate	Australia	-	Australia	N/A
MRG Metals (Australia) Pty Ltd	Body Corporate	Australia	100.00%	Australia	N/A
MRG Metals (Exploration) Pty Ltd	Body Corporate	Australia	100.00%	Australia	N/A
Lake Hope Lithium Pty Ltd	Body Corporate	Australia	100.00%	Australia	N/A
Sofala Resources Pty Ltd	Body Corporate	Australia	100.00%	Australia	N/A
Sofala Mining & Exploration Lda	Body Corporate	Mozambique	99.00%	Foreign	Mozambique
Sofala Mining & Exploration I Lda	Body Corporate	Mozambique	99.00%	Foreign	Mozambique
Sofala Mining & Exploration II Lda	Body Corporate	Mozambique	99.00%	Foreign	Mozambique
Sofala Mining & Exploration III Lda	Body Corporate	Mozambique	99.00%	Foreign	Mozambique
Sofala Mining & Exploration IV Lda	Body Corporate	Mozambique	99.00%	Foreign	Mozambique
Sofala Mining & Exploration V Lda	Body Corporate	Mozambique	99.00%	Foreign	Mozambique
Sofala Mining & Exploration VI Lda	Body Corporate	Mozambique	99.00%	Foreign	Mozambique
Sofala Mining & Exploration VII Lda	Body Corporate	Mozambique	99.00%	Foreign	Mozambique
Sofala Mining & Exploration VIII Lda	Body Corporate	Mozambique	99.00%	Foreign	Mozambique
Sofala Mining & Exploration IX Lda	Body Corporate	Mozambique	99.00%	Foreign	Mozambique
Sofala Mining & Exploration X Lda	Body Corporate	Mozambique	99.00%	Foreign	Mozambique

Basis of preparation

This consolidated entity disclosure statement (CEDS) has been prepared in accordance with the Corporations Act 2001 and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

Determination of tax residency

- Section 295 (3A)(vi) of the Corporation Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.
- In determining tax residency, the consolidated entity has applied the following interpretations:
- Australian tax residency: The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.
- Foreign tax residency: Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with (see section 295(3A)(vii) of the Corporations Act 2001).
- Partnerships and Trusts: None of the entities noted above were trustees of trusts within the consolidated entity, partners in a partnership within the consolidated entity or participants in a joint venture within the consolidated entity.

Directors' declaration

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;

- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2025 and of its performance for the financial year ended on that date;

- the attached consolidated entity disclosure statement is true and correct; 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 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Andrew Van Der Zwan
Director

Dated at Melbourne, the 29th day of September 2025.

Independent auditor's report to the members of MRG Metals Limited

Report on the audit of the financial report

Our opinion on the financial report

In our opinion, the accompanying financial report of MRG Metals Limited (the Company) and its subsidiaries (the Group) is in accordance with the *Corporations Act 2001*, including:

— giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended; and

— complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What was audited?

We have audited the financial report of the Group, which comprises:

— the consolidated statement of financial position as at 30 June 2025,

— the consolidated statement of profit or loss and other comprehensive income for the year then ended,

— the consolidated statement of changes in equity for the year then ended,

— the consolidated statement of cash flows for the year then ended,

— notes to the financial statements, including material accounting policy information,

— the consolidated entity disclosure statement, and

— the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

William Buck
ACCOUNTANTS & ADVISORS

Material uncertainty related to going concern

We draw attention to Note 4 in the financial report, which indicates that the Group incurred a net loss of $939,011 during the year ended 30 June 2025 and had net cash outflows for the year then ended from operating and investing activities of $955,516. As stated in Note 4, these events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Exploration and evaluation assets	Area of focus (refer also to notes 4 & 11)	How our audit addressed the key audit matter
	During the year, additions to exploration and evaluation assets totalled $402,833 as detailed in Note 11. Accounting for these costs requires a significant amount of judgements and estimates and there is a risk that capitalisation of these costs may not be appropriate. The Group is also required to assess at each reporting date if there are any triggers for impairment which may suggest that the carrying value is in excess of recoverable value in accordance with AASB 6 Exploration for and Evaluation of Mineral Resources. Management is required to exercise judgement in evaluating whether any impairment triggers exist. Due to the judgements involved in assessing recoverability of capitalised exploration and evaluation assets, this was considered a Key Audit Matter.	In order to address this risk, our audit procedures included the following: — Reviewing the directors' assessment of the criteria for the capitalisation of exploration expenditure and evaluation of whether an impairment charge is required; — Understanding and vouching the underlying contractual entitlement to explore and evaluate each area of interest, including an evaluation of the Group's renewal in that area of interest at its expiry; — Examining project spend per each area of interest and comparing this spend to budgeted expenditure; — Agreeing a sample of expenditure capitalised to underlying support and ensuring that it is appropriately recorded in accordance with AASB 6 Exploration for and Evaluation of Mineral Resources and is directly attributable to that area of interest; — Evaluating management's impairment analysis which included the Group's analysis of recoverability

		of the carrying value of the tenements; and — From an overall perspective, comparing the market capitalisation of the Group to the net carrying value of its assets on the statement of financial position to identify any other additional indicators of impairment. We also assessed the adequacy of the Group's disclosures in respect of capitalised exploration costs and the planned expenditures.
Assets held for sale and discontinued operations	**Area of focus** **(refer also to notes 4, 5 & 12)** During the year, the Group entered into an agreement to transfer certain tenements to an associated entity of which it will hold initially 30% ownership. Completion of the transaction is contingent upon a tax assessment by the Mozambique Government, and subsequent transfers of tenements and funds, which remain pending at year-end. This was a key audit matter due to: — The material nature of the transaction and its potential impact on the financial statements. — The significant accounting judgements involved, particularly in: —Evaluating whether the Group will have control or significant influence over the associated entity post transfer; —Determining whether the assets met the criteria for classification as held for sale; and —Assessing whether the transaction represented a discontinued operation.	**How our audit addressed the key audit matter** In order to address this risk, our audit procedures included the following: — Reviewing the terms and conditions of the Agreement; — Evaluating the Group's application of *AASB 5*, including the timing and likelihood of completion; — Assessing the accuracy of the values presented as discontinued operations in accordance with *AASB 5 Non-current Assets Held for Sale and Discontinued Operations*; — Assessing whether significant influence will be obtained over this associated entity. We assessed the reasonableness of the note disclosures with respect to *AASB 5*.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2025 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

— the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and

— the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001,* and

for such internal control as the directors determine is necessary to enable the preparation of:

— the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

— the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at
https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf

This description forms part of our auditor's report.

William Buck
ACCOUNTANTS & ADVISORS

Report on the Remuneration Report

Our opinion on the Remuneration Report

In our opinion, the Remuneration Report of MRG Metals Limited, for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

What was audited?

We have audited the Remuneration Report of the directors' report for the year ended 30 June 2025.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

J. C. Luckins
Director
Melbourne, 29 September 2025

ASX Additional Information

Additional information required by the ASX Limited Listing Rules and not disclosed elsewhere in this report is set out below. The information is effective as at 16 September 2025.

Substantial Shareholders

There was one substantial shareholder at 16 September 2025.

	Ordinary Shares	
Name	**Number Held**	**%of quoted shares**
10 Bolivianos P/L	199,803,430	7.33

Holdings Range	**Shareholders**
1 – 1,000	51
1,001 – 5,000	16
5,001 – 10,000	47
10,001 – 100,000	478
100,000 and over	1,235
	1,827

There were 619 holders of less than a marketable parcel of ordinary shares.

	Ordinary Shares	
Twenty largest quoted shareholders	**Number Held**	**%of quoted shares**
10 Bolivianos P/L	199,803,430	7.33
BNP Paribas Nominees P/L	131,277,918	4.81
Lone Wolf Investments P/L	56,905,935	2.09
CJ & M Gregory S/F A/C	56,813,536	2.08
JNW SFund P/L JNW S/F A/C	54,033,447	1.98
Xiaotian Xu	42,000,000	1.54
Rob Roy P/L John Wright Family A/C	37,951,031	1.39
Nicole Dsouza	37,724,800	1.38
Hall Capital Finance P/L Cabra Capital Investment A/C	34,000,000	1.25
KV Van Der Zwan Harleston Family A/C	33,441,679	1.23
Marcus Dat Yun Lau	32,866,667	1.21
S & E Turner Turner S/F A/C	31,982,509	1.17
Altera P/L S/F A/C	29,902,877	1.10
Malcolm Anderson	27,789,731	1.06
Robert Joekar	27,500,000	1.01
Safinia P/L	27,000,000	0.99
Finger Lakes P/L Anvil Investment A/C	26,451,677	0.97
Andrew Swift	26,090,870	0.96
Grace and Favour Super P/L Gebremedhin Family S/F A/C	25,000,000	0.92
Aiden Barker	22,500,000	0.83
	962,036,107	**35.28**

Restricted equity securities

Nil

Securities exchange

The Company is listed on the Australian Securities Exchange and shares are quoted under the code MRQ.

Twenty largest quoted MRQO optionholders	Options Number Held	%of quoted options
Gerard Vasta	133,000,002	11.36
Andrew Knowles	51,660,049	4.80
Michael Fimeri	43,000,000	4.00
Andreas Mijic	26,000,119	2.42
Lone Wolf Investments P/L	22,222,222	2.07
Robert Joekar	20,000,000	1.86
Jesse Potter	20,000,000	1.86
Cameron Cowie	20,000,000	1.86
Gary Gault	20,000,000	1.86
Mark Durward	20,000,000	1.86
Jacob Hunt	20,000,000	1.86
Francis Feng	19,999,996	1.86
Benjay P/L	19,584,810	1.82
Seong Yun Kang	18,500,000	1.72
Mark Kocsis & Betsey Kocsis	17,104,000	1.59
Shayne Simpson	14,900,000	1.38
Marcus Dat Yun Lau	14,000,000	1.30
TS & SK Sekhon P/L TS & SK Sekhon Family A/C	13,244,020	1.23
Chelsea Lane Capital P/L Placements A/C	12,500,000	1.16
PJ Savage & C Savage P&C Savage S/F A/C	11,640,000	1.08
	537,355,218	**48.94**

Securities exchange

The Company is listed on the Australian Securities Exchange and options are quoted under the codes MRQO and MRQOD.

Tenements

The Tenements held by the Company at reporting date are as follows:

Project	Tenement	% Owned	Note
Norrliden	K nr 1	10	
Malanaset	nr 100	10	
Malanaset	nr 101	10	
Corridor Central	11142C	100	Mining Licence
Corridor South	11137C	100	Mining Licence
Corridor North	10779L	100	
Linhuane	7423L	100	
Marão	6842L	100	
Olinga	11005L	100	
Fotinho	11000L	100	
Adriano	11002L	100	
Lake Johnston	E63/2394	100	Application
Lake Johnston	E63/2446	100	Application
Forrestania	E77/3164	100	Application

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Corporate Governance Statement

MRG Metals Ltd has adopted comprehensive systems of controls and accountability as the basis for the administration of corporate governance. To the extent that they are applicable, MRG has adopted the Corporate Governance Principles and Recommendations, 4th Edition as published by ASX Corporate Governance Council in February 2019 and became effective for financial years commencing with the financial year ended 30 June 2022. The Corporate Governance Statement is current at 30 June 2025 and has been approved by the Board of Directors.

ASX Corporate Governance Council Recommendation	MRG policy
Principle 1: Lay solid foundations for management and oversight	
Recommendation 1.1: A listed entity should have and disclose a board charter setting out: The respective roles and responsibilities of its board and management; and Those matters expressly reserved to the board and those delegated to management.	The Company's Corporate Governance framework includes a Board Charter, which details the specific responsibilities of the Board and identifies those areas of authority delegated to senior executives.
Recommendation 1.2: A listed entity should: Undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and Provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	The Company's Board Charter provides that appropriate checks should be undertaken before the appointment of a director. If checks reveal any information that is relevant , then the Company will disclose that information to Shareholders.
Recommendation 1.3: A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	The Company's Board Charter provides that all directors and senior executives, at the time of their appointment, should execute a written agreement that sets out the key terms of their appointment.
Recommendation 1.4: The company secretary of a listed entity should be accountable directly to the Board, through the chair, on all matters to do with the proper functioning of the Board.	The Company's Board Charter sets out the role of the Company Secretary and ensures that the Company Secretary is accountable to the Board, through the Chairman.
Recommendation 1.5: A listed entity should: Have and disclose a diversity policy; Through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and Disclose in relation to each reporting period: The measurable objectives set for that period to achieve gender diversity; The entity's progress towards achieving those objectives; and Either: The respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or If the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.	The Company's Diversity Policy requires the Board to set out measurable objectives for achieving gender diversity. The Diversity Policy requires the Board to annually assess its diversity objectives and report on the Company's progress in achieving those objectives. At the end of each reporting period, the Diversity Policy requires the Company to report on its progress and set out the respective proportion of men and women across the whole of the Company (including their representation in key management positions). The Company is not a "relevant employer" under the Workplace Gender Equality Act as it does not employ 100 or more employees in Australia.
Recommendation 1.6: A listed entity should: Have and disclose a process for periodically evaluating the performance of the Board, its committees and individual Directors; and Disclose for each reporting period whether a performance evaluation has been undertaken in	The Company Secretary plays an integral role in monitoring the conduct and activities of Board, ensuring the Board has an appropriate mix of skills and experience and reviewing individual director's performance.

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ASX Corporate Governance Council Recommendation	MRG policy
accordance with that process during or in respect of that period.	The Chairman is responsible for reviewing the performance of the Company Secretary.
Recommendation 1.7: A listed entity should: **Have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and** **Disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.**	Currently, there are no senior executives. However, if there were, the Chairman would be responsible for reviewing the individual performance of senior executives.
Principle 2: Structure the board to be effective and add value	
Recommendation 2.1: A listed entity should: **Have a nomination committee which:** **Has at least three members, a majority of whom are independent directors; and** **Is chaired by an independent director,** **and disclose:** **The charter of the committee; and** **The members of the committee; and** **As at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or** **If it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.**	The Company does not currently have a nomination committee. The Board does not consider it necessary given the size of the Company's current operations. Board appointments will be decided by the Board as a whole, taking into consideration the needs of the Company at the relevant time. Where the Company considers there is a need to review the skills and competencies of the existing Directors and to supplement that experience, the Company would consider engaging appropriately qualified third parties to assist with the review. The Company's Board Charter requires the Board to develop succession plans for the future management of the Company.
Recommendation 2.2: A listed entity should have and disclose a Board skills matrix setting out the mix of skills the Board currently has or is looking to achieve in its membership.	The Company's Board Charter sets out the directors' obligations to prepare and disclose a Board skills matrix. The skills, experience and expertise relevant to the position of director held by each director are disclosed in the Directors' Report and on the Company's website.
Recommendation 2.3: A listed entity should disclose: **The names of the directors considered by the board to be independent directors:** **If a director has an interest, position or relationship of the type described in Box 2.3 of Corporate Governance Principles and Recommendations fourth edition but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and** **The length of service of each director.**	The Company's Board Charter sets out the directors' obligations in relation to conflicts of interests and the disclosure requirements of the Board. Details of each director are disclosed in the Directors' Report and on the Company's website.
Recommendation 2.4: A majority of the Board of a listed entity should be independent Directors.	All of the Company's current directors, being Chris Gregory, Andrew Van Der Zwan and Shane Turner, are independent directors.
Recommendation 2.5: The Chair of the Board of a listed entity should be an independent Director and, in particular should not be the same person as the Chief Executive Officer of the entity.	Andrew Van Der Zwan, an independent director, is the Chairman of the Board.
Recommendation 2.6: A listed entity should have a program for inducting new Directors and for periodically reviewing whether there is a need for existing directors to undertake professional	The Company's Board Charter requires the Board to implement an induction procedure to assist newly appointed directors to gain an understanding of the Company's policies and procedures. In

ASX Corporate Governance Council Recommendation	MRG policy
development to maintain the skills and knowledge needed to perform their role as directors effectively.	addition, the Board Charter requires the Board to develop continuing education opportunities in order to provide the directors with the ability to enhance their skills.
Principle 3: Instil a culture of acting lawfully, ethically and responsibly	
Recommendation 3.1: A listed entity should articulate and disclose its values.	The Board has established a Code of Conduct as to the practices necessary to maintain confidence in the Company's integrity, practices necessary to take into account the Company's legal obligations and the reasonable expectations of shareholders and the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.
Recommendation 3.2: A listed entity should: **Have and disclose a code of conduct for its directors, senior executives and employees; and** **Ensure that the board or a committee of the board is informed of any material breaches of that code.**	The Code of Conduct is available on the Company's website.
Recommendation 3.3: A listed entity should: **Have and disclose a whistleblower policy; and** **Ensure that the board or a committee of the board is informed of any material incidents under that policy.**	The Company's Whistleblower Policy is available on the Company's website. The board is informed of any material incidents that occur as a result of this policy.
Recommendation 3.4: A listed entity should: Have and disclose an anti-bribery and corruption policy; and **Ensure that the board or a committee of the board is informed of any material breaches of that policy.**	The Company's Anti-Bribery & Corruption Policy is available on the Company's website. The board is informed of any material incidents that occur as a result of this policy.
Principle 4: Safeguard the integrity of corporate reports	
Recommendation 4.1: The Board of a listed entity should: **Have an Audit Committee which:** **Has at least 3 members, all of whom are non-executive Directors and a majority of whom are independent Directors;** **Is chaired by an independent Director who is not the chair of the Board; and** **And disclose:** **The charter of the committee;** **The relevant qualifications and experience of the members of the committee; and** **In relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or** **If it does not have an audit committee, disclose that fact and the processed it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.**	The Company does not currently have an audit committee. The Board does not consider it necessary given the size of the Company's current operations. The functions of this committee will be carried out by the whole Board. The Company Secretary has significant experience in financial and accounting matters and will be primarily responsible for monitoring and preparing the financial reports. External resources will be commissioned where necessary.
Recommendation 4.2: The Board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the	The Company's process and practices comply with the Recommendation. In particular, the CFO of the Company provides a declaration in relation to the Company's financial statements that, in his

ASX Corporate Governance Council Recommendation	MRG policy
financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which system is operating effectively.	opinion, the financial records of the Company have been maintained and that the financial statements comply with appropriate accounting standards and give a true and fair view of the financial position and performance of the Company and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.
Recommendation 4.3: A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.	Half Year and Annual accounts are reviewed or audited by an external auditor. Quarterly activity reports are prepared by the Company's Geologist and are reviewed and approved by the Board before release to the market. Quarterly cash flow reports are prepared by the Company's CFO and certified that they have been prepared in accordance with appropriate accounting standards and are reviewed and approved by the Board before release to the market.
Principle 5: Make timely and balanced disclosure	
Recommendation 5.1: A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under the ASX listing rule 3.1.	The Company has established a Continuous Disclosure Policy which applies to all directors and senior management. A copy of the Continuous Disclosure Policy is available on the Company's website.
Recommendation 5.2: A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	This recommendation is satisfied. All members of the board receive the ASX Announcement direct from ASX once lodged.
Recommendation 5.3: A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	This recommendation is satisfied.
Principle 6: Respect the rights of securityholders	
Recommendation 6.1: A listed entity should provide information about itself and its governance to investors via its website.	The Company's Continuous Disclosure Policy requires the Company to include all of its corporate governance policies on its websites.
Recommendation 6.2 A listed entity should have an investor relations program to facilitate effective two-way communication with investors.	The Company's Board Charter sets out the manner in which the Board should endeavour to communicate with its shareholders and the manner in which shareholders can make enquiries to the Company. This includes emails to Shareholders on its Mailing List and via Social Media.
Recommendation 6.3: A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	The Company's Board Charter sets out the Company's goal to encourage participation at general meetings. All Shareholders are notified of meetings.
Recommendation 6.4: A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than a show of hands.	This recommendation is satisfied. All resolutions at a meeting of MRG Metals' security holders are decided by a poll.
Recommendation 6.5: A listed entity should give security holders the option to receive communications from, and send communications	This recommendation is satisfied.

ASX Corporate Governance Council Recommendation	MRG policy
to, the entity and its security register electronically.	
Principle 7: Recognise and manage risk	
Recommendation 7.1: The Board of a listed entity should: **Have a committee or committees to oversee risk, each of which:** **Has at least 3 members, a majority of whom are independent Directors;** **Is chaired by an independent Director,** **And disclose:** **The charter of the committee;** **The members of the committee; and** **At the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or** **If it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processed it employs for overseeing the entity's risk management framework.**	Given the size of the Company's current operations, the Board has formed the view that a separate risk committee is not necessary. The Board itself monitors all areas of operational and financial risk and considers strategies for appropriate risk management arrangements on an ongoing basis. If considered necessary, external input will be sought to assess and counteract identified risks.
Recommendation 7.2: The Board or a committee of the Board should: **review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the Board; and** **Disclose, in relation to each reporting period, whether such a review has taken place.**	The Board requires that Andrew Van Der Zwan, as Chairman undertakes a review of the Company's risk management framework annually to ensure that the framework continues to be sound, and disclose, in relation to each reporting period, whether such a review has taken place.
Recommendation 7.3: A listed entity should disclose: **if it has an internal audit function, how the function is structured and what role it performs; or** **if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.**	Given the size of the Company's current operations, the Board has formed the view that the appointment of an internal auditor is not necessary. The Board will oversee the risk management and internal control process. If considered necessary, external input will be sought to assess and review the effectiveness of the Company's risk management and internal control process.
Recommendation 7.4: A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.	The Company discloses various material risks to company strategy, and how it manages those risks within the Directors' Report section of its Annual Report.
Principle 8: Remunerate fairly and responsibly	
Recommendation 8.1: The Board of a listed entity should: **Have a remuneration committee which:** **Has at least 3 members, a majority of whom are independent Directors;** **Is chaired by an independent Director,** **And disclose:** **The charter of the committee;** **The members of the committee; and** **At the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or** **If it does not have a remuneration committee, disclose that fact and the processed it employs for**	The Company does not currently have a remuneration committee. The Board does not consider it necessary given the size of the Company's current operations. The Board is responsible for making recommendations regarding director and management remuneration packages. The Company's Board Charter sets out the principles that should be considered by the Board in making recommendations in relation to management remuneration packages.

ASX Corporate Governance Council Recommendation	MRG policy
setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	
Recommendation 8.2: A listed entity should separately disclose its policies and practices regarding the remuneration of Non-Executive Directors and the remuneration of Executive Directors and other senior executives.	The Board is aware of the need to ensure remuneration remains competitive and consistent with competitor companies and that remuneration reflects the performance of the Company over time. The directors performing an executive role are remunerated based on the scope of their responsibilities and the performance of the Company. Non-executive directors are paid fees within the total as determined by shareholders. The Company provides the requisite disclosure regarding executive remuneration policies in its annual report.
Recommendation 8.3: A listed entity which has an equity-based remuneration scheme should: **have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme, and** **Disclose that policy or a summary of it.**	The Company offers at its discretion to Directors, equity-based remuneration in the form of options to purchase shares and performance rights. This incentive assists in aligning their interests with those of shareholders.

The Board actively monitors the Company's governance framework, related practices and overall culture.

Corporate Directory

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Non Executive Chairman

Christopher Gregory
Non Executive Director

Shane Turner
Non Executive Director and Company Secretary

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Stock Exchange Listing

ASX Codes: MRQ, MRQO, MRQOD