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GWR GROUP LIMITED
2025 ANNUAL REPORT

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Directors' Report

Your directors submit their report for GWR Group Limited ('the Company' or 'the Parent') and for the Group, being the Company and its controlled entities, for the financial year ended 30 June 2025.

Directors

The following persons were Directors of the Company during the financial year and up to the date of this report. Directors were in office for this entire period unless otherwise stated.

Names, qualifications, experience and special responsibilities:

Gary Lyons - Non-executive Chairman (appointed 2 June 2010)

Mr Lyons is a successful and well-respected Perth based businessman; being a shareholder and the Managing Director of the Heiniger Group's Australasian operations for the last 34 years.

Mr Lyons was appointed as a Director on 2 June 2010 and elected Chairman on 8 February 2012.

Present ASX company directorships: eMetals Limited, Tungsten Mining NL and Western Gold Resources Limited
Previous ASX company directorships (last 3 years): Nil

Michael Wilson - Executive Director (appointed on 18 November 2002, resigned on 31 December 2024)

Mr Wilson is an exploration geologist with more than 25 years' experience in Australia and South East Asia.

Mr Wilson is a foundation Director of GWR and has a long association with the Wiluna West Project. He was instrumental in consolidating the ownership of the tenement package and bringing that tenement package to market.

Mr Wilson is also very well respected by the Aboriginal communities in and around Wiluna and takes a leading role in negotiating and resolving Heritage and Native Title matters.

Present ASX company directorships: Nil
Previous ASX company directorships (last 3 years): Nil

Teck Siong Wong – Non-executive Director (appointed 3 February 2023)

Mr Wong was appointed as a non-executive Director on 3 February 2023. Prior to this appointment, he was alternate Director for Tan Sri Dato' Tien Seng Law (appointed on 9 August 2022).

Mr Wong has considerable international business experience having worked in Hong Kong, the United Kingdom and now in Malaysia and Indonesia after graduating with a Bachelor of Business degree from Swinburne University (Melbourne).

Mr Wong is involved with the iron ore mining industry in Indonesia. He was previously involved in the sales and export of steel related products and was a director of a retail chain business in the United Kingdom, previously known as JW Carpenter Ltd. Mr Wong was working in the OEM plastic manufacturing industry in Hong Kong prior to taking up a position in the steel industry in Malaysia.

Present ASX company directorships: eMetals Limited, Western Gold Resources Limited and Tungsten Mining NL.
Previous ASX company directorships (last 3 years): Nil

Directors' Report

Wai Ho Law – Non-executive Director (appointed 18 October 2023)

Mr Law was the alternative Director for Teck Siong Wong until 18 October 2023 where he was appointed as Non-executive Director. He was appointed as alternate Director on 3 February 2023.

Mr Law is currently the Group Deputy Chief Operating Officer of Hiap Teck Venture Berhad, a public listed company on Bursa Malaysia with core business in the manufacturing, trading and distribution of steel products.

Mr Law also sits on the board of a private limited companies within TSLAW Group, a diversified group engaged in steel production, mining, property development and investments in Malaysia, China, Australia, United Kingdom and the USA. He graduated with a Master of Engineering in Civil and Environmental Engineering from Imperial College London in 2019 with First Class Honours.

Present ASX company directorships: Nil

Previous ASX company directorships (last 3 years): Nil

Company Secretaries

Simon Borck – Chief Financial Controller and Joint Company Secretary (appointed 16 December 2024)

Mr Borck is a Chartered Accountant with 20 years' experience in statutory, financial and management reporting for companies operating within the resources sector and has held senior financial management positions. He has a range of experience with mining service providers and has operated with resources companies in all stages of exploration, development and production.

Rhys Davies – Joint Company Secretary (appointed 24 March 2023)

Mr Davies is a Member of Chartered Accountants Australia, Fellow of the Association of Certified Chartered Accounts (UK), Chartered Company Secretary and Graduate of the Australian Institute of Company Directors. He holds a Bachelor of Science in Applied Accounting from Oxford Brookes University. Mr Davies has over 19 years' experience working with public and private companies in Australia, New Zealand and UK both in commerce and practice. His experience covers a range of industries from mining, agriculture, wholesale distribution, oil & gas to public practice.

Jessamyn Lyons – Joint Company Secretary (appointed 2 September 2024, resigned on 16 December 2024)

Ms Lyons is a Chartered Secretary, a Fellow of the Governance Institute of Australia and holds a Bachelor of Commerce from the University of Western Australia with majors in Investment Finance, Corporate Finance and Marketing. Ms Lyons also has 15 years of experience working in the stockbroking and banking industries and has held various positions with Macquarie Bank, UBS Investment Bank (London) and more recently Patersons Securities.

Sonu Cheema (appointed 3 February 2023, resigned 2 September 2024)

As a Director at Nexia Perth, Mr Cheema has over 12 years' experience working with public and private companies in Australia and abroad. Roles and responsibilities he conducts include completion and preparation of statutory financial reports, investor relations, initial public offers (IPO), reverse takeovers (RTO), management of capital raising activities and auditor liaison.

He currently serves as a Non-executive Director and Company Secretary for several ASX listed companies within the mineral exploration and technology sectors.

Mr Cheema has completed a Bachelor of Commerce majoring in Accounting at Curtin University and is a CPA member. Having completed the CPA Program, his core competencies and key areas of focus include Financial Reporting, Management Accounting and Ethics & Governance.

Dividends

No amounts have been paid or declared by way of dividend by the Company since the end of the previous financial year and up until the date of this report. The Directors do not recommend the payment of any dividend for the financial year ended 30 June 2025.

Directors' Report

Principal activities

During the year, the principal activities of the Company and its subsidiaries centred on continued exploration across the Group's tenement portfolio, with a primary focus on the Prospect Ridge Magnesite Project.

Review of Operations

Overview of Assets

GWR has a portfolio of resources projects that includes projects held directly, in its own right, or indirectly through investment in other listed entities. These include:

- **Magnesite** - Prospect Ridge Project with 25 million tonne inferred Mineral Resource estimate at 42.4% MgO;
- **Tungsten** – Investments in Tungsten Mining NL (ASX:TGN);
- Cornerstone and **Equity Investments** - eMetals Ltd (ASX:EMT);
- A Royalty interest in the Wiluna West **Iron Ore** assets;
- A Royalty interest in the Wiluna West **Gold** assets; and
- Significant **Cash reserves**.

Prospect Ridge Magnesite Project

GWR holds a 70% interest in the advanced Prospect Ridge Magnesite project located in northwest Tasmania with Dynamic Metals Limited (ASX: DYM) holding 30%. The Project is an advanced asset where a substantial amount of work has previously been undertaken, including diamond drilling, metallurgical test work, hydrological test work, resource modelling and feasibility studies.

The Prospect Ridge Magnesite project area is located in northwest Tasmania, 40 km southwest of the Port of Burnie. It sits upon a granted Exploration Licence (EL5/2016), it is 11 km long and 51 km² in area and contains two magnesite deposits, the Arthur River and Lyons River deposits containing the third largest Magnesite inventory in Australia.

The Arthur River prospect is a large high grade magnesium deposit where previous exploration has identified an Inferred Mineral Resource estimate of 25.1Mt @ 42.4% MgO (Table 1) (refer to ASX announcement dated 27 January 2022). The Prospect Ridge Magnesite Project with GWR as an industry partner is part of Federal government funded Regional Research Collaboration Grant (RRC), being undertaken at the University of Tasmania ("UTAS") Centre for Ore Deposit and Earth Sciences University of Tasmania ("CODES").

About Magnesium and Its Market

Magnesite is the principal ore for Magnesium which is the lightest structural metal known to man being two thirds lighter than aluminium. The Australian government has classified Magnesium as a critical mineral as are lithium and nickel.

The principal uses for Magnesium are as follows:

- Magnesium metal and its alloys are used extensively in automotive and aerospace industries in light weight bodies, engines, and other parts indispensable in modern vehicles (including EV's).
- Magnesium oxides are used in production of refractory linings necessary for production of steel, cement, and glass.
- Magnesium-ion batteries have the potential to improve on lithium-ion batteries in every phase of the lifecycle. In addition to increased energy capacities, magnesium-ion batteries have numerous other advantages. Magnesium does not tend to form dendrites, resolving the safety issues associated with lithium-ion batteries. As such, a magnesium-ion battery can last substantially longer than a lithium-ion battery. Additionally, magnesium-ion batteries can be charged faster since lithium-ion batteries charge times are constrained to avoid dendrite formation. Magnesium is also reported to be the eighth most abundant element on earth's crust alleviating depletion risk and potentially providing a cheaper product.

Directors' Report

In September 2021, the Australian Federal Government announced that it will establish a \$2 billion fund to finance critical minerals production in Australia, it was stated that "Critical minerals include resources that are used in technologies such as mobile phones, computer monitors, electric cars and solar panels, such as lithium, magnesium and nickel.

Arthur River Inferred Mineral Resource Estimate

Cut-Off (MgO (%))	Tonnes	MgO (%)	SiO ₂ (%)	Fe ₂ O ₃ (%)	CaO (%)
36	36,820,000	41.1	5.9	1.7	2.9
38	32,090,000	41.7	5.4	1.6	2.8
40	25,120,000	42.4	4.8	1.4	2.6
42	15,280,000	43.3	4.2	1.3	2.2
44	3,040,000	44.5	3.0	1.0	1.9

Refer GWR ASX Announcement 27 January 2022

Wiluna West Iron Ore Project Royalty

The Company held a \$2.00 per dry metric tonne royalty (Royalty) in respect of all iron ore won from the Wiluna West Iron Ore Project (excluding M53/1018) and exported or otherwise sold. This royalty was pursuant to binding sale agreement with Gold Valley Wiluna West Pty Ltd (Gold Valley). Refer to ASX announcement 21 December 2023 titled "Sale of Wiluna West Iron Ore Project".

The Company has received \$2.53 million in respect of this royalty during the year.

Royalty terms amended

In recognition of the lower prices in the market for iron ore since the Sale Agreement was executed, on 31st March 2025 the Company and Gold Valley agreed to amend the Sales Agreement (Variation). The key terms of the Variation are as follows:

With effect from 1st April 2025 and ending on 31st March 2027 (Revised Royalty Period), a revised royalty will be payable by Gold Valley at a rate of (Revised Royalty):

- if the IODEX (Iron Ore Platts 62%) is at or below USD99.99, no amount is payable;
- if the IODEX (Iron Ore Platts 62%) is between USD100 and USD109.99, A\$1.00 per dry metric tonne;
- if the IODEX (Iron Ore Platts 62%) is between USD110 and USD114.99, A\$1.50 per dry metric tonne; and
- if the IODEX (Iron Ore Platts 62%) is above USD115, A\$2.00 per dry metric tonne,

The Revised Royalty will be payable until the end of the Revised Royalty Period, subject to Gold Valley's continued compliance with certain key terms of the Transaction Agreement, including Gold Valley paying the Revised Royalty in accordance with applicable payment terms. At the end of the Revised Royalty Period the royalty payable will revert back to the original Royalty.

Wiluna Tenement Status

The registration of the transfer of the Project tenements from the Company to Gold Valley has yet to be processed by the Department of Energy, Mines, Industry Regulation and Safety.

Whilst the Company remains the registered holder of those tenements, as a matter of law the Company is liable to the State of Western Australia for the payment of State royalties. However, under the Sale Agreement, Gold Valley assumed liability and is responsible for payment of these State royalties. As at 30 June 2025, the State royalties payable to the Office of State Revenue WA is \$6.156 million.

Refer to ASX announcement 1st April 2025 titled "Wiluna Royalty Terms Amended".

Directors' Report

Wiluna West Gold Project Royalty

GWR holds a royalty on gold recovered from M53/1016-1, M 53/1017-1 and M53/1018-1 on the Gold Duke Project owned by Western Gold Resources Ltd (ASX:WGR). The gold royalty held is \$10 per troy ounce of gold until a total of 50,000 troy ounces of gold have been recovered; and thereafter \$5 per troy ounce of gold.

Refer to ASX announcement 7 March 2024 "*GWR Completes Settlement – Sale of Wiluna West to GV*".

Hatches Creek Tungsten Copper Gold Project

The Hatches Creek Tungsten, Gold and Copper Project is located 375km north-east of Alice Springs in the Northern Territory. Successful RC drilling programs completed in 2016, 2017 and 2019 confirmed multiple high-grade, polymetallic tungsten prospects and demonstrated potential for a large, high-grade polymetallic tungsten deposit.

Disposal

On 6 August 2024, the Company announced that it has entered into an agreement to sell its 80% interest in this Project to its joint venture partner, Tungsten Mining NL (ASX:TGN). This transaction was completed on 16 December 2024.

The Company has been issued 107.5m fully paid ordinary shares in Tungsten Mining NL each at a deemed issue price of \$0.08 per share, in consideration for this transaction. As a result of this issue, voting power in Tungsten Mining NL has increased to approximately 19.86%.

Refer to ASX announcement 16 December 2024 "*GWR Completes Sale of Hatches Creek Tungsten Project*".

ASX Listed Investments – Critical Minerals

ASX Listed Securities Portfolio

The Company holds the following ASX listed securities:

- Tungsten Mining NL (ASX:TGN) - 177.5 million shares
- eMetals Limited (ASX: EMT) – 30.8 million shares

Tungsten Market View and Strategic Holdings

The Company reiterates its strong conviction in the tungsten market. Recent Chinese export restrictions on tungsten have further bolstered the positive outlook for the commodity.

China accounts for the majority of global tungsten supply, and recent restrictions are expected to tighten the market, leading to potential upward price pressure.

Tungsten is a critical mineral with strong demand fundamentals, driven by its application in industrial, military, and high-tech industries.

GWR remains confident in the long-term strategic value of its TGN holding, particularly given the tightening supply-demand balance.

Directors' Report

Project Due Diligence

The Company has undertaken a rigorous review of numerous potential transactions. The Board, in collaboration with its corporate advisors, has cast a wide net, assessing projects of significance that could be transformational for the company.

The Company has evaluated opportunities across multiple global jurisdictions, including Australia, North America, Africa, and Europe and the focus remains on advanced-stage projects with existing resources and reserves, strong cash flow potential, and significant exploration upside. Commodities of interest include gold, copper, silver, antimony, rare earth elements (REE), iron ore, bauxite, niobium, coal, lithium, and tantalum.

As part of this strategy, the Company continues to undertake due diligence on projects that aligns with the company's broader objective of securing projects with strong fundamentals, existing infrastructure, and near-term cash flow potential.

As the Company continues to progress its Prospect Ridge Magnesite Project, the Company remains steadfast in identifying and executing strategic transactions that can deliver transformational value to shareholders. The Company remains committed to:

- Ongoing efforts to secure advanced-stage projects across key commodities which will remain a core priority.
- Financial strength and capital discipline as fundamental pillars of GWR's corporate strategy.
- Executing disciplined transactions.

Retirement of Founding Director

During the year Mr Michael Wilson resigned as Executive Director of the Company.

Mr Wilson was a foundation Director, appointed on 18 November 2002 and has a long association with the Wiluna West Project. He was instrumental in consolidating the ownership of the tenement package and bringing that tenement package to market.

Refer to ASX announcement 27 December 2024 "*Resignation of Director*".

On 12 September 2025, 2,000,000 performance rights awarded to Mr Michael Wilson had lapsed.

Operating results for the year

The consolidated profit after income tax for the year was \$8,357,593 (2024: loss after tax from continuing and discontinued operations of \$21,120,153) which include the profit from the sale of the Hatches Creek Project of \$8,180,577. The result for the year ended 30 June 2024 included a loss on disposal of Wiluna Project of \$19,447,259.

Cash and cash equivalents at 30 June 2025 were \$37,992,804 (2024: \$27,016,412). There were no term deposits maturing more than 3 months at 30 June 2025 (2024: 10,000,000).

Directors' Report

Shares issued during the year

There were 2,390,000 fully paid ordinary shares issued at nil value.

Operating and Financial Risks

The Group's activities have inherent risk and the Board is unable to provide certainty of the expected results of activities, or that any or all of the likely activities will be achieved. The material business risks faced by the Group that could influence the Group's future prospects, and the Group manages these risks, are detailed below:

The Group may be affected by various operational factors. In the event that any of these potential risks eventuate, the Group's operational and financial performance may be adversely affected. No assurances can be given that the Group will achieve commercial viability through the successful exploration and/or mining of its tenement interests. Until the Group is able to realise value from its projects, it is likely to incur ongoing operating losses on the exploration activities. The Group is at risk from its royalty activities from any movements in the Iron ore commodity price and the risk of failure or payment risk from Gold Valley Iron Ore Pty Ltd and Gold Valley Wiluna West Pty Ltd.

The operations of the Group may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, failure to retain skilled personnel/labour, insufficient or unreliable infrastructure such as power, water and transport, difficulties in commissioning and operating plant and equipment, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

The Groups Mineral Resource estimates are made in accordance with the 2012 edition of the JORC Code. Mineral resources are estimates only. An estimate is an expression of judgement based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate.

The tenements are at various stages of exploration, and potential investors should understand that mineral exploration and development are speculative and high-risk undertakings that may be impeded by circumstances and factors beyond the control of the Group.

Wiluna Tenements

The registration of the transfer of the Wiluna project tenements from the Group to Gold Valley Wiluna West Pty Limited has yet to be processed by the Registrar of Mines. Whilst the Company remains the registered holder of those tenements, as a matter of law the Company is liable to the State of Western Australia for the payment of State royalties and rehabilitation costs. However, under the Sale Agreement, Gold Valley Wiluna West Pty Limited assumed liability and is responsible for payment of these State royalties and rehabilitation costs.

Further capital requirements

The Group's projects may require additional funding in order to progress activities. There can be no assurance that additional capital or other types of financing will be available if needed to further exploration or possible development activities and operations or that, if available, the terms of such financing will be favourable to the Group.

Native title and Aboriginal Heritage

There are areas of the Group's projects over which legitimate common law and/or statutory Native Title rights of Aboriginal Australians exist. Where Native Title rights do exist, the Group must obtain consent of the relevant landowner to progress the exploration, development and mining phases of operations. Where there is an Aboriginal Site for the purposes of the Aboriginal Heritage legislation, the Group must obtain consents in accordance with the legislation.

Directors' Report

Operating and Financial Risks (Continued)

The Group's activities are subject to Government regulations and approvals

The Group is subject to certain Government regulations and approvals. Any material adverse change in government policies or legislation in Western Australian, Northern Territory, Tasmania and Australia that affect mining, processing, development and mineral exploration activities, export activities, income tax laws, royalty regulations, government subsidiaries and environmental issues may affect the viability and profitability of any planned exploration or possible development of the Company's portfolio of projects.

Personnel risks

Personnel risks including loss of key personnel and reliance on agents and contractors could impact on the Company's ability to execute planned work.

Global conditions

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Group's exploration, development and production activities, as well as on its ability to fund those activities. General economic conditions, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, currency exchange controls and rates, national and international political circumstances (including outbreaks in international hostilities, wars, terrorist acts, sabotage, subversive activities, security operations, labour unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics, may have an adverse effect on the Group's operations and financial performance, including the Group's exploration, development and production activities, as well as on its ability to fund those activities.

This is not an exhaustive list of risks faced by the Group. There are other risks generic to the stock market and the world economy as a whole and other risks generic to the extraction industry, all of which can impact on the Company. The management of risks is integrated into the development of the Company's strategic and business plans and is reviewed and monitored regularly by the Board. Further details on how the Company monitors, manages and mitigates these risks are included as part of the Audit and Risk Committee Report contained within the Corporate Governance Report.

Risk management

The Board as a whole is ultimately responsible for establishing and reviewing the Company's policies on risk profile, oversight and management and satisfying itself that management has developed and implemented a sound system of risk management and internal control.

The Board has established an Audit and Risk Management Committee pursuant to an Audit and Risk Management Committee Charter whose mandate includes overseeing the implementation of the Company's risk management program and reporting to the Board as to the effectiveness of the Company's management of its material risks.

The Company's risk management program is implemented by its Chief Executive Officer or equivalent under the direction of the Audit and Risk Management Committee as follows:

- ensuring that matters affecting the goals, objectives and performance of the Company and the safety of its stakeholders are identified and assessed by an operational risk management framework in accordance with industry accepted standards;
- obtaining and regularly reviewing insurance for the Company relevant to managing material risks;
- implementing and maintaining internal control systems which will be identified in conjunction with the external auditors;
- monitoring and verifying the Company's compliance with record keeping and operating requirements, including all requirements of law including indigenous and community rights and environmental obligations;
- minimising the potential for loss or damage resulting from risks affecting the Company; and
- the Audit & Risk Management Committee shall report to the Board at least twice a year as to the effectiveness of the Company's management of its material risks.

Directors' Report

Significant changes in the state of affairs

As detailed in the Review of Operations.

Significant events after the balance date

On 12 September 2025, 2,000,000 performance rights awarded to Mr Michael Wilson had lapsed.

Subsequent to the financial year end, Gold Valley Wiluna West Pty Ltd remitted a total of \$3,156,438 to the State Government of Western Australia in respect of state iron ore royalties that were due and payable by 31 July 2025. Based on information available to the Company via the Government of Western Australia's Revenue Online website, an outstanding balance of \$3,000,000 in state iron ore royalties remains payable. Refer to Note 11 for further details.

Apart from the above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group in the future financial year.

Likely developments and expected results

The Group now has significant resources to continue exploration, evaluation and development programs on its Prospect Ridge Magnesite Deposit. The Company is currently reviewing several opportunities.

Environmental regulation and performance

The Group's current development, evaluation and exploration activities have been undertaken under approved Programmes of Work on granted mining tenements in accordance with environmental regulations under both Commonwealth and State legislation. As stated in the Group's Environmental policy, it is committed to environmental sustainability, recognising our obligations to practice good environmental 'stewardship' of the tenements on which we operate. Our activities are conducted in a manner that minimises our environmental 'footprint' as much as possible and are conducted strictly in accordance with all necessary permits and approvals from regulators. The Company has employed environmental consultants to ensure it achieves its objectives by monitoring the Group's environmental exposures and compliance with environmental regulations. Results are reported to management and to the Board on a regular basis. There have been no significant known breaches of the Group's environmental regulations to which it is subject to.

Share options and Performance Rights

At the date of this report, there were no unissued shares of the Company under option (2024: Nil). During the year, no unquoted options were exercised (2024: Nil).

The Company granted no Performance Rights to Directors (2024: 10,500,000). During the year 2,550,000 (2024: Nil) were granted to employees and consultants. At the date of this report 9,510,000 performance rights remained on issue.

During the year ended 30 June 2025, 2,390,000 Performance Rights were exercised into shares and 1,150,000 Performance Rights were cancelled on the resignation of staff before their vesting conditions could be achieved.

On 12 September 2025, 2,000,000 performance rights awarded to Mr Michael Wilson had lapsed.

See note 23 for more details and vesting condition of each tranche of these Performance Rights.

Indemnification and insurance of directors and officers

The Company has made an agreement indemnifying all the directors and officers against all losses or liabilities incurred by each director and officer in their capacity as directors and officers of the Company to the extent permitted under the *Corporations Act 2001*. During the year the Company paid insurance premiums to insure directors and officers against certain liabilities arising out of their conduct while acting as an officer of the Company. Under the terms and conditions of the insurance contract, the nature of the liabilities insured against and the premium paid cannot be disclosed. Therefore, the amounts relating to these premiums paid have not been disclosed in table 1 in the remuneration report on page 17.

Directors' Report

Indemnification and insurance of auditors

The Company has not, during or since the end of the financial year, indemnified nor agreed to indemnify the auditors of the Company or any related entity against a liability incurred by the auditor. During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Directors' meetings

The following table sets out the number of directors' meetings (including meetings of committees of directors) held during the financial year and the number of meetings attended by each director (while they were a director or committee member). During the financial year the Company held 3 board meetings. There were 2 separate meetings of the audit and risk management committee and no remuneration committee meetings were held during the year.

	Board meetings	
	Number Eligible to attend	Number Attended
G Lyons	3	3
M Wilson ¹	3	0
T S Wong	3	3
W H Law	3	2

¹M Wilson resigned on 31 December 2024.

Of the 2 audit and risk management committee meetings Gary Lyons and Teck Seng Wong attended 2 meetings, while Wai Ho Law attended 1 meeting.

Proceedings on behalf of the Company

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

Non-Audit Services

During the year the Group's auditors, Stantons, provided no non-audit services.

Interests in the shares and options of the Company

As at the date of this report, the interests of the key management personnel in the shares and unlisted share options of the Company were:

Directors	Ordinary shares	Share Options	Performance Rights
Directors			
G Lyons	6,876,408	-	2,400,000
T S Wong	33,265,460	-	2,000,000
W H Law	500,000	-	2,000,000

As at the date of this report, there were no unissued ordinary shares of the Company under listed options held.

Auditor's independence

The Directors received the following declaration from the auditor of the Group which is set out on page 21.

Directors' Report

Remuneration report (audited)

This remuneration report for the year ended 30 June 2025 outlines the director and executive remuneration arrangements of the Company and the Group in accordance with the requirements of the *Corporations Act 2001* (the Act) and its regulations. This information has been audited as required by section 308(3C) of the Act.

The remuneration report details the remuneration arrangements for key management personnel ('KMP') who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any director (whether executive or otherwise) of the parent company.

For the purposes of this report the term 'executive' encompasses executive directors and senior executives of the Parent and the Group.

Details of key management personnel

Non-executive Directors

G Lyons	Chairman
TS Wong	Director
WH Law	Director

Executive Directors

M Wilson	Director (resigned on 31 December 2024) and Exploration Manager
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Remuneration committee

The Remuneration Committee is entrusted by the Board to provide appropriate guidance to the Board in relation to the following responsibilities:

- remuneration packages of senior executives (including executive directors);
- the remuneration framework for non-executive directors;
- employment incentive and equity based plans for senior executives, directors and employees generally including the appropriateness of performance hurdles and equity based incentives in the context of overall remuneration packages;
- remuneration policy generally including but not limited to fixed and performance based remuneration, non-cash remuneration including superannuation, and inclusive remuneration principles consistent with the Company's Diversity Policy; and
- retention and termination policies.

The remuneration committee assesses the appropriateness of the nature and amount of remuneration of senior executives (including executive directors) and non-executive directors on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit by balancing the Company's competing interests of attracting and retaining senior executives and directors and avoiding excessive remuneration.

The remuneration committee comprises three non-executive directors. Further information on the committee's role and responsibilities can be seen at www.gwrgroup.com.au.

Directors' Report

Remuneration philosophy

The performance of the Group depends upon the quality of its key personnel. To prosper, the Group must attract, motivate and retain high skilled directors and executives. Due to the nature of the Group's business activities the overall level of compensation does not focus on the earnings of the Company.

To this end, the Group embodies the following principles in its remuneration framework:

- provide competitive rewards to attract high calibre personnel; and
- link rewards to shareholder value.

Remuneration structure

In accordance with best practice corporate governance, the structure of executive and non-executive director remuneration is separate and distinct.

Non-executive director remuneration

Objective:

The Board seeks to set aggregate remuneration at a level which provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders.

Structure:

The Constitution and the ASX listing rules specify that the aggregate remuneration of non-executive directors shall be determined from time to time by a general meeting of shareholders. The latest determination was at the annual general meeting held on 25 November 2010 when shareholders voted to increase the aggregate remuneration to \$500,000 per year.

Non-executive directors are remunerated by way of fees and statutory superannuation. The fees for non-executive directors were set by the Board at \$55,000 per annum and \$90,000 per annum for the Chairman, inclusive of superannuation effective from 1 July 2014.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst directors is reviewed annually. The Board considers the fees paid to non-executive directors of comparable companies when undertaking the annual review process.

Non-executive directors are remunerated by way of fees and statutory superannuation but no other retirement benefits. Non-executive directors are also reimbursed for all reasonable travelling, accommodation and other expenses incurred as a consequence of their attendance at meetings of Directors and otherwise in the execution of their duties as Directors.

Non-executive directors are also paid consulting fees related to their participation in Executive Committee meetings and the provision of other services.

Non-executive directors participate in share option plans, although there are currently no such securities on issue. Although no options were granted during the year ended 30 June 2025 the executive and non-executive directors were granted 10,500,000 Performance Rights on 29 November 2023. These performance rights were issued on 2 October 2024.

During the year ended 30 June 2025, 2,100,000 Performance Rights were exercised including 500,000 Performance Rights of Michael Wilson's.

On 12 September 2025, 2,000,000 Performance Rights awarded to outgoing Director Michael Wilson lapsed.

No remuneration consultants were engaged for the reporting years ended 30 June 2025 and 30 June 2024.

The remuneration of non-executive directors for the reporting years ended 30 June 2025 and 30 June 2024 is detailed in Tables 1 and 2 of this Remuneration Report.

Directors' Report

Executive remuneration

Objective:

The Company aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Group so as to:

- align the interests of executives with those of shareholders; and
- ensure total remuneration is competitive by market standards.

Structure:

In determining the level and make up of executive remuneration, the remuneration committee engages external consultants as needed to provide independent advice. No remuneration consultants were engaged during the year.

Remuneration consists of the following key elements:

- Fixed remuneration; and
- Variable remuneration comprising Short ('STI') and Long ('LTI') term incentives.

Directors and executives participate in share option plans, although there are currently no such securities on issue.

The proportion of fixed remuneration and variable remuneration of Directors and executives for the reporting years ended 30 June 2025 and 30 June 2024 are set out on Tables 1 and 2 of this Remuneration Report.

Fixed remuneration

Objective:

The level of fixed remuneration is set so as to provide a base level of remuneration which is both appropriate to the position and is competitive in the market.

Fixed remuneration is reviewed annually by the remuneration committee and the process consists of individual performance, relative comparative remuneration in the market and, where appropriate, external advice.

Structure:

Executives are given the opportunity to receive their fixed (primary) remuneration in a variety of forms including cash and fringe benefits such as motor vehicles. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue cost for the Group. Presently, executives fixed remuneration comprises only payment of salary and statutory superannuation.

The fixed remuneration component of Directors and executives for the reporting years ended 30 June 2025 and 30 June 2024 is set out on Tables 1 and 2 of this Remuneration Report.

Variable remuneration — short term incentive (STI)

Objective:

The objective of the STI program is to link the achievement of the Group's operational targets with the remuneration received by the executives charged with meeting those targets. The total potential STI available is set at a level so as to provide sufficient incentive to the executive to achieve the operational targets and such that the cost to the Group is reasonable in the circumstances.

Structure:

Actual STI payments granted to each executive depends on the remuneration committee's assessment of the individual's performance and the performance of their business unit. The aggregate of annual STI payments available for executives across the Group is subject to the approval of the remuneration committee.

Directors' Report

Variable remuneration — long term incentive (LTI)

Objective:

The objective of the LTI program is to reward executives in a manner that aligns remuneration with the creation of shareholder wealth. As such, LTI grants are made to executives who are able to influence the generation of shareholder wealth and thus have an impact on the Group's performance.

Structure:

LTI grants to executives may be delivered in the form of share options or performance rights.

On 29 November 2023, the shareholders approved the grant of 10,500,000 Performance Rights to the Directors under the Employee Incentive Plan as detailed below. The Performance Rights were issued on 2 October 2024. Refer to note 23 for more details.

Director	Number of Performance Rights
Gary Lyons	3,000,000
Teck Siong Wong	2,500,000
Michael Wilson	2,500,000
Wai Ho Law	2,500,000
	<hr/>
	10,500,000
	<hr/>

2,100,000 fully paid ordinary shares were issued on 9 April 2025 on vesting of service condition of the above Performance Rights. This includes 500,000 Performance Rights exercised by outgoing Director Michael Wilson subsequent to his resignation.

On 9 September 2025, 2,000,000 Performance Rights awarded to outgoing Director Michael Wilson lapsed. There were no LTI options granted and exercised during the year.

Employment contracts

The details of agreements are provided below.

Michael Wilson (resigned on 31 December 2024)

Mr Wilson was a Director and the Exploration Manager and his remuneration, excluding share-based payments, annual and long service leave allowances, is \$210,798 (2024: \$210,798), plus superannuation contributions. Pursuant to his employment agreement, either the Company or Mr Wilson may terminate with three months' notice in writing to the other party and payment by the Company to Mr Wilson of one month's salary for every 12-month period of service, up to a maximum of 6 month's salary. The Company may pay Mr Wilson for any or all of the three months' notice period in lieu of notice. Mr Wilson is not entitled to any retirement benefits other than as noted above.

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Directors' Report

Remuneration of key management personnel of the Company and Group

Table 1: Remuneration for the year ended 30 June 2025

	Salary & fees	Cash Bonus	Short-term Annual Leave	Other	Post-employment Super	Long-term benefits Long Service Leave	Share-based payments	Termination benefits	Total	Performance related
	\$	\$	\$	\$	\$	\$	\$	\$	\$	%
Non-executive Directors										
G Lyons	80,718	-	-	-	9,282	-	76,377	-	166,377	45.91
TS Wong	55,000	-	-	-	-	-	63,647	-	118,647	53.64
WH Law	55,000	-	-	-	-	-	63,647	-	118,647	53.64
Sub total	190,718	-	-	-	9,282	-	203,671	-	403,671	
Executive Directors										
M Wilson ¹	544,886	-	-	-	20,202	-	39,808	-	604,896	6.58
Sub total	544,886	-	-	-	20,202	-	39,808	-	604,896	
Total	735,604	-	-	-	29,484	-	243,479	-	1,008,567	24.14

¹ Michael Wilson resigned as Executive Director on 31 December 2024. Amount shown above represents remuneration which includes termination pay, unused annual leave and unused long service leave before tax. Details of his remuneration are as below:

Michael Wilson	Salary & Fees	Super
Executive Director Fees	105,399	12,121
Exploration Manager	70,266	8,081
Termination payout	369,221	-
Total	544,886	20,202

On 12 September 2025, 2,000,000 Performance Rights awarded to outgoing Director Michael Wilson lapsed.

Directors' Report

Remuneration of key management personnel of the Company and Group

Table 2: Remuneration For the year ended 30 June 2024

	Salary & fees	Cash Bonus	Short-term Annual Leave	Other	Post-employment Super	Long-term benefits Long Service Leave	Share-based payments ¹	Termination benefits	Total	Performance related
	\$	\$	\$	\$	\$	\$	\$	\$	\$	%
Non-executive Directors										
G Lyons	81,081	-	-	-	8,919	-	60,133	-	150,133	40.05%
TS Wong	55,000	-	-	-	-	-	50,112	-	105,112	47.67%
WH Law	55,000	-	-	-	-	-	50,112	-	105,112	47.67%
Sub total	191,081	-	-	-	8,919	-	160,357	-	360,357	
Executive Directors										
M Wilson	210,798	-	(5,504)	-	23,188	4,080	50,112	-	282,674	17.73%
Sub total	210,798	-	(5,504)	-	23,188	4,080	50,112	-	282,674	
Total	401,879	-	(5,504)	-	32,107	4,080	210,469	-	643,031	32.73%

¹ 10,500,000 Performance Rights were granted on 29 November 2023 and issued on 2 October 2024.

Directors' Report

Equity instruments

Shareholdings of key management personnel

Details of Shares held in the Company at reporting date (number).

30 June 2025

	Balance at the beginning of the year or on appointment	Acquired during the year	On exercise of performance rights	Balance at cessation of office	Balance at the end of the year
Directors					
G Lyons	6,276,408	-	600,000	-	6,876,408
M Wilson ¹	5,607,795	-	-	(5,607,795)	-
T S Wong	32,765,460	-	500,000	-	33,265,460
W H Law	-	-	500,000	-	500,000
Total	44,649,663	-	1,600,000	(5,607,795)	40,641,868

¹ Michael Wilson resigned as Executive Director on 31 December 2024.

500,000 Performance Rights were exercised by Michael Wilson on 9 April 2025 and 2,000,000 Performance Rights lapsed on 12 September 2025.

30 June 2024

	Balance at the beginning of the year or on appointment	Acquired during the year	On exercise of performance rights	Balance at cessation of office	Balance at the end of the year
Directors					
G Lyons	6,276,408	-	-	-	6,276,408
M Wilson	5,607,795	-	-	-	5,607,795
T S Wong	32,765,460	-	-	-	32,765,460
W H Law	-	-	-	-	-
Total	44,649,663	-	-	-	44,649,663

Performance Rights granted to key management personnel

Details of Performance Rights held by Key Management Personnel in the Company at reporting date (number)

	Balance at beginning of year or on appointment	Granted as remuneration during the year	Exercised during the year	At cessation of office	Balance at end of year	Vested at the end of the year
Directors						
G Lyons	3,000,000	-	(600,000)	-	2,400,000	600,000
M Wilson ¹	2,500,000	-	-	(2,500,000)	-	-
T S Wong	2,500,000	-	(500,000)	-	2,000,000	500,000
W H Law	2,500,000	-	(500,000)	-	2,000,000	500,000
Total	10,500,000	-	(1,600,000)	(2,500,000)	6,400,000	1,600,000

¹ Mick Wilson resigned as Executive Director on 31 December 2024.

Directors' Report

Equity instruments (continued)

Performance Rights granted to key management personnel

There were no Performance Rights granted to key management personnel during the year. On 29 November 2023, the shareholders approved the grant of 10,500,000 Performance Rights to the Directors under the Employee Incentive Plan as detailed below:

	Date of grant	Number of Performance Rights	Fair value on date of grant (\$)	Vesting conditions/ Expiry	Vested
Directors					
G Lyons	29 Nov 23	3,000,000	225,000	1 – 5 years from 29 Nov 23	Nil
M Wilson	29 Nov 23	2,500,000	187,500	1 – 5 years from 29 Nov 23	Nil
T S Wong	29 Nov 23	2,500,000	187,500	1 – 5 years from 29 Nov 23	Nil
W H Law	29 Nov 23	2,500,000	187,500	1 – 5 years from 29 Nov 23	Nil
Total		10,500,000	787,500		

The assessed fair value at grant date of Performance Rights is allocated equally over the period from grant date to estimated vesting date, and the amount is included in the remuneration tables above. Fair values at grant date were determined using the share price of \$0.075 each. The above Performance rights were issued on 2 October 2024.

On 9 September 2025, 2,100,000 Performance Rights were exercised.

On 12 September 2025, 2,000,000 Performance Rights lapsed.

Option holdings and Options granted to key management personnel

There were no options held by key management personnel at reporting date. No options over the Company's shares were granted during the year ended 30 June 2025 (2024: Nil).

Details of options over equity instruments of the Company granted as compensation

There were no options over equity instruments of the Company granted as compensation held at reporting date by Key Management Personnel (2024: Nil).

Shares issued on vesting of Performance Rights

2,390,000 fully paid ordinary shares were issued on 9 April 2025 on vesting of service condition of the Performance Rights granted to key management personnel on 29 November 2023.

Shares issued on exercise of options and Shares paid as remuneration

No shares were issued to Key Management Personnel upon exercise of options during the year (2024: Nil). No shares were issued as remuneration during the financial year.

Transactions with related parties

The Company paid \$7,500 inclusive GST (2024: \$7,150 inclusive GST to JL Insurance Brokers, a company associated with Chairman Gary Lyons for arranging insurance cover for the Group) (refer note 21(e)). The Company paid \$69,300 inclusive of GST (2024: Nil) to GL Consulting (WA) Pty Ltd on account of Gary Lyons providing consulting services on commercial terms outside his services as a Non-Executive Director. There were no other transactions with related parties during the year.

END OF REMUNERATION REPORT

Directors' Report

Signed on behalf of Directors and in accordance with a resolution of Directors.



Gary Lyons
Chairman

Dated at Perth, this 30th day of September 2025

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30 September 2025

The Directors
GWR Group Limited
Level 4,
46 Colin Street,
West Perth, WA 6005

Dear Directors

RE: GWR GROUP LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of GWR Group Limited.

As Audit Director for the audit of the financial statements of GWR Group 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:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(An Authorised Audit Company)

Samir Tirodkar
Director



Consolidated statement of profit or loss and other comprehensive income

For the year ended 30 June 2025

		Consolidated	
		2025	2024
	Note	\$	\$
Other Income			
Other Revenue	6	4,110,612	1,687,730
Profit on sale of assets	6	8,180,577	-
Total revenue		12,291,189	1,687,730
Exploration & evaluation expenditure		(1,054,768)	(171,964)
Share of loss in associate	14	(782,634)	-
Personnel expenses	7(a)	(708,393)	(580,804)
Other expenses	7(b)	(1,379,248)	(1,899,654)
Depreciation		(8,553)	(36,602)
Profit / (Loss) from continuing operations before income tax		8,357,593	(1,001,294)
Discontinuing operations			
<i>Discontinuing operation – Wiluna Iron Ore Project (“Wiluna”)</i>			
Other revenue	29	-	120,000
Exploration and evaluation expenditure	29	-	(791,600)
Loss on sale of Wiluna	29	-	(19,447,259)
Profit / (Loss) before tax for discontinuing operation		-	(20,118,859)
Income tax benefit / (expense) from discontinuing operations	8	-	-
Profit / (Loss) after tax for discontinuing operation		-	(20,118,859)
Profit / (Loss) for the year		8,357,593	(21,120,153)
Income tax benefit / (expense) from continuing operations	8	-	-
Profit / (Loss) for the year after income tax		8,357,593	(21,120,153)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss		-	-
Total comprehensive income / (loss) after tax		8,357,593	(21,120,153)
Basic earnings / (loss) per share in cents			
From continuing operations	9	2.60	(0.31)
From discontinuing operations	9	-	(6.26)
From continuing and discontinuing operations	9	2.60	(6.57)

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Consolidated statement of profit or loss and other comprehensive income

For the year ended 30 June 2025

		Consolidated	
		2025	2024
	Note	\$	\$
Diluted earnings / (loss) per share in cents			
From continuing operations	9	2.53	(0.31)
From discontinuing operations	9	-	(6.26)
From continuing and discontinuing operations	9	2.53	(6.57)

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

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Consolidated statement of financial position as at 30 June 2025

		Consolidated	
		2025	2024
	Note	\$	\$
Current assets			
Cash and cash equivalents	10	37,992,804	27,016,412
Term deposits more than 6 months	13	-	10,000,000
Trade and other receivables	11	7,433,401	1,928,798
Other financial assets	13	907,760	923,154
Assets held for sale	30	-	543,103
Total current assets		46,333,965	40,411,467
Non-current assets			
Plant & equipment		1,662	10,215
Exploration & evaluation expenditure	12	1,297,679	1,297,679
Investment in associate	14	7,817,366	-
Financial assets	13	40,000	40,000
Total non-current assets		9,156,707	1,347,894
Total assets		55,490,672	41,759,361
Current liabilities			
Trade and other payables	15	7,341,940	1,899,376
Provisions	16	36,001	416,194
Total current liabilities		7,377,941	2,315,570
Non-current liabilities			
Provisions	16	-	4,524
Total non-current liabilities		-	4,524
Total liabilities		7,377,941	2,320,094
Net assets		48,112,731	39,439,267
Equity			
Contributed equity	17	154,951,396	154,951,396
Reserves	18	28,078,718	27,762,847
Accumulated losses	19	(134,917,383)	(143,274,976)
Total equity		48,112,731	39,439,267

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

Consolidated statement of changes in equity

For the year ended 30 June 2025

	Contributed Equity	Accumulated losses	Option reserve	Total Equity
	\$	\$	\$	\$
Balance at 1 July 2023	154,951,396	(122,154,823)	27,552,378	60,348,951
Loss for the year	-	(21,120,153)	-	(21,120,153)
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	(21,120,153)	-	(21,120,153)
Issue of Performance Rights	-	-	210,469	210,469
Balance at 30 June 2024	154,951,396	(143,274,976)	27,762,847	39,439,267
Profit for the year	-	8,357,593	-	8,357,593
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	8,357,593	-	8,357,593
Issue of Performance Rights (note 23)	-	-	315,871	315,871
Balance at 30 June 2025	154,951,396	(134,917,383)	28,078,718	48,112,731

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

Consolidated statement of cash flows

For the year ended 30 June 2025

		Consolidated	
		2025	2024
	Note	\$	\$
Cash flows from operating activities			
Payments to suppliers & employee		(2,464,270)	(1,473,370)
Payments for exploration & evaluation		(1,339,942)	(132,075)
Interest received		1,872,032	417,516
R&D rebate		347,958	-
Net operating cash flows from discontinuing operations – Wiluna	29	27,204	(543,025)
Net operating cash flows from discontinued operations – C4		-	(1,394,492)
Royalties received		2,533,410	-
Net cash provided by / (used in) operating activities	20	976,392	(3,125,446)
Cash flows from investing activities			
Payments for plant & equipment		-	(3,150)
Net transfer from / (to) term deposit		10,000,000	(8,000,000)
Net investing cash flows from discontinued operations – C4		-	1,727,991
Net investing cash flows from discontinuing operations – Wiluna	29	-	29,200,000
Net cash provided by investing activities		10,000,000	22,924,841
Cash flows from financing activities			
Net cash provided by / (used in) financing activities		-	-
Net increase in cash and cash equivalents		10,976,392	19,799,395
Cash and cash equivalents at the beginning of the financial year		27,016,412	7,217,017
Cash and cash equivalents at the end of the financial year	10	37,992,804	27,016,412

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

Notes to the Financial Statements

For the year ended 30 June 2025

Note 1: Corporate information

The financial report of GWR Group Limited ("the Company" or the "the Parent") and of the Group, being the Company and its controlled entities for the financial year ended 30 June 2025 was authorised for issue in accordance with a resolution of the Directors on 30 September 2025.

GWR Group Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange. The nature of the operations and principal activities of the Group are described in the Directors' report.

Separate financial statements for GWR Group Limited as an individual entity are no longer presented as the consequence of a change to the *Corporations Act 2001*, however, required financial information for GWR Group Limited as an individual entity is included in note 28.

Note 2: Material accounting policy information

a) Basis of preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report has also been prepared on a historical cost basis, except for held for sale investments, which have been measured at fair value. The financial report is presented in Australian dollars and all values are rounded to the nearest dollar unless otherwise stated.

b) Compliance with IFRS

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

c) New accounting standards and interpretations

New and Revised Accounting Standards adopted by the Group

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of the new or amended Accounting Standards and Interpretations did not result in any significant changes to the Group's accounting policies or have a material impact to the financial statements.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 2: Material accounting policy information (continued)

c) New accounting standards and interpretations (continued)

New and revised Accounting Standards for Application in Future Periods

A number of new standards, amendments to standards and interpretations issued by the AASB which are not yet mandatorily applicable to the Group have not been applied in preparing these consolidated financial statements. Those which may be relevant to the Group are set out below. The Group does not plan to adopt these standards early.

AASB 2024-2: Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments

The amendment amends AASB 7 and AASB 9 in relation to:

- settling financial liabilities using an electronic payment system;
- assessing contractual cash flow characteristics of financial assets with environmental, social and corporate governance (ESG) and similar features; and
- disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income and adds disclosure requirements for financial instruments with contingent features that do not relate directly to basic lending risks and costs.

The Group plans on adopting the amendment for the reporting period beginning on or after 1 January 2026. The amendment is not expected to have a material impact on the financial statements once adopted.

AASB 2024-3: Amendments to Australian Accounting Standards – Annual Improvements Volume 11

AASB 2024-3 amends the following:

- AASB 1 to improve consistency between AASB 1 and the requirements for hedge accounting in AASB 9 as well as improve the understandability of AASB 1;
- AASB7 to replace a cross-reference and improve the consistency in the language used in AASB 7 with the language used in AASB 13;
- AASB 9 to clarify how a lessee accounts for the derecognition of a lease liability when it is extinguished and address inconsistencies between AASB 9 and the requirements in AASB 15 in relation to the term “transaction price”;
- AASB 10 in relation to determining de facto agents of an entity; and
- AAS 107 to replace the term “cost method” with “at cost” as the term is no longer defined in Australian Accounting Standards.

The Group plans on adopting the amendment for the reporting period beginning on or after 1 January 2027. The amendment is not expected to have a material impact on the financial statements once adopted.

AASB 18: Presentation and Disclosure in Financial Statements

AASB 18 will replace AASB 101 to amend the presentation and disclosure requirements in financial statements which includes:

- the presentation of the statement of profit or loss into five categories, namely operating, investing, financing, discontinued operations and income tax categories, as well as newly defined operating profit subtotals;
- disclosure of management-defined performance measures (MPMs) in a single note; and
- enhanced requirements for grouping (aggregation and disaggregation) of information.

In addition, the Group will be required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method. The Group plans on adopting the amendment for the reporting period beginning on or after 1 January 2027. The Group is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Group's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Group is also assessing the impact on how the information is grouped in the financial statements, including the items currently labelled as “other”.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 2: Material accounting policy information (continued)

d) Basis of consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (GWR Group Limited) and all of the subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in note 21(a).

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group. Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as "non-controlling interests".

The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

e) Segment reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

Operating segments have been identified based on the information provided to the chief operating decision makers – being the executive management team. Operating segments that meet the quantitative criteria as prescribed by AASB 8 are reported separately. However, an operating segment that does not meet the quantitative criteria is still reported separately where information about the segment would be useful to users of the financial statements. The Group determines and presents operating segments based on the information internally provided to the executive management team.

f) Revenue

The Group generates a significant proportion of revenue from the sale of iron ore. Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer and at the amount that reflects the consideration which the Group expects to receive in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue contracts because it typically controls the goods or services before transferring them to the customer.

Royalties

The Group considers royalty interest to represent a retained interest in the relevant mineral asset. The royalty is therefore a payment by the operator of each mining property on which the royalty interest is held for the right to extract and sell commodities from that retained interest. Royalty arrangements typically provide the Group with a right to periodic payments calculated as a percentage of the amounts involved by the operator in the given period.

The Group recognises royalty revenue when commodities are sold by the operator under customer contracts (the Group is not a party to these contracts). Invoices are generally issued by the operator at the point when commodities are sold. Practically, the Group is provided with periodic communication from the operator about the amounts invoiced. Revenue from royalty arrangements is measured each period based on the agreed terms of the royalty arrangement and confirmed with the operator of each mining property.

Iron ore sales

Revenue from the sale of products is recognised when control has passed to the customer, no further work or processing is required by the Group, the quantity and quality of the products have been determined with reasonable accuracy, the price can be reasonably estimated and collectability is reasonably assured.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 2: Material accounting policy information (continued)

f) Revenue (continued)

Iron ore sales

The above conditions are generally satisfied when title passes to the customer, typically on the bill of lading date when iron ore is delivered to the vessel, or alternatively on collection for port sales. Revenue is recorded at the invoiced amounts along with any associated shipping costs. GWR's sales contracts may provide for provisional pricing of sales at the time the product is delivered to the vessel with final pricing determined using the relevant price indices on or after the vessel's arrival at the port of discharge. Under AASB 9 the receivable asset is measured at fair value through profit and loss.

Interest income

Revenue is recognised as the interest accrues using the effective interest method. This is the method of calculating the amortised costs of the financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

R&D tax rebate

R&D tax rebate is recognised when the refund is received from ATO.

g) Income tax

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

Deferred income tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognised for all taxable temporary differences except:

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

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss. Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities related to the same taxable entity and the same taxation authority.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 2: Material accounting policy information (continued)

h) Other taxes

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

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item; and
- receivables and payables are stated with the amount of GST included.

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

Cash flows are included in the cash flow statement on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

i) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

j) Plant and equipment

All plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation. All other repairs and maintenance are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated using diminishing balance method over the estimated useful life of the assets as follows:

- | | |
|--------------------------|---------------|
| • Leasehold improvements | 5 to 10 years |
| • Motor vehicles | 10 years |
| • Plant and equipment | 5 to 20 years |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Derecognition and disposal

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the item is derecognised.

k) Exploration and evaluation expenditure

Exploration and evaluation costs are expensed in the period they are incurred apart from mineral acquisition costs, which are capitalised and carried forward where right to tenure of the area of interest is current and they are expected to be recouped through sale or successful development and exploitation of the area of interest, or where exploration and evaluation activities in the area of interest have not reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Where an area of interest is abandoned or the directors decide that it is not commercial, any accumulated mineral acquisition costs in respect of that area are written off in the financial period the decision is made. Each area of interest is also reviewed at the end of each accounting period and capitalised costs written off to the extent it is deemed that they will not be recoverable in the future.

Amortisation is not charged on costs carried forward in respect of areas of interest in the development phase until production commences.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 2: Material accounting policy information (continued)

l) Investments in an associate

The Group's investment in its associate, an entity in which the Group has significant influence, is accounted for using the equity method.

Under the equity method, the investment in the associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

The statement of profit or loss and other comprehensive income reflects the Group's share of the results of operations of the associate. When there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The Group's share of profit or loss of an associate is shown on the face of the statement of profit or loss and other comprehensive income and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the associate and its carrying value, then recognises the loss as 'Share of Losses of an associate' in the statement of profit or loss and other comprehensive income.

Upon loss of significant influence over the associate, the Group measures and recognises the retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

m) Financial instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument. Financial instruments (except for trade receivables) are measured initially at fair value adjusted by transactions costs, except for those carried "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss. Where available, quoted prices in an active market are used to determine the fair value. In other circumstances, valuation techniques are adopted. Subsequent measurement of financial assets and financial liabilities are described below.

Trade receivables are initially measured at the transaction price if the receivables do not contain a significant financing component in accordance with AASB 15.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 2: Material accounting policy information (continued)

m) Financial instruments (continued)

Classification and subsequent measurement

Financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments, are classified into the following categories upon initial recognition:

- amortised cost;
- fair value through other comprehensive income (FVOCI); and
- fair value through profit or loss (FVPL).

Classifications are determined by both:

- The contractual cash flow characteristics of the financial assets; and
- The entities business model for managing the financial asset.

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Financial assets at fair value through other comprehensive income

The Group measures debt instruments at fair value through OCI if both of the following conditions are met:

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; and
- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling the financial asset.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI.

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under AASB 132 Financial Instruments: Presentation and are not held for trading.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 2: Material accounting policy information (continued)

m) Financial instruments (continued)

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss. All interest-related charges and, if applicable, gains and losses arising on changes in fair value are recognised in profit or loss.

Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach permitted by AASB, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

n) Trade and other payables

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

o) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the time value of money and the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised in finance costs.

p) Employee benefits

(i) Wages salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

(ii) Long service leave and other employment entitlements

The liability for long service leave and other employment entitlements is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 2: Material accounting policy information (continued)

q) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

r) Earnings per share

Basic earnings per share is calculated as net profit attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit or loss attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends);
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares, divided by the weighted average of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

s) Share-based payment transactions

(i) Equity settled transactions

The Group may provide benefits to directors, employees and other parties in the form of share-based payment transactions, whereby directors, employees and other parties render services in exchange for shares or rights over shares ('equity-settled transactions').

The cost of these equity-settled transactions with directors, employees and consultants is measured by reference to the fair value of the equity instrument at the date at which they are granted. The fair value is determined by using the share price at grant date, further details where applicable are given in note 23. In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of GWR Group Limited ('market conditions') if applicable.

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

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

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

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. An additional expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were modification of the original award, as described in the previous paragraph. The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 2: Material accounting policy information (continued)

t) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

u) Impairment of assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impaired losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at a revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increase amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

v) Provision for rehabilitation

The Group is required to close and rehabilitate sites and associated facilities at the end of or, in some cases, during the course of production to a condition acceptable to the relevant authorities, as specified in licence requirements and the Group's closure performance requirements.

The key components of closure and rehabilitation activities are:

- the removal of all unwanted infrastructure associated with an operation.
- the return of disturbed areas to a safe, stable and self-sustaining condition, consistent with the agreed post-closure land use.

Recognition and measurement

Provisions for closure and rehabilitation are recognised by the Group when:

- it has a present legal or constructive obligation as a result of past events.
- it is more likely than not that an outflow of resources will be required to settle the obligation – the amount can be reliably estimated.

The individual site provisions are an estimate of the expected value of future cash flows required to close the relevant sites based on an independent assessment by an external consultant.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 2: Material accounting policy information (continued)

w) Fair value measurements

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs). For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

Valuation techniques

In the absence of an active market for an identical asset or liability, the Group selects and uses one or more valuation techniques to measure the fair value of the asset or liability. The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Group are consistent with one or more of the following valuation approaches:

- Market approach: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities;
- Income approach: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value; and
- Cost approach: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Group gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 2: Material accounting policy information (continued)

w) Fair value measurements (continued)

Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

The Group would change the categorisation within the fair value hierarchy only in the following circumstances:

- (i) if a market that was previously considered active (Level 1) became inactive (Level 2 or Level 3) or vice versa; or
- (ii) if significant inputs that were previously unobservable (Level 3) became observable (Level 2) or vice versa.

When a change in the categorisation occurs, the Group recognises transfers between levels of the fair value hierarchy (i.e. transfers into and out of each level of the fair value hierarchy) on the date the event or change in circumstances occurred.

x) Trade and other receivables

Receivables, which generally have 30–90-day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less an allowance for any uncollectible amounts.

Collectability of receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that the Group will not be able to collect the debt.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 3: Financial Risk Management Objectives and Policies

The Group's principal financial instruments comprise cash, short term deposits, trade and other receivables, available for sale investments, trade and other payables and interest-bearing liabilities.

The Group's activities expose it to a variety of financial risks: market risk (including interest rate risk), credit risk and liquidity risk. The Group's activities, which mainly comprise of exploration and evaluation work that occurs solely within Australia, do not expose it, at this time, to any foreign currency risk or price risk.

The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize the potential adverse effects on the financial performance of the Group. The main risks arising from the Group's financial instruments are market risk (e.g. interest rate risk and price risk), credit risk and liquidity risk.

The Group uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate and assessment of market forecasts for interest rates. The Group manages credit risk by only dealing with recognised, creditworthy, third parties and liquidity risk is monitored through the development of future rolling cash flow forecasts.

The Board reviews and agrees procedures for managing each of these risks as summarised below. Primary responsibility for identification and control of financial risks rests with management under the procedures approved by the Board. The Board reviews management's processes for managing each of the risks identified below including future cash flow forecast projections.

Risk exposures and responses

Market risk

Investment price risk

The Group's listed investments are susceptible to market risk arising from uncertainties about its future value. This risk is managed by investing decisions conducted by a committee and the Board.

Interest rate risk

The Group's exposure to market interest rates relates primarily to the Group's interest-bearing cash and cash equivalents and other financial assets. The Group holds a term deposit and of cash and cash equivalents in interest-bearing accounts. Trade and other receivables disclosed in note 11 and trade and other payables disclosed in note 15 are non-interest bearing.

At balance date, the Group had the following mix of financial assets exposed to variable interest rate risk:

	Consolidated	
	2025	2024
	\$	\$
Financial assets		
Cash and cash equivalents	37,992,804	27,016,412
Other financial assets (current)	800,000	800,000
Other financial assets (non-current)	40,000	40,000
	<u>38,832,804</u>	<u>27,856,412</u>

Notes to the Financial Statements

For the year ended 30 June 2025

Note 3: Financial Risk Management Objectives and Policies (continued)

Risk exposures and responses (continued)

The Group's policy is to manage its finance costs using a mix of fixed and variable rate debt. The Group regularly analyses its interest rate exposure. Within this analysis consideration is given to potential renewals of existing positions, alternative financing and the mix of fixed and variable interest rates.

The following sensitivity analysis is based on the interest rate exposures in existence at the balance sheet date after taking into account judgements by management of reasonably possible movements in interest rates after consideration of the views of market commentators over the next twelve months. At 30 June 2025, if interest rates had moved, as illustrated in the table below, with all other variables held constant, post tax loss and equity would have been affected as follows:

	Post tax loss Higher/(lower)		Equity Higher/(lower)	
	2025	2024	2025	2024
	\$	\$	\$	\$
Consolidated				
+0.50% (50 basis points)	8,204	895	8,204	8,667
-0.25% (25 basis points)	(12,307)	(1,342)	(12,307)	(13,001)

Credit risk

Credit risk arises from the financial assets of the Group, which comprise cash and cash equivalents, trade and other receivables and other financial assets. The Group's exposure to credit risk arises from potential default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. Exposure at balance date is addressed in each applicable note. The Group does not hold any credit derivatives to offset its credit exposure. The Group only trades with recognised, creditworthy third parties, and as such collateral is not requested, nor it is the Group's policy to securitise its trade and other receivables.

The amount due from Gold Valley at balance date of \$6,714,583, includes \$6,156,438 for State iron royalties that are due and payable to the State Government of WA by the 31 July 2025. As at 30 June 2025, the State iron royalties amount remains past due but not impaired. As at the date of this report, \$3,000,000 remains past due but not impaired. Refer to note 11 for further information.

Cash and term deposit financial instruments held by the Group are held with financial institutions all of which have credit ratings of AA or better, to minimise the risk of counterparty default. At balance date the cash and cash equivalents are held on account with a "big four" Australia bank. Financing and investing decisions are conducted by a committee and the Board. This includes an appropriate level of due diligence by the committee and the Board to determine the credit risk of the investment or financing decision prior to the commitment being undertaken by the Group.

Liquidity risk

Liquidity risk arises from the financial liabilities of the Group and the Group's subsequent ability to meet their obligations to repay their financial liabilities as and when they fall due. The Group regularly monitors forecasts and actual cash flows and the maturity profiles of its financial assets and liabilities to manage its liquidity risk. The remaining contract maturities of the Group's financial liabilities are set out as follows:

	Consolidated	
	2025	2024
	\$	\$
1 year or less	7,341,940	1,899,376
Over 1 year	-	-
	<u>7,341,940</u>	<u>1,899,376</u>

At balance date the Group had cash and cash equivalents of \$37,992,804 (2024: \$27,016,412) for use within three months.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 3: Financial Risk Management Objectives and Policies (continued)

Risk exposures and responses (continued)

Fair value

The methods for estimating fair value are outlined in the relevant notes to the financial statements. The fair values of financial assets and liabilities are approximately their carrying values.

The fair value of financial instruments as well as the methods used to estimate the fair value are summarised in the tables below.

	Quoted market price (Level 1)	Valuation technique: market observable inputs (Level 2)	Valuation technique: non-market observable inputs (Level 3)	Total
	\$	\$	\$	\$
30 June 2025				
Financial Assets				
Investment in listed securities (note 13)	107,760	-	-	107,760
Term deposit (note 13)	-	-	-	-
Other financial assets (note 13)	-	840,000	-	840,000
Total financial assets	107,760	840,000	-	947,760
30 June 2024				
Financial Assets				
Investment in listed securities (note 13)	123,154	-	-	123,154
Term deposit (note 13)	-	10,000,000	-	10,000,000
Other financial assets (note 13)	-	840,000	-	840,000
Total financial assets	123,154	10,840,000	-	10,963,154

Equity price risk

Price risk arises from investments in equity securities. All significant equity investments held by the Group are publicly traded on the ASX. The price risk for listed securities is material in terms of the possible impact on profit and loss or total equity and as such a sensitivity analysis is completed below. The capacity of the Company to raise capital from time to time may be influenced by either or both market conditions and the price of the Company's quoted shares at that time. At balance date, the Group is exposed to a securities equity price risk on its investments as noted above. The Group's exposure to share price movement is set out in the following tables:

	Post tax loss Higher/(lower)		Equity Higher/(lower)	
	2025	2024	2025	2024
	\$	\$	\$	\$
Consolidated				
+20%	21,552	24,631	21,552	24,631
-20%	(21,552)	(24,631)	(21,552)	(24,631)

Notes to the Financial Statements

For the year ended 30 June 2025

Note 4: Significant accounting judgements, estimates and assumptions

a) Significant accounting judgements

In the process of applying the Group's accounting policies management has the following significant accounting judgements apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements.

Determination of mineral resources and ore reserves

The Group reports its mineral resources and ore reserves in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2004 Edition ('the JORC code') as a minimum standard. The mineral resources for the Hatches Creek Project have been prepared in accordance with JORC 2012. The information on mineral resources and ore reserves were prepared by or under the supervision of Competent Persons as defined in the JORC code.

There are numerous uncertainties inherent in estimating mineral resources and ore reserves and assumptions that are valid at the time of estimation may change significantly when new information becomes available. Changes in the forecast prices of commodities, exchange rates, production costs or recovery rates may change the economic status of reserves and may, ultimately, result in reserves or resources being restated.

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Trade and other receivables

The collectability of trade and other receivables, including the receivable from Gold Valley Wiluna West Pty Ltd, is assessed continuously. At the reporting date, no allowances were made for any expected credit losses based on a review of all outstanding amounts at reporting period-end.

Share-based payment transactions

The Group measures the cost of equity-settled and cash-settled transactions by reference to the fair value of the goods or services received in exchange if it can be reliably measured. If the fair value of the goods or services cannot be reliably measured, the costs is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the share price at grant date and the assumptions and carrying amount at the reporting date, if any, is disclosed in note 23.

Impairment of capitalised acquisition costs on exploration and evaluation projects

Acquisition costs incurred in acquiring exploration assets are carried forward where right of tenure of the area of interest is current. These costs are carried forward in respect of an area that has not at balance sheet date reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. The future recoverability of these costs is dependent on a number of factors, including whether the Group decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale. Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, which could impact the cost of mining, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices. To the extent these capitalised costs are determined not to be recoverable in the future, profits and net assets will be reduced in the period in which this determination is made.

Deferred taxation

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, base level of future taxable profits together with future tax planning strategies.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 5: Segment information

Determination and identification of reportable segment

AASB 8 Operating Segments requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Chief Operating Decision Maker in order to allocate resources to the segment and to assess its performance.

The Group's operating segments have been determined with reference to the monthly management accounts used by the Chief Operating Decision maker to make decisions regarding the Group's operations and allocation of working capital. The executive management team has been determined as the Chief Operating Decision Maker.

Based on the quantitative thresholds included in AASB 8, there is currently one geographical segment, being Western Australia, and three reportable segments, being Mining Operations, Exploration Activities and Corporate-related operations.

Segment information

The following tables present revenue and profit information and certain asset and liability information regarding reportable segments for the years ended 30 June 2025 and 30 June 2024.

	Exploration	Corporate	Discontinuing Operations – Mining (note 29)	Total
	\$	\$	\$	\$

30 June 2025

Segment revenue	-	12,291,189	-	12,291,189
Segment profit before income tax expense	(1,054,768)	9,412,361	-	8,357,593
Segment assets	1,297,679	54,192,993	-	55,490,672
Segment liabilities	-	7,377,941	-	7,377,941

	Exploration	Corporate	Discontinuing Operations – (note 29 and note 30)	Total
	\$	\$	\$	\$

30 June 2024

Segment revenue	-	1,687,730	-	1,687,730
Segment (loss) before income tax expense	(171,964)	(829,330)	(20,118,859)	(21,120,153)
Segment assets	1,297,679	39,918,579	543,103	41,759,361
Segment liabilities	-	2,320,094	-	2,320,094

Notes to the Financial Statements

For the year ended 30 June 2025

Note 6: Other Income

	Consolidated	
	2025	2024
	\$	\$
Profit on sale of assets	8,180,577	-
	8,180,577	-
Other Revenue		
Interest income	1,757,616	759,472
Royalty income	1,964,240	928,258
R&D refund and sundry income	388,756	-
	12,291,189	1,687,730

Profit on sale of assets

On 6 August 2024, GWR Group Limited, through its wholly owned subsidiary, NT Tungsten Pty Ltd sold 80% interest in the Hatches Creek Tungsten project to Territory Tungsten Pty Ltd, a wholly owned subsidiary of Tungsten Mining NL for a consideration of 107.5 million fully paid ordinary shares at an issue price per share of \$0.08 (\$8,600,000). (Refer Note 14).

The profit on the sale of Hatches Creek assets after deducting the carrying amount of the exploration and evaluation assets on the Consolidated Statement of Financial Position totals \$8,180,577.

Note 7: Expenses

	Consolidated	
	2025	2024
	\$	\$
(a) Personnel expenses		
Salary and wages	273,453	301,796
Superannuation	63,821	26,642
Share-based payments	315,871	210,469
Other employee expenses	55,248	41,897
	708,393	580,804
(b) Other expenses		
Administration costs	136,590	106,598
Corporate costs	202,043	197,377
Consulting fees	945,535	1,369,036
Occupancy costs	79,686	65,186
Fair value loss on financial assets classified as FVTPL*	15,394	153,942
Unrealised foreign exchange loss	-	7,515
	1,379,248	1,899,654

*The Group has an investment in an ASX-listed entity, eMetals Limited, as described in note 13, that is recognised as at Fair Value Through Profit or Loss ("FVTPL"). During the year ended 30 June 2025, a loss of \$15,394 was recorded (2024: \$153,942).

Notes to the Financial Statements

For the year ended 30 June 2025

Note 8: Income tax

	Consolidated	
	2025	2024
	\$	\$

A reconciliation of income tax expense applicable to accounting (loss) /profit before income tax at the statutory income tax rate to income tax expense at the company's effective income tax rate is as follows:

Accounting profit /(loss) before income tax	8,357,593	(21,120,153)
At the statutory income tax rate of 30% (2024: 25%)	2,507,278	(5,280,038)
Non-deductible expenditure	332,686	53,919
Non-assessable income	(26,356)	-
Effect of balancing adjustment on sale of projects	-	(320,814)
Adjustments recognised in the current year in relation to the current tax of previous years	60,252	147,401
Effect of application of previously unrecognised tax losses	(2,746,063)	(5,931,164)
Tax loss and temporary differences not brought to account as a deferred tax asset	6,085,758	11,330,696
Impact of change in tax rate on unrecognised DTAs	(6,213,555)	-
At the effective income tax rate of 0% (2024: 0%)	-	-

The tax rate used in the above reconciliation is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian tax law. The following calculation of unrecognised deferred tax assets and liabilities has been determined using an expected tax rate of 25%, which is the rate that is likely to apply when these assets and liabilities are realised.

	Consolidated	
	2025	2024
	\$	\$

Unrecognised deferred tax assets (liabilities)

Deferred tax assets have not been recognised for the following items:

Intangible assets		-
Financial assets	5,069,411	4,220,661
Employee benefit liabilities	7,949	106,037
Trade and other payables	10,500	11,250
Provisions	4,500	-
Lease liabilities	-	-
Unused tax losses	27,258,627	23,008,974
Other future deductions	2,226,168	3,891,209
Deferred tax assets	34,577,155	31,238,131

Notes to the Financial Statements

For the year ended 30 June 2025

Note 8: Income tax (continued)

	Consolidated	
	2025	2024
	\$	\$

Deferred tax liabilities have not been recognised in respect of the following items:

Trade & other receivables	(72,570)	(89,018)
Financial liabilities		-
Prepayments	(7,323)	(4,375)
Plant and equipment	(499)	(2,554)
Exploration assets	(89,304)	(74,420)
Deferred tax liabilities	(169,696)	(170,367)
Net unrecognised deferred tax asset	34,407,459	31,067,764

Net deferred tax assets have not been recognised because it is not yet probable that future taxable profit will be available against which the Group can utilise the benefits. The Group's carried forward tax losses at balance date are \$90,862,089 (2024: \$92,035,896).

Tax consolidation

The Company and its 100% owned controlled entities have formed a tax consolidated group. Members of the consolidated entity have entered into a tax sharing agreement and a tax funding agreement. The head entity of the tax consolidated group is GWR Group Limited. The tax funding agreement provides for the allocation of current taxes to members of the tax consolidated group. Deferred taxes are allocated to members of the tax consolidated group in accordance with a group allocation approach with is consistent with the principle of AASB 112 Income Taxes.

Note 9: Gain / (Loss) per share

The following reflects the income and data used in the calculations of basic and diluted gain / (loss) per share:

	Consolidated	
	2025	2024
	\$	\$

Profit / (Loss) used in calculating basic and diluted gain / (loss) per share:

- From continuing operations	8,357,593	(1,001,294)
- From discontinuing operations (refer note 29)	-	(20,118,859)
- From continuing and discontinued operations	8,357,593	(21,120,153)

Notes to the Financial Statements

For the year ended 30 June 2025

Note 9: (Loss) / Gain per share (continued)

	Consolidated	
	2025	2024
	\$	\$
Weighted average number of ordinary shares used in calculating basic gain / (loss) per share:	321,753,587	321,216,655
Basic gain / (loss) per share in cents:		
– from continuing operations	2.60	(0.31)
– from discontinuing operations	-	(6.26)
– from continuing and discontinuing operations	2.60	(6.57)
Weighted average number of ordinary shares used	321,753,587	321,216,655
Weighted average number of performance rights used	8,601,589	-
Weighted average number of ordinary shares and performance rights used in calculating diluted gain / (loss) per share	330,361,176	321,216,655
Diluted gain / (loss) per share in cents:		
– from continuing operations	2.53	(0.31)
– from discontinuing operations	-	(6.26)
– from continuing and discontinuing operations	2.53	(6.57)

All potential ordinary shares are considered anti-dilutive as the average share price over the year was less than the exercise price of the options. There are also no outstanding options at 30 June 2025.

Note 10: Cash and cash equivalents

	Consolidated	
	2025	2024
	\$	\$
Cash at bank	992,804	3,016,412
Term deposits	37,000,000	24,000,000
	37,992,804	27,016,412

Notes to the Financial Statements

For the year ended 30 June 2025

Note 11: Trade and other receivables

	Consolidated	
	2025	2024
	\$	\$
Current		
Royalty and other receivable from Gold Valley Wiluna West Pty Ltd	558,145	961,987
State royalty receivable from Gold Valley Wiluna West Pty Ltd (note 15)	6,156,438	565,718
Interest and other receivables	694,408	383,593
Prepayments	24,410	17,500
	<u>7,433,401</u>	<u>1,928,798</u>

State royalty receivable from Gold Valley Wiluna West Pty Ltd

The registration of the transfer of the Wiluna West Iron Ore tenements from Company to Gold Valley Wiluna West Pty Ltd following the completion of the sale of the Wiluna West Iron Ore Project to Gold Valley pursuant to a binding sale agreement has yet to be processed by the Department of Energy, Mines, Industry Regulation and Safety.

Whilst the Company remains the registered holder of those tenements, as a matter of law the Company is liable to the State of Western Australia for the payment of State royalties on these tenements. However, under the binding sale agreement, Gold Valley Wiluna West Pty Ltd assumed liability and is responsible for payment of these State royalties.

Therefore, any State Government royalties due on these tenements is recorded as a receivable from Gold Valley Wiluna West Pty Ltd and a corresponding liability (refer to note 15) is accrued to recognise the Company's legal obligation.

The amount due from Gold Valley Wiluna West Pty Ltd at balance date of \$6,714,583, includes \$6,156,438 for State iron royalties that are due and payable to the State Government of WA by the 31 July 2025. As at 30 June 2025, the State iron royalties amount remains past due but not impaired. Subsequent to the financial year end, Gold Valley Wiluna West Pty Ltd remitted a total of \$3,156,438 to the State Government of Western Australia in respect of state iron ore royalties. As at the date of this report \$3,000,000 remains past due but not impaired (refer Note 27).

Note 12: Exploration and evaluation expenditure

	Consolidated	
	2025	2024
	\$	\$
Exploration and evaluation expenditure (a)	1,297,679	1,297,679
<i>Reconciliation of the carrying amounts is set out below:</i>		
Exploration and evaluation expenditure		
Carrying amount at beginning of year	1,297,679	7,627,058
Disposal of Wiluna Project (note 29)	-	(5,910,236)
Disposal of Hatches Creek (note 30)	-	(419,143)
Carrying amount at end of year	<u>1,297,679</u>	<u>1,297,679</u>

Notes to the Financial Statements

For the year ended 30 June 2025

Note 12: Exploration and evaluation expenditure (continued)

The Group capitalises the acquisition costs in accordance with its accounting policy for exploration and evaluation expenditure. The ultimate recoupment of exploration and evaluation expenditure relating to the Group's magnesium projects carried forward is dependent on the successful development for commercial exploitation or sale of the respective mining projects.

Note 13: Financial assets

	Consolidated	
	2025	2024
	\$	\$
Current		
Term deposit maturing after 6 months	-	10,000,000
	-	10,000,000
Other financial assets:		
Shares held in eMetals Limited – at Fair Value through Profit or Loss (a)	107,760	123,154
Funds held under trust (b)	800,000	800,000
	907,760	923,154
Non-Current		
Security Deposits – amortised cost	40,000	40,000
	40,000	40,000
<i>(a) A reconciliation of the movement in the carrying value of shares held in eMetals Limited during the year is as follows:</i>		
Opening balance	123,154	277,096
Fair value adjustment	(15,394)	(153,942)
Closing balance	107,760	123,154

(a) As at 30 June 2025, the Group held 30,788,460 shares in eMetals Limited. This investment is carried at fair value through profit or loss.

(b) Pursuant to the sale of Wiluna Project, \$800,000 is refundable to Cufe Limited as a result there is a corresponding liability under trade and other payables (note 15).

Notes to the Financial Statements

For the year ended 30 June 2025

Note 14: Investment in associate

Tungsten Mining NL

The Group has an 19.86% (June 2024: 8.90%) interest in Tungsten Mining NL ("TGN"), which is a listed company on the ASX. TGN is focused on the development and exploitation of tungsten deposits, in particular the Mt Mulgine project in Western Australia.

At balance sheet date the Group held 177,500,000 shares in TGN with a market value of \$11,892,500 at a share price of \$0.067 per share as at 30 June 2025.

As stated per note 6, GWR sold 80% interest in the Hatches Creek Tungsten project to TGN for a consideration of 107.5 million fully paid ordinary shares at an issue price per share of \$0.08 (\$8,600,000) resulting the GWR's voting power in TGN to increase approximately to 19.86%. The shares were issued on 16 December 2024 at \$0.08 per share.

As the Group's share of the associate's losses exceeds the initial cost of the investment was previously written down to nil value.

The following table illustrates the summarised financial information of the Group's investment in TGN.

	Consolidated	
	2025	2024
	\$	\$
Proportion of the Company's ownership	19.86%	8.90%
<i>Share of the associate's statement of financial position:</i>		
Current assets	567,100	758,572
Non-current assets	7,952,348	1,898,332
Total liabilities	(2,846,836)	(220,484)
Equity	5,672,612	2,436,420
Carrying amount of the investment: Opening balance	-	-
Total	-	-
Carrying amount of the investment: Opening balance	-	-
Add: Sale of Hatches Creek assets (note 6)	8,600,000	-
<i>Less: Share of the associate's loss:</i>		
Revenue	116,271	113,659
Expenses	(898,905)	(568,713)
Loss for the year	(782,634)	(455,054)
Share of the associate's other comprehensive loss	-	-
Total comprehensive loss	(782,634)	(455,054)
Share of loss not recognised	-	455,054
Share of loss recognised	(782,634)	-
Carrying amount of the investment: Closing balance	7,817,366	-
Total unrecognised share of losses of associate	-	(2,595,771)
Total carrying amount of investment in associate	7,817,366	-

Notes to the Financial Statements

For the year ended 30 June 2025

Note 14: Investment in associate (continued)

	Consolidated	
	2025	2024

Summarised financial information for Tungsten Mining NL

The tables below provide summarised consolidated financial information for Tungsten Mining NL. The information disclosed reflects the amounts presented in the financial statements of Tungsten Mining NL and not GWR's share of those amounts

	2025	2024
	\$	\$
Summarised balance sheet:		
Assets		
Cash and cash equivalents	2,520,033	8,067,582
Trade and other receivables	27,878	127,417
Other assets	307,575	328,277
Total current assets	2,855,486	8,523,276
Non-current assets		
Plant and equipment	225,625	1,000,919
Right-of-use assets	475,232	621,457
Exploration and evaluation	39,341,179	19,707,196
Total non-current assets	40,042,036	21,329,572
Total assets	42,897,522	29,852,848
Current liabilities		
Trade and other payables	774,240	1,090,659
Lease liabilities	131,573	124,616
Provisions	146,576	95,253
Convertible notes	4,056,412	-
Total current liabilities	5,108,801	1,310,528
Non-current liabilities		
Lease liabilities	372,307	516,495
Provisions	8,853,416	650,327
Total non-current liabilities	9,225,723	1,166,822
Total liabilities	14,334,524	2,477,350
Net assets	28,562,998	27,375,498

Notes to the Financial Statements

For the year ended 30 June 2025

Note 15: Trade and other payables

	Consolidated	
	2025	2024
	\$	\$
Trade payables	97,828	96,321
Rehabilitation funds owing to Cufe Limited (note 13)	800,000	800,000
Other payables	-	99,962
Accrual of State royalties and TMPAC payable (note 11)	6,156,438	747,022
Other accruals	287,674	156,071
	<u>7,341,940</u>	<u>1,899,376</u>

Accrual of State royalties and TMPAC payable

Whilst the Company remains the registered holder of those tenements, as a matter of law the Company is liable to the State of Western Australia for the payment of State royalties on these tenements. However, under the binding sale agreement, Gold Valley assumed liability and is responsible for payment of these State royalties. As at the date of this report, \$3,000,000 remains past due. Refer to Note 11 for further details.

Note 16: Provisions

	Consolidated	
	2025	2024
	\$	\$
Current		
Employee entitlements	<u>21,001</u>	<u>416,194</u>
Non-Current		
Employee entitlements	-	4,524
Rehabilitation provision	<u>15,000</u>	<u>-</u>
	<u>36,001</u>	<u>420,718</u>

Pursuant to the sale of Wiluna Project to Gold Valley Wiluna West Pty Ltd, the rehabilitation provision has been relinquished (refer note 26).

Notes to the Financial Statements

For the year ended 30 June 2025

Note 17: Contributed equity

	2025	2024	2025	2024
			\$	\$

(a) Issued capital

323,606,655 ordinary fully paid shares

(2024: 321,216,655)

154,951,396

154,951,396

	Number	Number	\$	\$
<i>Movement in ordinary shares on issue</i>				
Opening balance at 1 July	321,216,655	321,216,655	154,951,396	154,951,396
Performance Rights converted to shares on 9 April 2025	2,390,000	-	-	-
Closing balance at 30 June	323,606,655	321,216,655	154,951,396	154,951,396

(b) Capital management

When managing capital, management's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity.

As the equity market is constantly changing, management may issue new shares to provide for future exploration, evaluation and development activity.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 18: Reserves

	Consolidated	
	2025	2024
	\$	\$
Listed options reserve	27,552,378	27,552,378
Performance rights reserve (a)	526,340	210,469
	<u>28,078,718</u>	<u>27,762,847</u>
	Number	\$
<i>Movement in performance rights reserve</i>		
Balance at beginning of the year (note 23)	10,500,000	210,469
Performance rights issued to Directors (note 23)	-	243,479
Performance rights issued to employees and consultants (note 23)	2,550,000	72,392
Performance Rights converted to shares	(2,390,000)	-
Performance rights cancelled	(1,150,000)	-
Balance at end of the year	<u>9,510,000</u>	<u>526,340</u>

Summary of Performance Rights and Options

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, performance rights and share options issued during the year:

	Number		WAEP	
	Performance Rights	Options	Performance Rights	Options
	2025	2024	2025	2024
GWR Group Limited				
Outstanding at beginning of year	10,500,000	17,774,509	-	\$0.3762
Issued during the year	2,550,000	-	-	-
Converted to shares during the year	(2,390,000)	-	-	-
Cancelled during the year	(1,150,000)	-	-	-
Options expired during the year	-	(17,774,509)	-	(\$0.3762)
Outstanding at end of year	<u>9,510,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Vested at end of year	<u>2,390,000</u>	<u>-</u>	<u>-</u>	<u>-</u>

The exercise price of these options was reduced from \$0.40 to \$0.3762 upon the effective return of capital that occurred on 13 July 2021 as a result of the in-specie distribution of shares held in Western Gold Resources Limited to shareholders.

There are no options issued during the year but the Company issued 2,550,000 Performance Rights to employees and consultants (refer note 23 for details of vesting conditions).

Notes to the Financial Statements

For the year ended 30 June 2025

Note 19: Accumulated losses

	Consolidated	
	2025	2024
	\$	\$

Opening balance	(143,274,976)	(122,154,823)
Profit / (Loss) attributable to members of the Parent	8,357,593	(21,120,153)
Closing balance	(134,917,383)	(143,274,976)

Note 20: Cash flow statement reconciliation

	Consolidated	
	2025	2024
	\$	\$

Reconciliation of net cash and cash equivalents used in operating activities to profit / (loss) after income tax:

Profit / (Loss) after income tax	8,357,593	(21,120,153)
Depreciation	8,553	36,602
Fair value adjustment on financial assets (note 13(a))	15,394	153,942
Gain on sale of Hatches Creek (note 6)	(8,180,577)	-
Share of loss in associate (note 14)	782,634	-
Loss on disposal of Wiluna (note 29)	-	19,447,259
Share-based payments (note 7(a))	315,871	210,469
Royalty rights expensed	-	800,000

Movements in assets and liabilities

(Increase) / Decrease in trade and other receivables and prepayments	(5,380,643)	259,300
Decrease in other financial assets	-	160,790
Increase / (Decrease) in trade and other payables	5,442,284	(2,931,019)
(Decrease) in provisions	(384,717)	(142,636)
Net cash provided by / (used in) operating activities	976,392	(3,125,446)

Notes to the Financial Statements

For the year ended 30 June 2025

Note 21: Related party disclosure

	Country of Incorporation	Equity interest	
		2025	2024

(a) Subsidiaries

Iron West Resources Pty Ltd	Australia	100%	100%
NT Tungsten Pty Ltd	Australia	100%	100%
Tasmania Magnesium Pty Ltd	Australia	100%	100%

(b) Ultimate Parent

GWR Group Limited is the ultimate parent of the Group.

(c) Associates

Tungsten Mining NL (Tungsten)

Services received from / provided to Tungsten

The Group received and provided certain services with Tungsten as detailed in the table below.

	Consolidated	
	2025	2024
	\$	\$
<i>Services (received from) / provided to Tungsten</i>		
Net staff and admin (costs) recoveries	(9,400)	(59,381)
Net Project related (costs) / reimbursements	(73,675)	26,658
Net (expense)	(83,075)	(32,723)

Management and Support Services Agreement with Tungsten

During the current year, this agreement to provide for the reimbursement of direct costs incurred on behalf of the Group continued.

At balance sheet date \$2,493 (2024: \$4,929) remains outstanding in receivable (inclusive of GST) from Tungsten.

(d) Key management personnel

Other than those disclosed in notes 22 and 23, no other transactions with key management personnel occurred during the year.

(e) Transactions with related parties

The Company paid \$7,500 inclusive of GST (2024: \$7,150 inclusive of GST) to JL Insurance Brokers, a company associated with Chairman Gary Lyons for arranging insurance cover for the Group. The Company paid \$69,300 inclusive of GST (2024: Nil) to GL Consulting (WA) Pty Ltd on account of Gary Lyons providing consulting services on commercial terms outside his services as a Non-Executive Director. There were no other transactions with related parties during the year.

(f) Terms and conditions of transactions with related parties

Any outstanding balances at year-end are interest free and have no fixed repayment terms.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 22: Key management personnel disclosures

	Consolidated	
	2025	2024
	\$	\$

Compensation for key management personnel

Short-term	735,604	396,375
Post-employment	29,484	32,107
Long-term	-	4,080
Share-based payments	243,479	210,469
	<u>1,008,567</u>	<u>643,031</u>

Note 23: Share-based payments

	Consolidated	
	2025	2024
	\$	\$

Continuing operations

Performance rights issued to Directors	243,479	210,469
Performance rights issued to employees and consultants	72,392	-
Total share-based payments – continuing operations	<u>315,871</u>	<u>210,469</u>

Performance rights issued to Directors

On 29 November 2023, the shareholders approved the grant of 10,500,000 Performance Rights to the Directors and former director, Mick Wilson under the Employee Incentive Plan as detailed below:

The Performance Rights vest equally over 5 years:

- 1) 2,100,000 vest one year from 29 November 2023
- 2) 2,100,000 vest two years from 29 November 2023
- 3) 2,100,000 vest three years from 29 November 2023
- 4) 2,100,000 vest four years from 29 November 2023
- 5) 2,100,000 vest five years from 29 November 2023

The Performance Rights were valued using the share price at grant date of \$0.075 per Performance Right.

The fair value of the Performance Rights is expensed over the vesting period. Share-based payment expense of \$315,871 (2024: \$210,469) has been recognised in the current period in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 23: Share-based payments (continued)

Performance rights issued to employees and consultants

On 23 July 2024, the Company granted 2,000,000 Performance Rights to the employees and consultants under the Employee Incentive Plan.

The Performance Rights vest equally over 5 years:

- 1) 400,000 vest one year from 29 November 2023
- 2) 400,000 vest two years from 29 November 2023
- 3) 400,000 vest three years from 29 November 2023
- 4) 400,000 vest four years from 29 November 2023
- 5) 400,000 vest five years from 29 November 2023

Out of the 2,000,000 Performance Rights granted on 23 July 2024 to employees, 1,150,000 Performance Rights were cancelled on the resignation of staff before their vesting conditions can be achieved. During the financial year, 290,000 Performance Rights vested on meeting performance criteria and were exercised on 9 April 2025 at an exercise price of \$0.

The Performance Rights were valued using the share price at grant of \$0.08 per Performance Right. The fair value of the Performance Rights is expensed over the vesting period. Share-based payment expense of \$64,791 has been recognised in the current period in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

On 10 April 2024, the Company granted 550,000 Performance Rights to the employees under the Employee Incentive Plan.

The Performance Rights vest equally over 4 years:

- 1) 137,500 vest one year from 29 November 2024
- 2) 137,500 vest two years from 29 November 2024
- 3) 137,500 vest three years from 29 November 2024
- 4) 137,500 vest four years from 29 November 2024

The Performance Rights were valued using the share price at grant of \$0.088 per Performance Right. The fair value of the Performance Rights is expensed over the vesting period. Share-based payment expense of \$7,601 has been recognised in the current period in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Note 24: Remuneration of auditors

	Consolidated	
	2025	2024
	\$	\$

Amount paid or due and payable to Stantons

Audit services	68,697	78,115
	<u>68,697</u>	<u>78,115</u>

The Auditors of the Group are Stantons. The auditors did not provide any other non-audit services. .

Note 25: Commitments for exploration expenditure

Annual Tenement expenditure commitments

In order to maintain current rights of tenure to mining tenements, the Group has discretionary minimum annual tenement expenditure requirements and lease rentals of \$300,000 (2024: \$430,000). This discretionary expenditure is capable of being varied from time to time in order to maintain these rights of tenure to mining tenements.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 26: Contingencies

The Group had the following contingencies as at 30 June 2025:

Under the Sale and Purchase Agreement with Jindalee Resources Limited to acquire the Prospect Ridge Magnesite Project in Tasmania, the Group has acquired a 70% interest in the project. The remaining 30% interest is held by HiTec Minerals Pty Ltd as a free-carried interest until the point at which a decision to mine has been reached. At this time, if either party does not contribute the appropriate share their interest will be diluted. If either party's interest is diluted below 5%, it will revert to a 1% FOB gross royalty.

Provision for Rehabilitation

Pursuant to the completion of the Sale which occurred on 6 March 2024, Gold Valley Wiluna West Pty Ltd acquired beneficial ownership of the Wiluna West Iron Ore Project and is operating the Project and generating revenue from the extraction and sale of iron ore.

However, at the date of this report, the Registrar of Mines is yet to register the transfer of the tenements under the Term Sheet in the name of Gold Valley Wiluna West Pty Ltd because stamp duty assessment has yet to be finalised by Revenue WA. As registered holder of the tenements, GWR is liable for the rehabilitation of Wiluna West Iron Ore Project.

As at 30 June 2023, the Group recognised a provision of \$6,634,552 (excluding 30% contingency) for the estimated rehabilitation costs associated with the Wiluna West Iron Ore Project. This provision was subsequently removed following the sale of the project. However, in the event that the transfer of the tenements does not proceed, the Group remains liable for the rehabilitation obligations.

Note 27: Events after balance date

On 12 September 2025, 2,000,000 Performance Rights awarded to outgoing director Michael Wilson had lapsed.

Subsequent to the financial year end, Gold Valley Wiluna West Pty Ltd remitted a total of \$3,156,438 to the State Government of Western Australia in respect of state iron ore royalties that were due and payable by 31 July 2025. Based on information available to the Company via the Government of Western Australia's Revenue Online website, an outstanding balance of \$3,000,000 in state iron ore royalties remains payable. Refer to Note 11 for further details.

Apart from the above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group in the future financial year.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 28: Parent entity disclosures

	Parent	
	2025	2024
	\$	\$

(a) Financial position

Assets

Current assets	38,223,463	39,868,364
Non-current assets	7,861,028	52,215
Total assets	46,084,491	39,920,579

Liabilities

Current liabilities	7,360,364	2,292,069
Non-current liabilities	-	4,524
Total liabilities	7,360,364	2,296,593

Equity

Contributed equity	154,951,396	154,951,396
Reserves	28,078,718	27,762,847
Accumulated losses	(144,305,987)	(145,090,257)
Total equity	38,724,127	37,623,986

(b) Financial performance

Profit / (Loss) for the year	784,270	(21,150,393)
Other comprehensive income	-	-
Total comprehensive profit / (loss)	784,270	(21,150,393)

(c) Contingencies

The contingencies of the Parent entity are the same as those disclosed for the Group in note 26.

(d) Guarantees

The Company has not entered into any guarantees in relation to the debts of its subsidiaries.

(e) Commitments for exploration expenditure

In order to maintain current rights of tenure to mining tenements, the Company has discretionary minimum annual tenement expenditure requirements and lease rentals of \$0 (2024: \$430,000). This discretionary expenditure is capable of being varied from time to time in order to maintain these rights of tenure to mining tenements.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 29: Discontinuing Operations – Sale of Wiluna

On 21 December 2023 GWR announced the execution of a Binding Term Sheet (Term Sheet) to sell the Wiluna West Iron Ore Project ("Wiluna Project") to Gold Valley Wiluna West Pty Ltd ("GV").

A summary of the material terms of the Term Sheet is as follows:

GWR will sell or assign various assets (including tenements, mining information and contracts) comprising the Wiluna West Iron Ore Project to sell or assign its rights and interests in the following assets to GV (the "Sale"):

- 1) L53/115; L53/146; L53/147; L53/148; L53/177; L53/178; L53/179; L53/190; L53/248; L53/258; L53/259; L53/260; L53/261; M53/971; M53/972; M53/1016; M53/1017; M53/1018; M53/1078; M53/1087 and M53/1096 (Tenements);
- 2) The following contracts:
 - The existing C4 Agreements between Gold Valley Iron Ore Pty Ltd and GWR for the grant of mining rights;
 - The Narngulu lease agreement for the shed between GWR and Marsden's Beckenham Transport Pty Ltd;
 - The Jindalee Farm-in Agreement between GWR and Dynamic Metals Limited;
 - Option Deed between GWR and Wiluna West Gold Pty Ltd to explore and mine gold;
 - The Agreement for the Mining of Iron Ore and Gold at Wiluna West Project between GWR and Tarlpa People (Native Title Agreement).

The Consideration for the Sale comprises:

- \$30,000,000 in cash (including \$3,000,000 as a non-refundable deposit payable within 7 days of execution of the Sale Agreement). The \$3,000,000 deposit was received on 21 December 2023 and the \$27,000,000 was received on 6 March 2024.
- a royalty in respect of all iron ore won from the Tenements (excluding the JWD Deposit) and exported or otherwise sold (including in respect of the processing or reprocessing of tailings) on or after 1 December 2023 at the rate of \$2.00 per dry metric tonne (Royalty).

On 7 March 2024, the Company announced it has completed settlement of the sale of Wiluna West Iron Ore Project to Gold Valley Wiluna West Pty Ltd.

In recognition of the lower prices in the market for iron ore since the Transaction Agreement was executed, on 31 March 2025 GWR and Gold Valley Wiluna West Pty Ltd agreed to amend the Transaction Agreement (Variation). The key terms of the Variation are as follows:

Revised Royalty: With effect from 1 April 2025 and ending on 31 March 2027 (unless extended at GWR's sole discretion) (Revised Royalty Period), a revised royalty will be payable by Gold Valley Wiluna West Pty Ltd in respect of all iron ore won from the Project (excluding M53/1018) and exported or otherwise sold (including in respect of the processing or reprocessing of tailings) at a rate of (Revised Royalty):

- if the IODEX (Iron Ore Platts 62%) is at or below USD99.99, no amount is payable;
- if the IODEX (Iron Ore Platts 62%) is between USD100 and USD109.99, A\$1.00 per dry metric tonne;
- if the IODEX (Iron Ore Platts 62%) is between USD110 and USD114.99, A\$1.50 per dry metric tonne; and
- if the IODEX (Iron Ore Platts 62%) is above USD115, A\$2.00 per dry metric tonne,

The Revised Royalty will be payable until the end of the Revised Royalty Period, subject to Gold Valley Wiluna West Pty Ltd's continued compliance with certain key terms of the Transaction Agreement, including Gold Valley Wiluna West Pty Ltd paying the Revised Royalty in accordance with applicable payment terms.

Royalty: At the end of the Revised Royalty Period the royalty payable will revert back to the original Royalty.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 29: Discontinuing Operations – Sale of Wiluna (continued)

The net loss from discontinuing operations relating to the disposal of Wiluna West Iron Ore Project is as follows:

	2025	2024
	\$	\$
Rental income	-	120,000
Iron ore mining rights revenue	-	-
Total Revenue	-	120,000
Exploration expenditure	-	(791,600)
(Loss) on sale of Wiluna (a)	-	(19,447,259)
(Loss) before tax from discontinued operation	-	(20,118,859)
Income tax expense	-	-
(Loss) after tax from discontinued operation	-	(20,118,859)

(a) The (loss) on sale of Wiluna has been determined as follows:

	30 June 2024
	\$
Cash consideration	30,000,000
Less: C4 receivable at completion date	(39,659,667)
Less: Write off of net assets of Wiluna	(9,787,592)
(Loss) on sale of Wiluna	(19,447,259)

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Notes to the Financial Statements

For the year ended 30 June 2025

Note 29: Discontinuing Operations – Sale of Wiluna (continued)

The Cash Flows from this discontinuing operation are as follows:

	2025	2024
	\$	\$
<i>Cash flows from operating activities</i>		
Payments for exploration expenditure	-	(703,025)
Net royalties received	27,204	-
Other income received	-	160,000
<i>Net operating cash flows (used in) discontinuing operations – Wiluna</i>	-	(543,025)
<i>Cash flows from investing activities</i>		
Sale of Wiluna Project	-	30,000,000
Payments for royalty interest	-	(800,000)
<i>Net investing cash flows from discontinuing operations – Wiluna</i>	-	29,200,000
<i>Net cash (used in) / provided by discontinuing operations – Wiluna</i>	-	28,656,975

Note 30: Assets Held For Sale - Disposal of Hatches Creek

On 6 August 2024, GWR Group Limited, through its wholly owned subsidiary, NT Tungsten Pty Ltd sold 80% interest in the Hatches Creek Tungsten project to Territory Tungsten Pty Ltd, a wholly owned subsidiary of Tungsten Mining NL for a consideration of 107.5 million fully paid ordinary shares at an issue price per share of \$0.08. The shares were issued on 16 December 2024 at \$0.08 per share.

The below assets, in relation to the Hatches Creek Project, have been classified as Assets Held for Sale as at 30 June 2024.

	2025	2024
	\$	\$
<i>Assets held for sale</i>		
Securities and bank guarantees	-	123,960
Exploration asset (note 12)	-	419,143
	-	543,103

Consolidated Entity Disclosure Statement

Company Name	Entity Type	Place of business/ Country of Incorporation	Percentage Interest Held	Tax Residency
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Parent Entity

GWR Group Limited	Body corporate	Australia	100%	Australia*
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Subsidiaries of GWR Group Limited

Iron West Resources Pty Ltd	Body corporate	Australia	100%	Australia*
NT Tungsten Pty Ltd	Body corporate	Australia	100%	Australia*
Tasmania Magnesium Pty Ltd	Body corporate	Australia	100%	Australia*

*GWR Group Limited (the "head entity") and its wholly owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime.

Basis of preparation and key assumptions and judgement

Determination of Tax Residency

Section 295 (3A) of the *Corporation Acts 2001* requires that the tax residency of each entity which is included in the Consolidated Entity Disclosure Statement (CEDS) be disclosed. For the purposes of this section, an entity is an Australian resident at the end of a financial year if the entity is:

- an Australian resident (within the meaning of the *Income Tax Assessment Act 1997*) at that time; or
- a partnership, with at least one partner being an Australian resident (within the meaning of the *Income Tax Assessment Act 1997*) at that time; or
- a resident trust estate (within the meaning of Division 6 of Part III of the *Income Tax Assessment Act 1936*) in relation to the year of income (within the meaning of that Act) that corresponds to the financial year.

The determination of tax residency involves judgment as the determination of tax residency is highly fact dependent and there are currently several 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 Commissioner of Taxation's public guidance in Tax Ruling TR 2018/5.

- Foreign tax residency

The consolidated entity has applied current legislation and where available judicial precedent in the determination of 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. At the reporting date, the Company did not have any consolidated entities with foreign residency.

Directors' Declaration

In accordance with a resolution of the Directors of GWR Group Limited, I state that:

1. In the opinion of the Directors:
 - (a) The financial statements and notes of GWR Group Limited for the financial year ended 30 June 2025 are in accordance with the *Corporations Act 2001*, including:
 - (i) Giving a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the year then ended; and
 - (ii) Complying with Accounting Standards (including the Australian Accounting Interpretations) and *Corporations Regulations 2001*.
 - (b) The financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 2(b).
 - (c) There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.
 - (d) The information disclosed in the consolidated entity disclosure statement is true and correct.
2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2025.

On behalf of the Directors,



Gary Lyons
Chairman

Dated at Perth, this 30th day of September 2025

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GWR GROUP LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report GWR Group Limited ("the Company") and its subsidiaries ("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, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- (i) 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
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

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

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

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.

Key Audit Matters
How the matter was addressed in the audit
Carrying Value of Exploration and Evaluation Expenditure

(Refer to Note 12 to the consolidated financial statements)

The Group has a capitalised exploration and evaluation expenditure balance of \$1,297,679 as at 30 June 2025.

We consider the carrying value of capitalised exploration and evaluation expenditure to be a key audit matter due to:

- The significance of the total balance (60% of total assets);
- The necessity to assess management's application of the requirements of the accounting standard AASB 6 *Exploration for and Evaluation of Mineral Resources* (AASB 6), considering any indicators of impairment that may be present; and
- The assessment of significant judgements made by management in relation to the capitalised exploration and evaluation expenditure.

Inter alia, our audit procedures included the following:

- i. Assessing the Group's right to tenure over exploration assets by corroborating the ownership of the relevant licences for mineral resources to government registries and relevant third-party documentation;
- ii. Reviewing the directors' assessment of the carrying value of the capitalised exploration and evaluation costs, ensuring the veracity of the data presented and assessing management's consideration of potential impairment indicators and the stage of the Group's projects also against AASB 6
- iii. Evaluation of Group documents for consistency with the intentions for the continuing of exploration and evaluation activities in certain areas of interest and corroborated with enquiries of management. Inter alia, the documents we evaluated included:
 - Minutes of meetings of the board and management;
 - Announcements made by the Group to the Australian Securities Exchange; and
 - Cash flow forecasts; and
- iv. Assessing the appropriateness of the disclosures in the notes to the consolidated financial statements.

Share Based Payment

(Refer to Notes 7(a), 18 and 23 to the consolidated financial statements)

During the financial year ended 30 June 2025, the Group recognised share-based payments of \$315,871.

Due to the complex nature of the transactions and estimates and assumptions used in determining the valuation of the share-based payment arrangements and vesting periods, we consider the Group's calculation of the share-based payments expense to be a key audit matter.

Inter alia, our audit procedures included the following:

- i. Reviewing minutes of meetings, ASX announcements, agreements and considering other transactions undertaken during the year to obtain an understanding of the contractual nature and terms and conditions of share-based payment arrangements.
- ii. Checking the parameters used by the management in the assessment of share-based payments as follows:
 - assessing the appropriateness of the valuation method used; and
 - assessing the reasonableness of the assumptions and inputs used within the valuation model.
- iii. Challenging management's assumptions in relation to the likelihood of achieving the vesting conditions.
- iv. Assessing the fair value of the calculation through re-performance using appropriate inputs and the allocation and accuracy of the share-based payment expense over the relevant vesting period and
- v. Assessing the adequacy of the related disclosure in the notes to the consolidated financial statements.

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:

- a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* (other than the consolidated entity disclosure statement); and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and for such internal control as the directors determine is necessary to enable the preparation of:
 - i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
 - ii) the consolidated entity disclosure statement that is true and correct and is free from misstatement whether due to fraud and 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 has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained

up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in Internal control that we identify during our audit.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

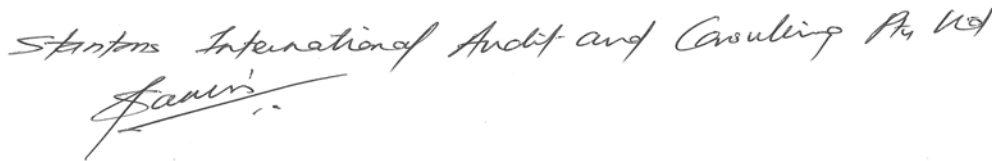
We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2025.

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

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.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(An Authorised Audit Company)



Samir Tirodkar

Director
West Perth, Western Australia
30 September 2025

Additional ASX Information

Pursuant to the Listing Requirements of the Australian Securities Exchange, the shareholder information set out below was applicable as at 17 September 2025.

The total number of shares on issue is 323,606,655.

Each fully paid ordinary share entitles the holder to one vote at general meetings of shareholders and is entitled to dividends when declared.

Ordinary Shareholders

The names of the twenty largest holders of quoted shares are listed below:

Twenty largest holders of ordinary shares	Number of shares	% held
CITICORP NOMINEES PTY LIMITED	155,220,949	47.97%
HUNAN VALIN STEEL CO LTD	14,400,000	4.45%
MR GARY LYONS & MS TATJANA CUSMANO <LYONS SUPER FUND A/C>	6,876,408	2.12%
DIZA SUPER PTY LTD <DIZA SUPER FUND A/C>	6,783,289	2.10%
MR CHIN AN LAU	6,739,602	2.08%
TA SECURITIES HOLDINGS BERHAD	6,399,322	1.98%
ACN 139 886 025 PTY LTD	6,142,134	1.90%
MR MICHAEL REGINALD WILSON	6,107,795	1.89%
BNP PARIBAS NOMINEES PTY LTD <UOB KH PL>	5,882,436	1.82%
JDE CAPITAL PTY LTD <JDE CAPITAL A/C>"	5,365,942	1.66%
BNP PARIBAS NOMS PTY LTD	5,348,200	1.65%
HITEC MINERALS PTY LTD	4,411,765	1.36%
MR TIEN SENG LAW	4,000,000	1.24%
WYNNES INVESTMENT HOLDING LTD	2,485,355	0.77%
ALISSA BELLA PTY LTD <C & A TASSONE S/F NO 2 A/C>	2,282,444	0.71%
KSLCORP PTY LTD	2,150,000	0.66%
SYRACUSE CAPITAL PTY LTD <TENACITY A/C>	2,056,285	0.64%
MR GARRY BONACCORSO	1,685,000	0.52%
JOCAPH PTY LTD <JOCAPH SUPER FUND A/C>	1,670,011	0.52%
YIJIAN INVESTMENT CO LTD	1,600,000	0.49%
	249,206,937	77.01%

Significant Shareholders are

An extract of the Company's Register of Substantial Shareholders (who hold 5% or more of the issued capital) is set out below:

Shareholder	Number of Shares	% held
CITICORP NOMINEES PTY LIMITED	154,907,900	47.97%

Additional ASX Information

Distribution of ordinary shareholders

Analysis of numbers of shareholders by size of holding:

Category of shareholding	Number of shareholders	Number of shares	%
1 – 1,000	479	169,926	0.05%
1,001 – 5,000	592	1,680,460	0.52%
5,001 – 10,000	269	2,147,877	0.66%
10,001 – 100,000	569	18,980,314	5.87%
100,001 and over	172	300,628,078	92.90%
Total	2,081	323,606,655	100.00%

Based on the price per security of 10 cents, number of holders with an unmarketable holding is 1007, with total 1,530,386 shares, amounting to 0.47% of Issued Capital.

Unquoted securities

Performance Rights

These performance rights are granted under the Employee Incentive Plan and are subject to certain vesting and performance criteria..

Description	Exercise Price	Expiry Date	Number of Holders	Number of Performance Rights
Performance Rights Class B	NIL	29 Nov 25	7	1,877,500
Performance Rights Class C	NIL	29 Nov 26	7	1,877,500
Performance Rights Class D	NIL	29 Nov 27	7	1,877,500
Performance Rights Class E	NIL	29 Nov 28	7	1,877,500
Total				7,510,000

Options

The Company has no unquoted options on issue on issue.

Voting Rights

In accordance with the Company's Constitution, voting rights in respect of ordinary shares are on a show of hands whereby each member present in person or by proxy shall have one vote and upon a poll, each share will have one vote.

There are no voting rights in respect of options or performance rights over unissued shares.

Restricted Securities

There are no ordinary fully paid shares on issue which are subject to escrow agreements. There are no unlisted options or performance rights on issue that are subject to escrow agreements.

On Market Buy Back

There is no current on market buy back.

Tenement Interests

The Group's interest in tenements as at 27 September 2025 is as follows:

Location	Tenement	Percentage held	Notes
Western Australia			
Wiluna			
Refer ASX Release dated 21 Dec 2023, 22 Dec 2023, 11 January 2024 and 7 March 2024.			
Northern Territory			
Hatches Creek			
Refer ASX Release dated 6 August 2024.			
Tasmania			
Prospect Ridge			
Prospect Ridge	EL5/2016	70%	

The Company holds a 70% interest in the Prospect Ridge project, containing a granted exploration licence (EL5/2016) in Tasmania.

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Annual Mineral Resources and Ore Reserves Statement

The Company has conducted a review of its Mineral Resources and Ore Reserves. This review reveals a material change to the Mineral Resource information previously announced in the Company's 2024 Annual Report arising from the disposal of the Hatches Creek Project, consequently the associated Mineral Resource estimate for this project has been removed from the Mineral Resource inventory:

Prospect Ridge Magnesite Project

GWR announced on 4 March 2022 the purchase of a 70% interest in the Prospect Ridge Magnesite project with Jindalee Lithium Limited (formerly Jindalee Resources Limited) (ASX: JLL) holding the remaining 30%. Prospect Ridge is located in northwest Tasmania and is an advanced asset where a substantial amount of work has previously been undertaken, including diamond drilling, metallurgical test work, hydrological test work, resource modelling and feasibility studies. The project had an existing Mineral Resource estimate on acquisition which is outlined below.

Resources

The Project contains a JORC 2012 Inferred mineral resource as follows:

Prospect Ridge Magnesite deposit estimate of 25 million tonnes of fresh magnesite grading 42.4% MgO, to an average depth of 100m below the surface at a cut-off of 40% MgO. Prospect Ridge Magnesite deposit Inferred Mineral Resource estimate of 25 million tonnes of fresh magnesite grading 42.4% MgO, to an average depth of 100m below the surface at a cut-off of 40% MgO, refer to ASX announcement dated 27th January 2022 and is prepared in accordance with the 2012 edition of the JORC Code.

There was no material change to this Mineral Resource estimate from that previously announced in the Company's 2024 Annual Report.

As at 30 June 2025, total Inferred mineral resource was.

Cut-Off (MgO (%))	Tonnes	MgO (%)	SiO2 (%)	Fe2O3 (%)	CaO (%)
36	36,820,000	41.1	5.9	1.7	2.9
38	32,090,000	41.7	5.4	1.6	2.8
40	25,120,000	42.4	4.8	1.4	2.6
42	15,280,000	43.3	4.2	1.3	2.2
44	3,040,000	44.5	3.0	1.0	1.9

Hatches Creek Tungsten Project

The Project was located 375 km northeast of Alice Springs in the Northern Territory of Australia.

Resources

The Hatches Creek Project had defined a JORC 2012 Inferred Mineral Resource estimate totalling 225,066 tonnes at 0.58% WO₃ (above a 0.20% WO₃ cut-off and 1.5% upper cut). The Mineral Resource estimate was published pursuant to ASX announcement of Arunta Resource Limited (ASX: AJR) dated 23 September 2014.

There was a material change to this Mineral Resource estimate. During the reporting period, the Company decided to dispose of the Hatches Creek Tungsten Project. Accordingly, with the entire Mineral Resource was removed:

Annual Mineral Resources and Ore Reserves Statement

Governance and Internal Controls - Reserve and Resource Calculations

The Company uses third party resource consultants to estimate its ore reserves and resources according to the JORC2012, as have previously been reported. No further mineral resource estimations or upgrading work has been undertaken on any of the Company's projects and the Company is not aware of any additional information that would have a material effect on the estimates as reported.

Due to the nature, stage and size of the Company's existing operations, the Board believes there would be no efficiencies gained by establishing a separate mineral reserves and resources committee responsible for reviewing and monitoring the Company's processes for calculating mineral reserves and resources and for ensuring that the appropriate internal controls are applied to such calculations.

The Company will report any future mineral reserves and resources estimates in accordance with the 2012 JORC Code.

Competent Person's Statement

The information in this Annual Mineral Resource and Ore Reserve Statement is based on data compiled by Mr. Richard Bray, a Registered Professional Geologist with the Australian Institute of Geoscientists and a consultant to the Company. Mr. Bray has relied on information provided by the Company regarding Mineral Resources, Ore Reserves, and Exploration Results, which he has reviewed to assess their validity, noting that absolute technical certainty cannot be assured. With over 35 years of experience in the gold mining industry, particularly in resource estimation, Mr. Bray possesses the relevant expertise in the style of mineralisation, type of deposit, and nature of the activities being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr. Bray consents to the inclusion of this information in the form and context in which it appears.

Where the Company refers to previous announcements of Exploration Results and Mineral Resources it confirms that it is not aware of any new information or data that materially effects the information included in previous announcements and all material assumptions and technical parameters disclosed in those announcements continue to apply and have not materially changed.

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