

M3 Mining Limited

ABN 98 644 548 434

Half-Year Financial Report - 31 December 2022

Directors	Russell Davis - Non-Executive Chairman Simon Eley - Executive Director Ariel Edward (Eddie) King - Non-Executive Director
Company secretary	Benjamin Donovan
Registered office	Level 1, 3 Ord Street West Perth WA 6005
Principal place of business	Level 1, 3 Ord Street West Perth WA 6005
Share register	Automic Level 5, 191 St Georges Terrace Perth WA 6000 Australia P(Australia): 1300 288 664 P (Overseas): +61 2 9698 5414 W: www.automicgroup.com.au
Auditor	William Buck Audit (WA) Pty Ltd Level 3, 15 Labouchere Road South Perth WA 6151
Solicitors	GTP Legal 68 Aberdeen Street Northbridge WA 6003
Stock exchange listing	M3 Mining Limited shares are listed on the Australian Securities Exchange (ASX code: M3M)
Website	www.m3mining.com.au

M3 Mining Limited
Contents
31 December 2022



Directors' report	3
Auditor's independence declaration	5
Consolidated statement of profit or loss and other comprehensive income	6
Consolidated statement of financial position	7
Consolidated statement of changes in equity	8
Consolidated statement of cash flows	9
Notes to the consolidated financial statements	10
Directors' declaration	19
Independent auditor's review report to the members of M3 Mining Limited	20

The Directors of M3 Mining Limited ("Company") present their report, together with the financial statements, on the Company for the half-year ended 31 December 2022.

Directors

The following persons were Directors of the Company during the whole of the financial period and up to the date of this report, unless otherwise stated:

Russell Davis - Non-Executive Director
Simon Eley - Executive Director
Ariel Edward King - Non-Executive Director

Principal activities

The principal activity of the Company during the course of the financial period was the exploration and evaluation of mineral resources over two projects being the Victoria Bore and the Edjudina Gold project.

The Company continues to review new opportunities that are internally generated or presented to the Company. The Company is reviewing a range of commodities in jurisdictions that are familiar with the Company's broader technical team including Australia and Overseas.

Review of operations

The loss for the Group after providing for income tax amounted to \$1,108,846 (31 December 2021: \$688,091).

Significant changes in the state of affairs

The Company announced a non-renounceable entitlement issue to shareholders on 28 September 2022 on the basis of 1 new share for ever 4 shares held at an issue price of \$0.12 per share. 3,199,936 shares were issued on 21 October 2022 raising \$383,992 before costs the shortfall of 6,102,650 shares were issued on 14 November 2022 raising \$732,318 before costs.

3,000,000 Director Performance Rights were issued to Simon Eley with vesting conditions following approval at the AGM on 23 November 2022.

The following options were issued during the period on 19 December 2022:

- 3,000,000 consultant options exercisable at \$0.189 on or before 19 December 2025 with vesting conditions; and
- 4,000,000 Director options exercisable at \$0.189 on or before 19 December 2025 with vesting conditions

The company incorporated two fully owned subsidiaries M3 Mining (VB) Pty Ltd and M3 Mining (Edjudina) Pty Ltd on 23 August 2022.

There were no other significant changes in the state of affairs of the Group during the half-year period.

Matters subsequent to the end of the financial half-year

800,000 Performance Rights were issued to an employee on 13 January 2023 with various vesting conditions.

No other matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

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

On behalf of the Directors

A handwritten signature in dark ink, appearing to read 'R Davis', written over a horizontal line.

Russell Davis
Chairman

10 March 2023

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF M3 MINING LIMITED

I declare that, to the best of my knowledge and belief during the half-year ended 31 December 2022 there have been:

- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

William Buck

William Buck Audit (WA) Pty Ltd
ABN 67 125 012 124

CM

Conley Manifis
Director

Dated this 10th day of March 2023

M3 Mining Limited
Consolidated statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2022



	Note	31 Dec 2022 \$	31 Dec 2021 \$
Revenue			
Interest income		18,877	482
Expenses			
Corporate and administration expenses	5	(183,101)	(185,543)
Employee benefits expense		(144,203)	(61,593)
Depreciation expense		(5,538)	(3,426)
Exploration expenditure incurred and expensed		(755,589)	(433,011)
Project evaluation		(7,875)	(5,000)
Share-based payments expense		(31,417)	-
Loss before income tax expense		(1,108,846)	(688,091)
Income tax expense		-	-
Loss after income tax expense for the half-year attributable to the owners of M3 Mining Limited		(1,108,846)	(688,091)
Other comprehensive income for the half-year, net of tax		-	-
Total comprehensive income for the half-year attributable to the owners of M3 Mining Limited		(1,108,846)	(688,091)
		Cents	Cents
Basic loss per share		(2.78)	(2.05)
Diluted loss per share		(2.78)	(2.05)

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

M3 Mining Limited
Consolidated statement of financial position
As at 31 December 2022



	Note	31 Dec 2022 \$	30 Jun 2022 \$
Assets			
Current assets			
Cash and cash equivalents		3,497,360	3,566,644
Other receivables		19,354	17,343
Other		22,461	26,983
Total current assets		3,539,175	3,610,970
Non-current assets			
Plant and equipment	6	42,042	43,630
Exploration and evaluation	7	77,681	18,461
Total non-current assets		119,723	62,091
Total assets		3,658,898	3,673,061
Liabilities			
Current liabilities			
Trade and other payables		132,340	214,702
Provisions		9,514	15,633
Total current liabilities		141,854	230,335
Total liabilities		141,854	230,335
Net assets		3,517,044	3,442,726
Equity			
Issued capital	8	5,776,711	4,624,964
Reserves	9	931,537	900,120
Accumulated losses		(3,191,204)	(2,082,358)
Total equity		3,517,044	3,442,726

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

M3 Mining Limited
Consolidated statement of changes in equity
For the half-year ended 31 December 2022



	Issued capital \$	Share based payments reserve \$	Retained profits \$	Total equity \$
Balance at 1 July 2021	608,184	669,320	(733,518)	543,986
Loss after income tax expense for the half-year	-	-	(688,091)	(688,091)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	(688,091)	(688,091)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs	4,247,580	-	-	4,247,580
Options issued for capital raising costs	(230,800)	230,800	-	-
Balance at 31 December 2021	4,624,964	900,120	(1,421,609)	4,103,475
	Issued capital \$	Share-based payments reserve \$	Retained profits \$	Total equity \$
Balance at 1 July 2022	4,624,964	900,120	(2,082,358)	3,442,726
Loss after income tax expense for the half-year	-	-	(1,108,846)	(1,108,846)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	(1,108,846)	(1,108,846)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 8)	1,151,747	-	-	1,151,747
Share-based payments (note 13)	-	31,417	-	31,417
Balance at 31 December 2022	5,776,711	931,537	(3,191,204)	3,517,044

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

M3 Mining Limited
Consolidated statement of cash flows
For the half-year ended 31 December 2022



	Note	31 Dec 2022 \$	31 Dec 2021 \$
Cash flows from operating activities			
Payments to suppliers and employees		(1,165,396)	(692,153)
Interest received		7,535	482
Net cash used in operating activities		(1,157,861)	(691,671)
Cash flows from investing activities			
Payments for property, plant and equipment	6	(3,950)	(48,468)
Payments for exploration and evaluation	7	(19,220)	(3,461)
Net cash used in investing activities		(23,170)	(51,929)
Cash flows from financing activities			
Proceeds from issue of shares	8	1,116,310	3,235,997
Share issue transaction costs		(4,563)	(352,420)
Net cash from financing activities		1,111,747	2,883,577
Net increase/(decrease) in cash and cash equivalents		(69,284)	2,139,977
Cash and cash equivalents at the beginning of the half-year period		3,566,644	1,955,039
Cash and cash equivalents at the end of the half-year period		3,497,360	4,095,016

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

Note 1. General information

The financial statements cover M3 Mining Limited as a Group consisting of M3 Mining Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is M3 Mining Limited's functional and presentation currency.

M3 Mining Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 1, 3 Ord Street
West Perth WA 6005

A description of the nature of the Group's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 10 March 2023.

Note 2. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2022 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

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

New or amended Accounting Standards and Interpretations adopted

There has been no impact to the financial statements arising from new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current reporting period.

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

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-based payment transactions

The consolidated entity measures the cost of equity-settled transactions with employees 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 an option valuation model taking into account the terms and conditions upon which the instruments were granted and market based performance conditions.

Note 3. Critical accounting judgements, estimates and assumptions (continued)

The likelihood of non-market performance conditions being met has been estimated by management and factored into the expense recognised in the period. The accounting estimates and assumptions related to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit and loss and equity.

Exploration and evaluation costs

Exploration and evaluation expenditure incurred by the Group subsequent to the acquisition of the rights to explore is expensed as incurred, up until the technical feasibility and commercial viability of the project has been demonstrated with a bankable feasibility study.

Capitalised exploration costs are reviewed at each reporting date to establish whether an indication of impairment exists. If any such indication exists, the recoverable amount of the capitalised exploration costs is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision is made to proceed with development, accumulated expenditure is tested for impairment and transferred to development properties, and then amortised over the life of the reserves associated with the area of interest once mining operations have commenced.

Recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Note 4. Operating segments

The Board has determined that the Company has one reportable segment, being mineral exploration in Australia. As the Company is focused on mineral exploration, the Board monitors the Company based on actual versus budgeted results. This internal reporting framework is the most relevant to assist the Board in making decisions regarding the Company and its ongoing exploration activities, while also taking into consideration the results of exploration work that has been performed to date. The financial results from this segment are equivalent to the financial statements of the Company as a whole.

All of the Company's assets are located in one geographical segment being Australia.

Note 5. Corporate and administration expenses

	31 Dec 2022	31 Dec 2021
	\$	\$
Share registry & ASX compliance fees	31,569	39,165
Contractors and consultancy	85,962	115,462
Legal fees	5,297	842
Audit fees	7,861	10,158
Insurance	14,634	-
Travel, accommodation and conferences	11,447	2,042
Other	26,331	17,874
	183,101	185,543

Note 6. Non-current assets - plant and equipment

	31 Dec 2022	30 Jun 2022
	\$	\$
Plant and equipment - at cost	55,985	52,035
Less: Accumulated depreciation	(13,943)	(8,405)
	42,042	43,630

Reconciliations

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

	\$
Balance at 1 July 2021	-
Additions	52,035
Depreciation expense	(8,405)
Balance at 30 June 2022	43,630
Additions	3,950
Depreciation expense	(5,538)
Balance at 31 December 2022	42,042

Note 7. Non-current assets - exploration and evaluation

	31 Dec 2022	30 Jun 2022
	\$	\$
Exploration and evaluation	77,681	18,461

Reconciliations

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

	\$
Balance at 1 July 2021	15,000
Acquisition of exploration and evaluation assets	3,461
Balance at 30 June 2022	18,461
Acquisition of exploration and evaluation assets	19,220
Shares issued for acquisition of exploration and evaluation assets *	40,000
Balance at 31 December 2022	77,681

* It was announced on the 28 September 2022 that the Group acquired tenement P31/2131 via the issue of 285,714 shares at an issue price of \$0.14 each and \$15,000 cash.

The ultimate recovery of costs carried forward for exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas of interest at an amount greater than or equal to carrying value.

Note 8. Equity - issued capital

	31 Dec 2022	30 Jun 2022	31 Dec 2022	30 Jun 2022
	Shares	Shares	\$	\$
Ordinary shares - fully paid (net of transactions costs)	46,513,303	36,925,003	5,776,711	4,624,964

Movements in ordinary share capital

Details	Date	Shares		\$
Balance	1 July 2021	13,925,003		608,184
Capital Raising		23,000,000	\$0.200	4,600,000
Less: capital raising costs		-	\$0.000	(583,220)
Balance	30 June 2022	36,925,003		4,624,964
Shares issued to acquire exploration assets		285,714	\$0.140	40,000
Capital Raising		9,302,586	\$0.120	1,116,310
Less: capital raising costs		-	\$0.000	(4,563)
Balance	31 December 2022	46,513,303		5,776,711

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Movements in issued options

	Opening balance	Granted in period	Exercised in period	Expired/ cancelled in period	Closing balance
	1 July 2022				31 December 2022
Exercisable at \$0.25 on or before 30 June 2024	7,800,000	-	-	-	7,800,000
Exercisable at \$0.189 on or before 19 December 2025	-	7,000,000	-	-	7,000,000
Total unlisted options	7,800,000	7,000,000	-	-	14,800,000

Note 9. Equity - reserves

	31 Dec 2022	30 Jun 2022
	\$	\$
Share-based payments reserve	931,537	900,120

Share-based payments reserve

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

Note 9. Equity - reserves (continued)

Rights over shares (options) using an option pricing model takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. The fair value of the options granted is adjusted to, exclude the impact of any non-market and service vesting conditions. Non-market vesting and service conditions, if any, are included in assumptions about the number of options likely to be exercisable.

Shares issued in lieu of payment are measured at the fair value of goods or services received or the fair value of the equity instrument issued, if it is determined the fair value of the good or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the share-based payment reserve.

Movements in reserves

Movements in each class of reserve during the current and previous financial period/year are set out below:

	\$
Balance at 1 July 2021	669,320
Options issued to lead managers	230,800
Balance at 30 June 2022	900,120
Options issued to Directors and consultants	11,592
Performance rights issued	19,825
Balance at 31 December 2022	931,537

Note 10. Equity - dividends

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

Note 11. Contingent liabilities

There are no significant contingent liabilities as at 31 December 2022 and the date of signing of this report (30 June 2022: Nil).

Note 12. Events after the reporting period

800,000 Performance Rights were issued to an employee on 13 January 2023 with various vesting conditions.

No other matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Note 13. Share-based payments

An Employee Incentive Securities Plan has been established by the Company, whereby the Company may, at the discretion of the Board, grant options and performance rights over ordinary shares in the Company to certain key management personnel, employees and consultants of the Company.

Note 13. Share-based payments (continued)

Set out below are summaries of options granted:

	Number of options 31 Dec 2022	Weighted average exercise price 31 Dec 2022
Outstanding at the beginning of the half-year period	7,800,000	\$0.250
Granted	7,000,000	\$0.189
Forfeited	-	\$0.000
Exercised	-	\$0.000
Expired	-	\$0.000
Outstanding at the end of the half-year period	14,800,000	\$0.221
Exercisable at the end of the half-year period	7,800,000	\$0.250

The weighted average remaining contractual life of options outstanding at the end of the period was 2.2 years.

The Company issued 7,000,000 options exercisable at \$0.189 on or before 19 December 2025, with vesting conditions as shown below:

- 4,000,000 Director options were issued on 19 December 2022 following shareholder approval at the AGM; and
- 3,000,000 Consultant options were issued on 19 December 2022.

Options were issued to Directors and Consultants as follows:

	Number of options
Russell Davis	2,000,000
Ariel Edward King	2,000,000
Consultants	3,000,000
	7,000,000

For the options granted during the current financial period, an Option Pricing Model has been used with the valuation model inputs used to determine the fair value at the grant date, are as follows:

Valuation assumptions	Director options	Consultant options
Number issued	4,000,000	3,000,000
Expected volatility	100%	100%
Risk free interest rate (%)	3.27%	3.19%
Expected life of Options	3 years	3 years
Exercise price	\$0.189	\$0.189
Grant date Share price	\$0.130	\$0.125
Value per Option	\$0.074	\$0.069
Total value	\$294,344	\$206,579

Note 13. Share-based payments (continued)

The options have the following vesting conditions:

Tranche	Number	Vesting condition
A	3,500,000	30 Day VWAP of 50% premium being equal to or greater than the Company's 15 Day VWAP at the date of issue of the options, employment with the Company or otherwise engaged by the Company must continue over the vesting period.
B	1,750,000	Continuous employment with the Company or otherwise engaged by the Company at all times for a period of 12 months from the date of issue.
C	1,750,000	Continuous employment with the Company or otherwise engaged by the Company at all times for a period of 24 months from the date of issue.
7,000,000		

The value of the Options are being expensed over the vesting period of the Options. During the period \$11,592, was recognised as an expense in relation to the options.

Set out below are summaries of performance rights granted under the plan:

	Number of rights 31 Dec 2022
Outstanding at the beginning of the half-year	-
Granted	3,000,000
Forfeited	-
Exercised	-
Expired	-
Outstanding at the end of the half-year	3,000,000

Note 13. Share-based payments (continued)

3,000,000 Performance Rights were issued to Director Simon Eley, following approval at the AGM on 23 November 2022, with the following vesting conditions:

Tranche	Number	Vesting condition	Expiry Date
A	1,000,000	Announcement of a mineral resource estimate or ore reserve of at least 250koz gold equivalent and minimum grade of not less than 1.5g/t gold equivalent (as announced in compliance with the JORC Code 2012) which may contain gold, copper, silver, nickel, zinc or lead on tenure held by the Company, employment with the Company or otherwise engaged by the Company must continue over the vesting period.	30/06/2025
B	500,000	Continuous employment with the Company or otherwise engaged by the Company at all times for a period of 12 months from the date of issue.	30/06/2025
C	500,000	30 Day VWAP of a 50% premium being equal to or greater than the Company's 15 Day VWAP at the date of issue, employment with the Company or otherwise engaged by the Company must continue over the vesting period.	30/06/2025
D	1,000,000	Successfully announcing on the ASX Market Announcements Platform the completion of an interest in an advanced exploration or pre-development project (either through a direct asset acquisition, completed farm-in or share purchase acquisition (Acquisition) with the total Acquisition consideration comprising equal to or greater than 40% of the fully diluted equity of the Company calculated as at the date of the announcement of the Acquisition, employment with the Company or otherwise engaged by the Company must continue over the vesting period.	30/06/2025
3,000,000			

These performance rights were valued, using a valuation methodology based on the guidelines set out in AASB 2 *Share based payment*.

The probabilities of the rights vesting will need to be reassessed at every reporting period for the Performance Rights with performance conditions which are non-market based.

Valuation assumptions:

Simon Eley	Tranche A	Tranche B	Tranche C	Tranche D
Number	1,000,000	500,000	500,000	1,000,000
Valuation date	23 November 2022	23 November 2022	23 November 2022	23 November 2022
Share price at valuation date	\$0.130	\$0.130	\$0.130	\$0.130
Volatility	100%	100%	100%	100%
Fair value per security	\$0.130	\$0.130	\$0.130	\$0.130
Total Value	\$130,000	\$65,000	\$65,000	\$130,000

The value of the Performance Rights are being expensed over the vesting period of the Rights. During the period \$19,825, was recognised as an expense in relation to the rights.

	31 Dec 2022	31 Dec 2021
	\$	\$
Options issued to Directors and consultants	11,592	-
Performance rights issued to Director Simon Eley	19,825	-
	31,417	-

Note 13. Share-based payments (continued)

285,714 fully paid ordinary shares were issued at a price of \$0.14 per share for the acquisition of an exploration asset an amount of \$40,000 was recognised as an exploration and evaluation asset (note 7).

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the Directors

A handwritten signature in black ink, appearing to read 'Russell Davis', written over a horizontal line.

Russell Davis
Chairman

10 March 2023

M3 Mining Limited

Independent auditor's review report

Report on the Review of the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of M3 Mining Limited (the Company) and the entities it controlled at the half-year's end or from time to time during the half year (the consolidated group), which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

- a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance for the half year ended on that date; and
- b) complying with Australian Accounting Standard 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

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

Responsibility of Management for the Financial Report

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

M3 Mining Limited

Independent auditor's review report

Report on the Review of the Half-Year Financial Report

Auditor's Responsibilities for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the consolidated group's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

William Buck

William Buck Audit (WA) Pty Ltd
ABN 67 125 012 124

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Conley Manifis
Director

Dated this 10th day of March 2023