



METALS AUSTRALIA LTD

(ACN 008 982 474)

Interim Financial Report for the Half Year Ended 31 December 2023

CONTENTS

Directors' Report	3
Auditor's Independence Declaration	10
Consolidated Statement of Profit or Loss and Other Comprehensive Income	11
Consolidated Statement of Financial Position	12
Consolidated Statement of Changes in Equity	13
Consolidated Cash Flow Statement	14
Notes to the Financial Statements	15
Directors' Declaration	20
Independent Auditor's Review Report to the Members	21

DIRECTORS' REPORT

The Directors present their report on the consolidated group of Metals Australia Ltd (the "Company") and controlled entities (the "Group") for the half year ended 31 December 2023.

1. DIRECTORS

The names of Directors in office during the half year and up to the date of this report:

Michael Scivolo
Basil Conti
Rachelle Domansky
Alexander Biggs

2. REVIEW OF OPERATIONS

GENERAL

During the reporting period, the Company announced that it had appointed highly experienced Mining Executive, Paul Ferguson as CEO with a commencement date of January 22nd, 2024¹. The appointment signified the Company's commitment to accelerate the development of its Lac Rainy Graphite project in Quebec, Canada. Paul's previous experience in developing large scale mining and processing projects in Canada, mirrored the company's skill requirements as it plans its evolution from Junior explorer to project developer. Paul commenced his employment with Metals Australia on January 22nd.

LAC RAINY GRAPHITE PROJECT, QUEBEC, CANADA (100%)

During the reporting period, the Company announced extensive high-grade graphite sampling results highlighting the significant potential for resource growth at the Lac Rainy project. The reported results included an exceptionally high-grade sample containing 64.3% graphitic carbon (Cg)². Sampling also produced 10 results of over 20%Cg and averaged 11%Cg across a 36km strike-length on 10 graphitic trends identified within the project (see locations, Figure 1). This represented an over 35 times multiple of the 1km of drill testing to date which defined the Mineral Resource of 13.3Mt @ 11.5%Cg (Indicated: 9.6Mt @ 13.1%Cg and Inferred: 3.7Mt @ 7.3%Cg)³.

The Company completed technical planning for an extensive drilling program designed to extend and further define the previously outlined Mineral Resource and test other high-grade trends to increase understanding of the enormous potential of the project for further resource expansion. During the period, an application was made to the Quebec regulator, "Ministère des Ressources Naturelles et des Forêts du Québec" –(MRNF) to permit the proposed drilling program and a proposal was sought from a suitably qualified contractor capable of carrying out the proposed field development preparation work and complete the drilling program. Subsequent to the end of the reporting period, the Company has finalised planning and contract terms for the drilling program and awaits approval of the drilling permit from the Quebec regulator before commencing this important program.

In conjunction with this major drilling program, expressions of interest were also sought from Engineering companies capable of carrying out a pre-feasibility study (PFS) into the development of a high-grade flake-graphite concentrate plant for the Lac Rainy Graphite Project. The PFS study is planned to advance work that had been completed to scoping study level in 2021⁴ in which a 100 KTPA concentrate plant was proposed for the Lac Rainy project over an initial 14-year period, supported by the maiden Mineral Resource estimate³. After the end of the reporting period, a shortlist of internationally recognised engineering companies has been finalised and preparation of detailed proposals for the study are well advanced.

In parallel with the PFS into the development of the flake graphite concentrate plant, the Company has also outlined an options study to investigate the optimum production of premium battery-grade spherical graphite, the key component of lithium-ion battery anodes. Discussions continued with engineering and processing specialists for the development of proposals for this work scope. This work will build upon the previously reported results from downstream spherical graphite and battery test work which demonstrated that Lac Rainy spherical graphite exceeds lithium-ion battery physical property and electrochemical specifications⁵. Once complete, the recommended processing option will be advanced to scoping study evaluation.

DIRECTORS' REPORT (continued)

REVIEW OF OPERATIONS (continued)

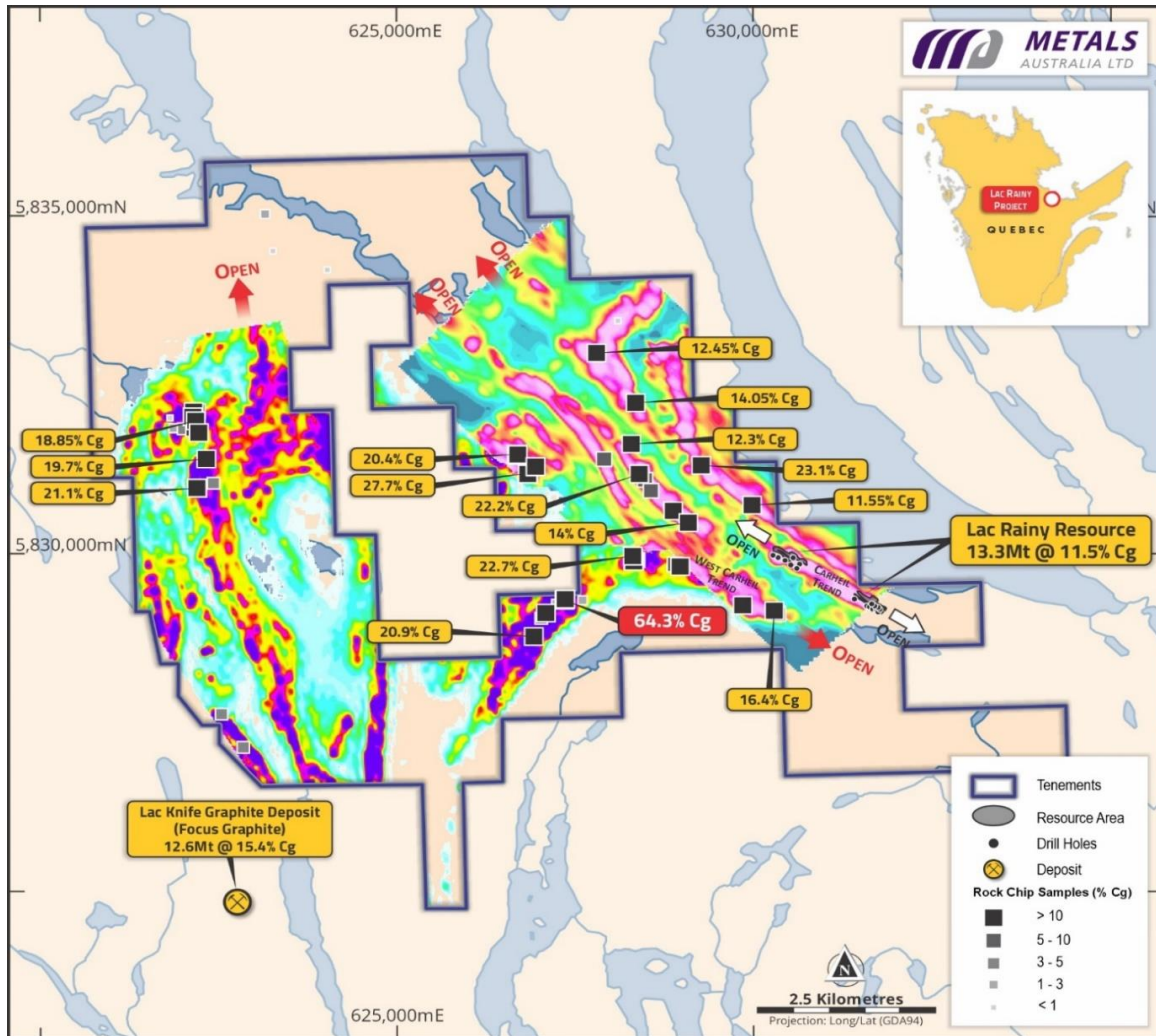


Figure 1: Lac Rainy Graphite Project high-grade sample locations and EM indicated graphitic trends.

CORVETTE RIVER LITHIUM PROJECT, JAMES BAY, QUEBEC, CANADA (100% MLS)

During and post the reporting period, the Company announced the discovery of two Lithium-Caesium-Tantalum (LCT) pegmatite zones based on extensive sampling of multiple pegmatite outcrops on the Company's Corvette River Lithium Project, adjoining Patriot Battery Metals' (ASX: PMT) Corvette lithium discovery which has a world class Mineral Resource of 109 Mt @ 1.42% LiO₅⁶ (see location, Figure 2).

The discoveries include highly anomalous LCT results from the CR1 pegmatite⁷, which is on extensions of Patriot's CV lithium trend and just 2.5km to the west of the CV9 pegmatite, where Patriot announced a 100m intersection of spodumene-bearing pegmatite⁸.

The Company's second LCT pegmatite discovery is on the newly identified Corvette South lithium trend, which is located 15km to the south and parallel to Patriot's CV Lithium Trend⁹. The new CS1 LCT pegmatite discovery has produced highly anomalous LCT results from the only two first-pass samples collected from the outcropping coarse-grained LCT pegmatite, located on the western side of the Company's West Eade property.

The Company plans to follow-up the discovery of these new LCT pegmatites on the CV Lithium trend and the Corvette South trend with systematic channel sampling across the entire LCT pegmatite outcrops to identify priority drilling targets for high-grade spodumene zones.

DIRECTORS' REPORT (continued)

REVIEW OF OPERATIONS (continued)

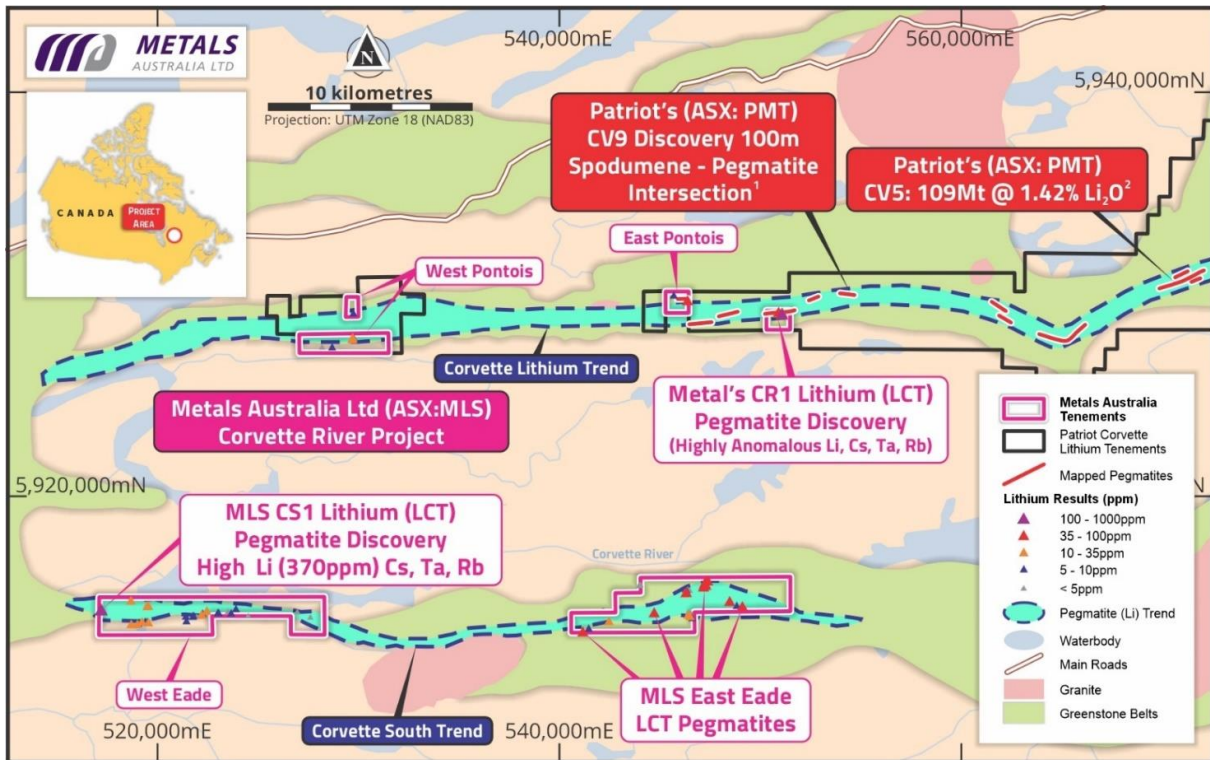


Figure 2: MLS's Corvette River Project with sample locations and showing Patriot's CV Lithium Project⁷.

MANINDI BATTERY MINERALS PROJECT, WESTERN AUSTRALIA (80% MLS)

Manindi Lithium Prospects

During the reporting period, the Company completed Metallurgical test work, confirming spodumene in high-grade lithium-bearing drill core from the Manindi Lithium Project, 20km southwest of Youanmi in Western Australia's highly prospective Murchison District¹⁰ (see Figure 3).

The test work on drill core from a Foundation pegmatite discovery intersection of 12m @ 1.38% Li₂O including 3m @ 2.12% Li₂O in MND005¹⁰, produced initial concentrate grades of up to 2.84% Li₂O, which included predominantly lepidolite (lithium mica). Further work is planned to examine options to generate a separate, higher-grade spodumene and petalite concentrate.

Follow-up exploration at Manindi will now focus on identifying new spodumene-dominant pegmatite zones, through further drilling and examination and assaying of previous drill core.

DIRECTORS' REPORT (continued)

REVIEW OF OPERATIONS (continued)

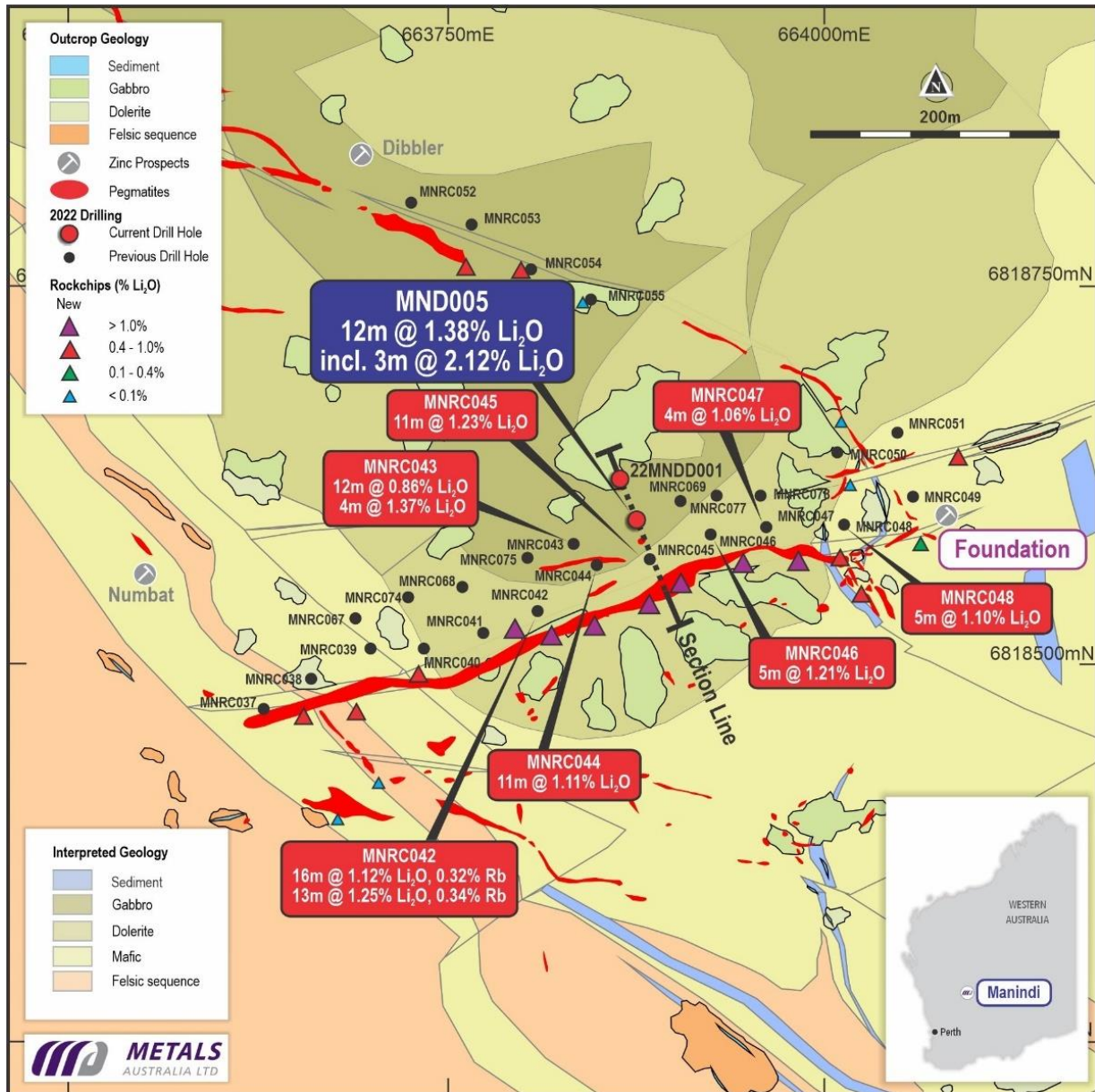


Figure 3: Manindi Project, Foundation Pegmatite, drilling and rock-chip results

Mandi West Vanadium-Titanium-Magnetite-Sulphide Prospect

Diamond drilling of a major magnetic anomaly at Manindi West previously intersected a large mafic/ultramafic intrusive body with massive to semi-massive magnetite-illmenite-sulphide mineralisation, producing a broad intersection of vanadium-titanium-magnetite (Fe) mineralisation in diamond hole MND003, including: **129m @ 0.23% V_2O_5 , 11.5% TiO_2 , 23.3% Fe from 53m inc. 25m @ 0.47% V_2O_5 , 24.0% TiO_2 40.8% Fe¹¹**

Further sampling of 2023 diamond drillhole, MNDD004, beneath MND003 is being carried out prior to planned metallurgical test work on diamond drill-core being initiated to generate high-grade vanadium-magnetite and separate titanium-ilmenite concentrates.

WARRAMBIE BATTERY METALS PROJECT, WESTERN AUSTRALIA (80% MLS)

During the reporting period, Metals Australia commenced an aggressive exploration program over priority Andover 'Look-alike' geophysical targets¹² at its 126km² Warrambie project, 10km east of the world-class Andover lithium project in WA's highly prospective NW Pilbara region.

DIRECTORS' REPORT (continued)**REVIEW OF OPERATIONS (continued)**

The multi-faceted program included detailed gravity and passive seismic measurements to detect soil-covered lithium pegmatite dykes. The new targets are in un-tested areas of soil cover and are also highly prospective for gold associated with structures intersecting mafic rocks.

Post the reporting period, the company announced the detection of three key gravity lows within the higher-density mafic package at Warrambie - indicating potentially lithium-bearing pegmatite intrusions in an identical setting to the Andover discovery¹³.

Following completion of the survey and modelling of results, the Company plans an initial drilling program to test these new priority lithium as well as gold and other battery metals targets.

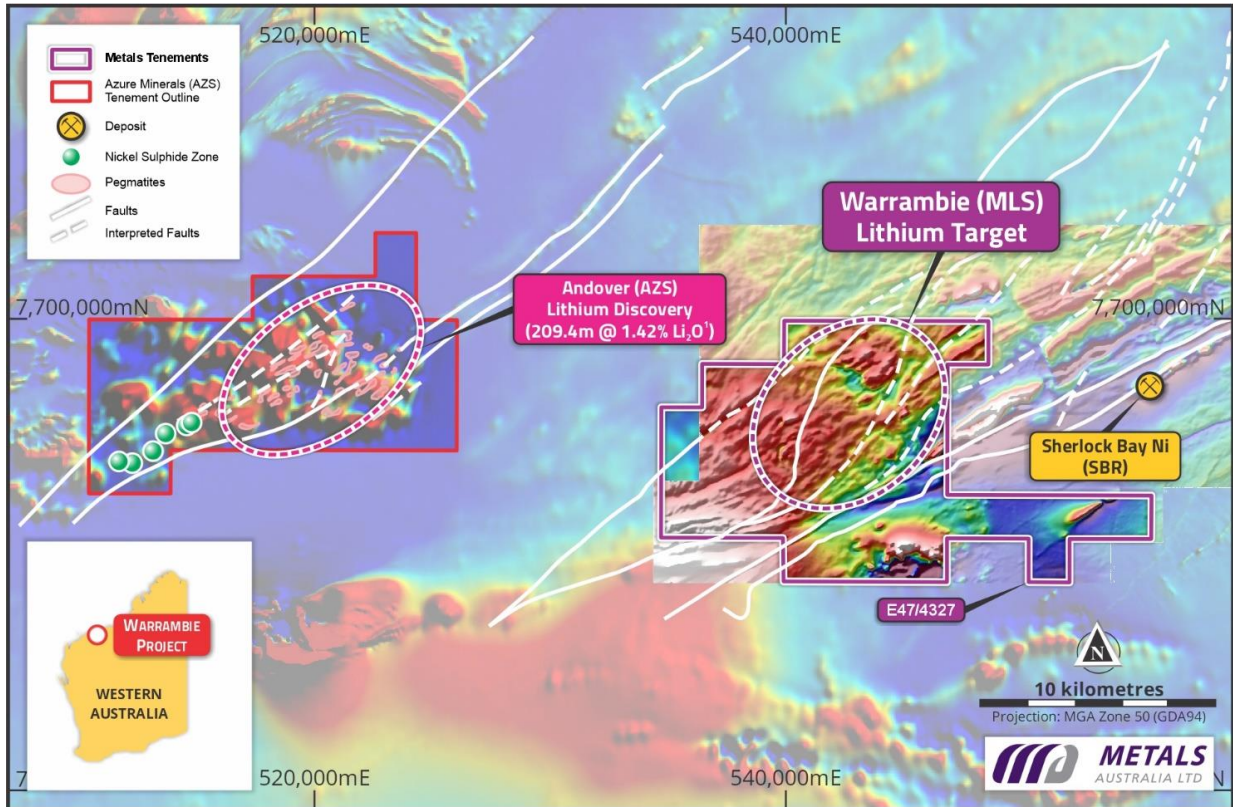


Figure 4: Warrambie Project, east of Andover lithium project (AZR), on re-processed magnetics imagery

TENNANT CREEK COPPER-GOLD PROJECT, NORTHERN TERRITORY (80% MLS)

The previously completed detailed gravity survey in shallow cover directly east of the Warrego Cu-Au deposit has been processed and imaged and is awaiting interpretation and targeting for Tennant Creek style iron oxide copper gold (IOCG) deposit potential.

MURCHISON GOLD PROJECTS, WESTERN AUSTRALIA (80% MLS)

The Murchison Gold Projects in WA, including granted E51/2058 and E51/2059 west of Meekatharra, occur along strike from the >5Moz Big Bell deposit. Field programs continue to investigate interpreted greenstones prospective for gold and lithium.

NEPEAN SOUTH PROJECT, WESTERN AUSTRALIA (20% MLS)

During the period, Sabre Resources Ltd ("**Sabre**") carried out soil sampling programs targeting lithium-bearing pegmatites under soil cover. Initial results which included lithium anomalies in an area of greenstone directly along strike to the south of the Kangaroo Hills lithium discovery. Sabre is planning Follow-up work which will include infill sampling and air core drilling to test for bedrock LCT pegmatites.

DIRECTORS' REPORT (continued)**REVIEW OF OPERATIONS (continued)****REFERENCES**

- ¹Metals Australia Ltd, 20 December 2023. "Metals Australia Appoints Highly Experienced Mining Executive CEO."
- ²Metals Australia Ltd, 16 January 2024. "Exceptional 64.3% Graphite and New Drilling at Lac Rainy."
- ³Metals Australia Ltd, 15 June 2020. "Metals Australia Delivers High-Grade Maiden JORC Resource at Lac Rainy."
- ⁴Metals Australia Ltd, 3 February 2021. "Scoping Study Results for Lac Rainy Graphite Project, Quebec."
- ⁵Metals Australia Ltd, 28 Feb.23. "Battery Grade 99.96% Spherical Graphite for Lac Rainy."
- ⁶Patriot Battery Metals Inc. (TSXV: PMET). Corporate Presentation, September 2022.
- ⁷Metals Australia Ltd, 28 November 2023 "MLS CR1 Pegmatite 2500m from Patriots CV9 Discovery."
- ⁸Patriot Battery Metals Inc. (ASX: PMT) 22 November 2023 – Patriot Makes New Discovery at the Corvette Property as it intercepts 100m of spodumene-Bearing Pegmatite at CV9, Quebec, Canada
- ⁹Metals Australia Ltd, 21 December 2023 "Results Confirm LCT Pegmatite Discovery at Corvette River."
- ¹⁰Metals Australia Ltd, 19 December 2023 "Spodumene Identified at Manindi Lithium Project."
- ¹¹Metals Australia Ltd, 29 September 2022. High-Grade Titanium-Vanadium-Fe Intersection at Manindi.
- ¹²Metals Australia Ltd, 7 December 2023. "Lithium Program Commenced at Warrambie, 10 Km from Andover."
- ¹³Metals Australia Ltd, 30 January 2024. "Priority Andover Look-Alike Drilling Targets at Warrambie."

ASX Listing Rules Compliance

In preparing this announcement, the Company has relied on the announcements previously made by the Company as listed under "References". The Company confirms that it is not aware of any new information or data that materially affects those announcements previously made, or that would materially affect the Company from relying on those announcements for the purpose of this announcement.

Competent Persons Declaration

The information in this report that relates to Exploration Results, Mineral Resources and Metallurgy is based on information compiled and/or reviewed by Mr Jonathon Dugdale. Mr Dugdale is the Technical Advisor to Metals Australia Ltd and a Fellow of the Australian Institute of Mining and Metallurgy ('FAusIMM'). Mr Dugdale has sufficient experience, including over 35 years' experience in exploration, resource evaluation, mine geology, development studies and finance, relevant to the style of mineralisation and type of deposits under consideration to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee ('JORC') Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves. Mr Dugdale consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Caution Regarding Forward-Looking Information

This document contains forward-looking statements concerning Metals Australia Ltd. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward looking statements in this document are based on the company's beliefs, opinions and estimates of Metals Australia as of the dates the forward-looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

DIRECTORS' REPORT (continued)

3. FINANCIAL RESULT

The Group incurred a loss after income tax of \$83,039 (2022: loss of \$305,454) for the half year period. As at 31 December 2023 the Group had cash funds of \$14,970,149 (30 June 2023: \$15,920,663).

Net assets of the group have decreased by \$201,539 from \$34,016,318 at 30 June 2023 to \$33,814,779 at 31 December 2023.

4. 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 on the following page.

This report is made in accordance with a resolution of the Board of Directors.



Michael Scivolo
Director

Perth, 13 March 2024

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF METALS AUSTRALIA LIMITED**

As auditor for the review of Metals Australia Limited and its subsidiaries for the half-year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been:

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



NEIL PACE
PARTNER



MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth on the 13th day of March 2024.

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2023**

	Consolidated	
	Half year 2023 \$	Half year 2022 \$
Revenue		
Interest earned	372,330	278,000
	<u>372,330</u>	<u>278,000</u>
Expenditure		
Change in fair value of investments	(5,560)	(15,360)
Key management personnel remuneration	(28,200)	(26,443)
Management fees	(163,931)	(158,592)
ASX listing fees	(40,244)	(55,035)
Professional fees	(168,516)	(117,540)
Other expenses	(48,918)	(32,280)
Share based payments	-	(178,204)
	<u>(455,369)</u>	<u>(583,454)</u>
Loss before income tax	(83,039)	(305,454)
Income tax benefit	-	-
Loss for the period	(83,039)	(305,454)
Other comprehensive loss		
Items that may be subsequently transferred to profit or loss:		
Exchange differences on translating foreign controlled entities	(118,500)	(96,523)
	<u>(118,500)</u>	<u>(96,523)</u>
Total comprehensive loss for the half year	(201,539)	(401,977)
Loss for the period attributable to:		
Owners of the parent	(83,039)	(305,454)
Non-controlling interest	-	-
	<u>(83,039)</u>	<u>(305,454)</u>
Total loss for the half year, net after tax	(83,039)	(305,454)
Total comprehensive loss for the period attributable to:		
Owners of the parent	(201,539)	(401,977)
Non-controlling interest	-	-
	<u>(201,539)</u>	<u>(401,977)</u>
Total comprehensive loss for the half year	(201,539)	(401,977)
	Cents	
Earnings per share		
Basic and diluted profit /(loss) per share	(0.01)	(0.05)

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023**

		Consolidated	
		31 December 2023	30 June 2023
	Note	\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		14,970,149	15,920,663
Trade and other receivables	4	432,500	336,364
Financial assets	5	29,122	34,682
Prepayment		4,293	4,293
Payne Gully deposit		-	-
TOTAL CURRENT ASSETS		15,436,064	16,296,002
NON-CURRENT ASSETS			
Exploration and evaluation expenditure	6	18,747,073	17,864,246
TOTAL NON-CURRENT ASSETS		18,747,073	17,864,246
TOTAL ASSETS		34,183,137	34,160,248
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		368,358	143,930
TOTAL CURRENT LIABILITIES		368,358	143,930
TOTAL LIABILITIES		368,358	143,930
NET ASSETS		33,814,779	34,016,318
EQUITY			
Issued capital	8	60,733,453	60,733,453
Share option reserve	9	1,688,759	1,688,759
Foreign currency translation reserve		203,868	322,368
Accumulated losses		(30,088,150)	(30,005,111)
Parent interests		32,537,930	32,739,469
Non-controlling interest		1,276,849	1,276,849
TOTAL EQUITY		33,814,779	34,016,318

The accompanying notes form part of these financial statements

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2023**

	Issued Capital	Share Option Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Total attributable to owners of parent	Non-controlling Interest	Total Equity
	\$	\$	\$	\$	\$	\$	\$
BALANCE AT 1 JULY 2022	58,139,809	1,432,164	264,301	(29,249,664)	30,586,610	(75,917)	30,510,693
Loss for the period	-	-	-	(305,454)	(305,454)	-	(305,454)
Other comprehensive income for the period	-	-	(96,523)	-	(96,523)	-	(96,523)
Total comprehensive income/(loss) for the period	-	-	(96,523)	(305,454)	(401,977)	-	(401,977)
Shares issued	2,301,000	-	-	-	2,301,000	1,352,766	3,653,766
Issue of options	(100,000)	278,204	-	-	178,204	-	178,204
BALANCE AT 31 DECEMBER 2022	60,340,809	1,710,368	167,778	(29,555,118)	32,663,837	1,276,849	33,940,686
BALANCE AT 1 JULY 2023	60,733,453	1,688,759	322,368	(30,005,111)	32,739,469	1,276,849	34,016,318
Loss for the period	-	-	-	(83,039)	(83,039)	-	(83,039)
Other comprehensive loss for the period	-	-	(118,500)	-	(118,500)	-	(118,500)
Total comprehensive loss for the period	-	-	(118,500)	(83,039)	(201,539)	-	(201,539)
Expiry of options	-	-	-	-	-	-	-
BALANCE AT 31 DECEMBER 2023	60,733,453	1,688,759	203,868	(30,088,150)	32,537,930	1,276,849	33,814,779

The accompanying notes form part of these financial statements

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2023**

	Consolidated	
	Half year	Half year
	2023	2022
	\$	\$
Cash Flows from Operating Activities		
Payments to suppliers and employees	(406,421)	(355,834)
Interest received	300,052	147,438
Other receipts	10,408	-
<i>Net cash used in operating activities</i>	<u>(95,961)</u>	<u>(208,396)</u>
Cash Flows from Investing Activities		
Payment for exploration expenditure and acquisitions	(854,553)	(947,042)
Payment to acquire Payne Gully Gold Pty Ltd	-	(1,190,062)
Receipts from asset sales	-	-
<i>Net cash used in investing activities</i>	<u>(854,553)</u>	<u>(2,137,104)</u>
Cash Flows from Financing Activities		
Proceeds from share issue	-	-
Share issue costs	-	-
<i>Net cash provided by / (used in) financing activities</i>	<u>-</u>	<u>-</u>
Net increase / (decrease) in Cash and Cash Equivalents	(950,514)	(2,345,500)
Cash and Cash Equivalents at the Beginning of the Half Year	15,920,663	19,064,405
Cash and Cash Equivalents at the End of Half Year	<u>14,970,149</u>	<u>16,718,905</u>

The accompanying notes form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2023**

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

Metals Australia Ltd is a company domiciled in Australia.

This general purpose financial report for the interim half year reporting period ended 31 December 2023 has been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standards including AASB 134 *Interim Financial Reporting*. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Metals Australia Limited and its controlled entities (the Group). As such, it does not contain information that represents relatively insignificant changes occurring during the half year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2023 together with any public announcements made during the half year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

The Group has considered the implications of new or amended Accounting Standards, but determined that their application to the financial report is either not relevant or not material.

The interim financial statements have been approved and authorised for issue by the Board of Directors.

2. DIVIDENDS

No dividends have been paid or proposed during the half year ended 31 December 2023.

3. CAPITAL COMMITMENTS AND CONTINGENCIES

There has been no material change in contingent liabilities and commitments since the end of the last annual reporting period.

4. TRADE AND OTHER RECEIVABLES

	December 2023	June 2023
	\$	\$
Canadian mining, corporate and sales tax receivable	191,595	179,668
Interest receivable	193,998	121,720
GST receivable	27,336	23,162
Other receivables	19,571	11,814
	<u>432,500</u>	<u>336,364</u>

5. FINANCIAL ASSETS

	December 2023	June 2023
	\$	\$
Investment in listed shares	29,122	34,682
	<u>29,122</u>	<u>34,682</u>

These shares are classified as financial assets at fair value through profit and loss. Changes in fair value are included in the Statement of Profit or Loss and Other Comprehensive Income.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2023**

6. EXPLORATION AND EVALUATION EXPENDITURE

	December 2023	June 2023
	\$	\$
Opening balance	17,864,246	9,384,069
Exploration and evaluation expenditure	1,012,354	1,693,348
Exploration and evaluation - foreign currency movements	(129,527)	23,001
Acquisition of Payne Gully Gold Pty Ltd	-	6,763,828
Closing balance	<u>18,747,073</u>	<u>17,864,246</u>

7. OPERATING SEGMENTS

Segment Information

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (Chief Operating decision makers) in assessing performance and determining the allocation of resources. As the Group is focused on mineral exploration, the Board monitors the Group based on actual versus budgeted exploration expenditure incurred by area of interest. The internal reporting framework is the most relevant to assist the Board with making decisions regarding the Group and its ongoing exploration activities, while also taking into consideration the results of exploration work that has been performed to date.

The Company is managed on the basis of area of interest. Operating segments are therefore determined on the same basis.

Segments

The Group has two reportable segments as follows:

- (i) Australian Projects
- (ii) Canadian Projects

Basis of Accounting for purposes of reporting by operating segments

Accounting Policies Adopted

All amounts reported to the Board of Directors as the chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

There are no inter-segment transactions. Segment assets are clearly identifiable on the basis of their nature. Segment liabilities include trade and other.

Unallocated items

Corporate costs are not considered core operations of any segment.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2023**

7. OPERATING SEGMENTS (continued)

Segment Performance – December 2023	Australia	Canada	Total
Revenue	\$	\$	\$
Interest revenue	372,330	-	372,330
Total Group revenue	372,330	-	372,330
Segment profit/(loss)			
Management Fees	(163,931)	-	(163,931)
Corporate overheads	(285,135)	(3,154)	(288,284)
Total Group profit/(loss)	(76,731)	(3,154)	(79,885)
Segment assets	29,628,775	4,554,362	34,183,137
Segment liabilities	368,358	-	368,358
Segment Performance – December 2022	Australia	Canada	Total
Revenue	\$	\$	\$
Interest revenue	278,000	-	278,000
Total group revenue	278,000	-	278,000
Segment profit/(loss)			
Management Fees	(158,592)	-	(158,592)
Share Based Payments	(178,204)	-	(178,204)
Corporate overheads	(246,658)	-	(246,658)
Total Group profit/(loss)	(305,454)	-	(305,454)
Segment assets	30,571,143	3,626,897	34,198,040
Segment liabilities	257,354	-	257,354

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2023**

8. ISSUED CAPITAL

Date	Details	Number of Shares	Amount \$
01/07/2022	Balance	568,036,191	58,139,809
17/08/2022	Shares issued as part consideration of acquisition of Payne Gully Gold Pty Ltd	39,000,000	2,301,000
26/05/2023	Loan funded Employee Securities Incentive Plan (ESIP) shares	17,000,000	392,644
17/08/2022	Capital raising costs (issue of options)	-	(100,000)
31/12/2023	Balance	624,036,191	60,733,453
01/07/2023	Balance	624,036,191	60,733,453
-	-	-	-
31/12/2023	Balance	624,036,191	60,733,453

The Company's capital consists of Ordinary Shares. The Company does not have a limited amount of authorised share capital. The Shares have no par value and are entitled to participate in dividends and the proceeds on any winding up of the Company in proportion to the number of Shares held.

At shareholders' meetings each fully paid ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

9. SHARE OPTION RESERVE

Date	Details	Number of Options	Amount
01/07/2022	Balance	150,193,471	1,432,164
17/08/2022	Issue of options	4,000,000	100,000
16/12/2022	Issue of unlisted options	8,000,000	178,204
01/01/2023	Expiry of options	(2,500,000)	(53,146)
26/05/2023	Issue of options	5,700,000	31,537
30/06/2023	Balance	165,393,471	1,688,759
01/07/2023	Balance	165,393,471	1,688,759
31/01/2023	Expiry of options	(37,673,753)	-
31/12/2022	Balance	127,719,718	1,688,759

The weighted average remaining contractual life of options outstanding at year end is 1.18 years.

At the end of the reporting period there were 119,719,718 options exercisable at \$0.05 each on or before 10 February 2024, 4,000,000 options exercisable at \$0.08 each on or before 30 November 2025, and 4,000,000 options exercisable at \$0.15 each on or before 30 November 2025.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2023**

10. RELATED PARTY TRANSACTIONS

The Group's related parties include its subsidiaries, key management personnel and others as described below. Unless otherwise stated, none of the transactions incorporate special terms and conditions, and no guarantees were received or given.

Related Party	Relationship	Nature of Transaction	Half Year Ended 31 December 2023 \$	Half Year Ended 31 December 2022 \$
Sabre Resources Ltd	Common Directors	Investment in shares	6,120	6,840
Golden Deeps Ltd	Common Directors	Investment in shares	23,000	50,000
Corporate Resource Services Pty Ltd	Management services	Management fees	163,931	158,592

The Company expensed director fees of \$6,000 (2022: \$6,000) from Odyssey Counselling and Coaching, an entity related to Rachelle Domansky. Nil remained payable as at 31 December 2023 (excluding GST) (2022: nil).

11. EVENTS SUBSEQUENT TO REPORTING DATE

On 10 February 2024 the Company's 119,719,718 MLSOD options expired without being exercised.

On 27 February 2024 the Company issued 83,333,333 MLS fully paid shares to raise approximately \$3.5M (before costs).

The Directors are not aware of any other matter or circumstance not otherwise dealt with in this report or financial statements that has significantly or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in subsequent financial periods.

DIRECTORS' DECLARATION

In the opinion of the Directors of Metals Australia Limited:

- (a) the consolidated financial statements and notes, as set out on the accompanying pages, are in accordance with the Corporations Act 2001 including:
 - (i) Giving a true and fair view of its financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
 - (ii) Complying with Australian Accounting Standard AASB 134 Interim Financial Reporting.
- (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.


Michael Scivolo
Director

Perth, 13 March 2024

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF METALS AUSTRALIA LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Metals Australia Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of comprehensive income, consolidated statement of changes in equity, the consolidated statement of cash flows for the half-year then ended, notes comprising a summary of material 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 Group is not in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- ii. complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with Auditing Standards on Review Engagements *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 Group in accordance with 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 the Directors for the Half-Year Financial Report

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

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF METALS AUSTRALIA LIMITED (CONTINUED)**

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the financial report based on our review. ASRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the financial report is not in accordance with the *Corporations Act 2001* including:

- i. giving a true and fair view of the Group's financial position as at 31 December 2023 and its performance for the half-year ended on that date; and
- ii. 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 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.



NEIL PACE
PARTNER



MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 13th day of March 2024.