



ACN 156 269 993

Annual Report

For the Year Ended 30 June 2023

CORPORATE DIRECTORY

Directors	Simon Bird Richard Carlton Robert Rutherford
Company Secretary	Catriona Glover
Registered office	Level 15 323 Castlereagh Street Sydney NSW 2000 Ph: +61 2 9281 1805
Principal Place of Business	15 Griffith Street Cloncurry QLD 4824 Ph: +61 2 9281 1805
Share Register	Automic Pty Ltd Level 5 191 St Georges Terrace Perth WA 6000 Ph: +61 2 9698 5414 Fax: +61 2 8583 3040
Auditor	BDO Audit (WA) Pty Ltd Level 9 Mia Yellagonga Tower 2 5 Spring Street Perth WA 6000
Solicitors	Steinepreis Paganin Level 4 The Reid Buildings 16 Milligan Street Perth WA 6000
Bankers	Westpac Banking Corporation 671 George Street Sydney NSW 2000
Securities Exchange Listing	Maronan Metals Limited shares are listed on the Australian Securities Exchange (ASX code: MMA)
Website address	www.maronanmetals.com.au



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Annual Report

For the Year Ended 30 June 2023

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CHAIRMAN'S LETTER TO SHAREHOLDERS

For the year ended 30 June 2023



"I'm pleased to present this report on the excellent progress Richard and the team at Maronan Metals have achieved over the past year."

Dear Fellow Shareholders,

In this, our second annual report since listing, I am pleased to report Richard and the team remain on track to deliver on what we set out to achieve with funds raised on listing in 2022. The results to date have met or exceeded expectations and we remain excited about the potential for this to become a substantial mining operation in a highly prospective province of North Queensland.

Our Exploration Manager Andrew Barker and the team, based in Cloncurry, have done an outstanding job completing over 15,000 metres of drilling and assessing results to demonstrate the presence of high grade copper-gold and lead-silver deposits as well as the potential of a shallow 'starter zone' for early economic extraction. This has all been completed without safety or environmental incidents while remaining on schedule and within budget, despite certain weather and economic challenges.


Multiple targets remain for future drilling to better define the resource and understand early mining potential.

The team have incorporated the new drill data into our geological model and remain confident of additional opportunities for high grade mineralisation as we complete the current drill program.

Maronan Metals continues to maintain excellent working relationships with the pastoral station landowner and local Mitakoodi people responsible for the preservation of aboriginal heritage.

On behalf of shareholders and our Board, I would like to thank Richard Carlton and his team for their efforts in progressing this exciting project and fellow Board member Rob Rutherford for his invaluable input and knowledge of this deposit and its enormous potential.

We remain on track with forecasts in the Company's prospectus and look forward to providing further updates as we complete the current drilling program, assess the results and develop plans for the next exploration phase together with updating resource estimates and mine development options.

A handwritten signature in black ink, appearing to read 'Simon Bird', written over a dotted line.

Simon Bird
Chairman

13th day of September 2023



“We have had a successful first full year of drilling defining a number of thick and very high-grade silver and lead intercepts close to surface and shown potential to expand the copper-gold resource.”

Review of Operations

Maronan Metals Limited (MMA) has had a very active first year delivering a number of impressive thick, high-grade intercepts from drilling targeting potential early development zones within the Maronan deposit and future extensions at depth.

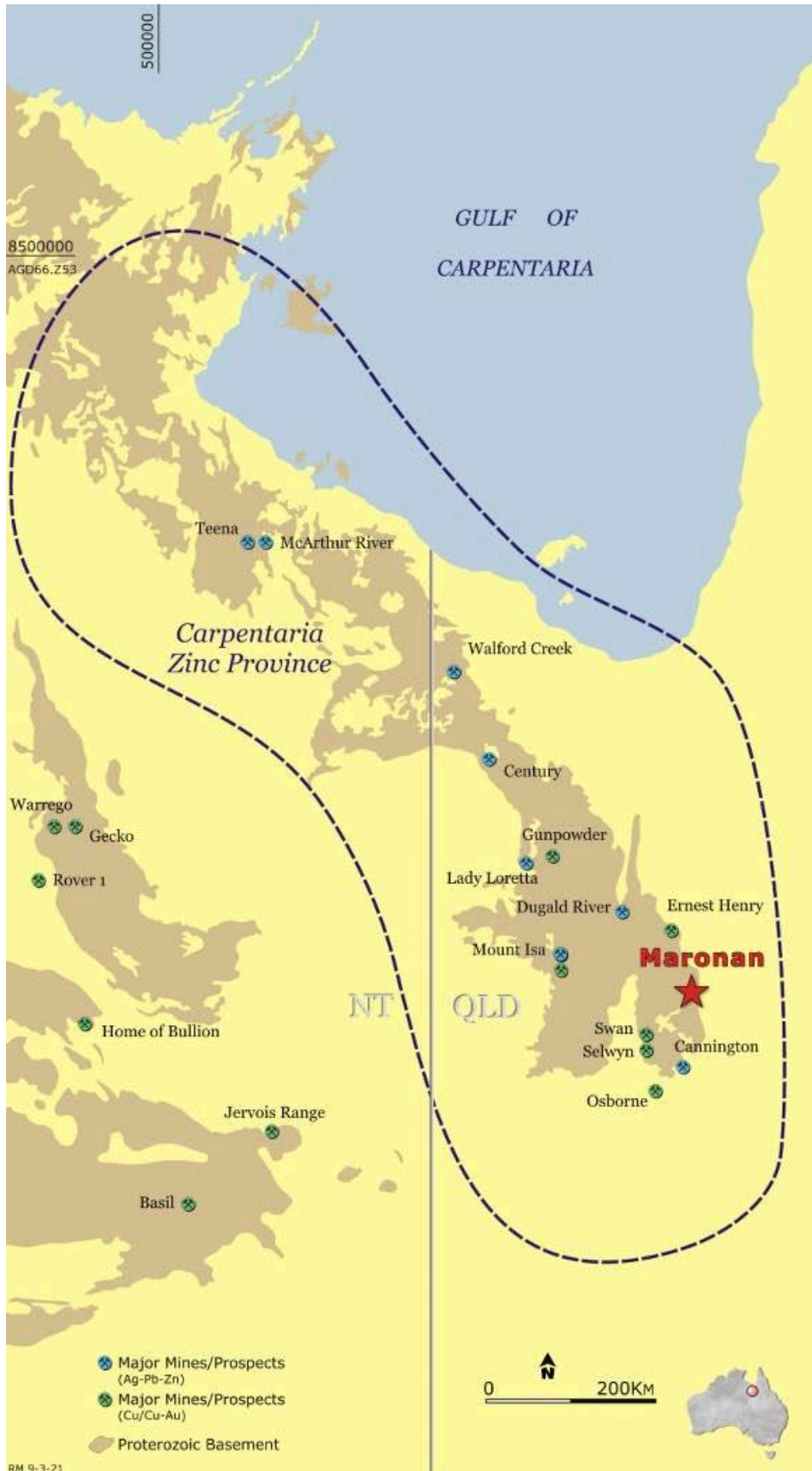
Our exploration work successfully outlined continuous horizons of thickened, high-grade silver with lead mineralisation in a shallow part of the deposit now referred to as the Starter Zone. Maronan Metals expert mining team believes the Starter Zone offers the best opportunity for any early development and the continuous horizons of high-grade mineralisation should significantly enhance the projects economics.

Drilling on the copper-gold zone also shows potential for continuous higher-grade copper-gold lenses that could be mined in parallel with the silver-lead horizons plus scope for an expanded copper and gold resource at depth.

A total of 15,000 metres drilling has been completed in the current campaign. This has been achieved at lower than forecast cost despite the prevailing inflationary conditions and without a major safety or environmental incident. Importantly, our people have maintained excellent working relationships with the pastoral station landowner and the local Mitakoodi people responsible for preservation of aboriginal heritage.

In parallel with the drilling, our expert geological team have been collecting the necessary data to build an updated geological model for Maronan including the Starter Zone. This new geological model will feed into future resource updates and revised mining studies planned for next year. Reviews by specialists to determine likely permitting requirements for any potential mine lease have also commenced.

Key outcomes on the various target areas are briefly discussed below.



[Figure 1] Carpentaria Zinc Province – Maronan Location

Maronan Deposit

The Company's Maronan lead-silver and copper-gold deposit is an emerging base and precious metal deposit in the world class Carpentaria Province of Northwest Queensland which hosts multiple Tier 1 lead-zinc-silver mines including Mount Isa, George Fisher, Century, Cannington, Dugald River, McArthur River and significant copper deposits including Mount Isa, Ernest Henry, Osborne and Eloise (Figure 1).

Maronan, located just 65 kilometres south of Cloncurry and 90 kilometres north of the giant Cannington mine, is one of the larger undeveloped base and precious metal deposits in Australia and contains JORC 2012 compliant Inferred Resources of:

- 30.8Mt @ 6.5% lead with 106 g/t silver (using a 3% lead cut-off grade)
 - (290g/t AgEq for a total of 288MOz AgEq)
- 11Mt @ 1.6% copper with 0.8 g/t gold (using a 1.0% copper cut-off grade)
 - (2.53% CuEq for a total of 175kT CuEq)

Shallow Starter Zone

Shallow drill success during the year led to the definition and focused drill activity on the Starter Zone which offers the best opportunity for any early development (Figures 2 and 3). Several successful step-out and infill holes were completed which firmed up the continuity, grade and thickness of the promising Eastern and Western silver with lead horizons, and intervening copper-gold lenses.

Ongoing drilling within the shallow Starter Zone continues to demonstrate the strong geological and grade continuity of the separate Eastern and Western silver with lead horizons re-enforcing its resource and near-term development potential.

Notable were the thick, shallow, silver-lead intercepts in MRN23005 just 155 metres below surface, similar step-out results from MRN23007, and strong lead sulphide mineralisation in MRN23008 (Figures 3 to 6).

Eastern Horizons

Standout silver with lead assays from the Eastern Horizons within the Starter Zone include:

MRN23005

31.0 metres at 6.1% lead, 139g/t silver (308g/t Silver Equivalent) including
2.0 metres at 24.7% lead, 230g/t silver (944g/t Silver Equivalent) and
3.0 metres at 10.0% lead, 130g/t silver (404g/t Silver Equivalent) and
2.0 metres at 8.4% lead, 228g/t silver (460g/t Silver Equivalent) and
2.0 metres at 11.0% lead, 535g/t silver (822g/t Silver Equivalent)

MRN23007

3.0 metres at 5.2% lead, 113/t silver (259g/t Silver Equivalent)
13.0 metres at 4.3% lead, 174g/t silver (297g/t Silver Equivalent), including
3.0 metres at 6.9% lead, 285g/t silver (469g/t Silver Equivalent) plus a copper-gold lens of
9.0 metres at 1.78% copper, 2.41g/t gold (3.8% Copper Equivalent)

MRN23008

4.4 metres at 4.7% lead, 149g/t silver (277g/t Silver Equivalent).

MRN23009

4.8 metres at 4.3% lead, 139g/t silver (256g/t Silver Equivalent), including
3.0 metres at 6.3% lead, 206g/t silver (378g/t Silver Equivalent).

Importantly, the high tenor silver-lead mineralisation in MRN23005 and MRN23007 have true widths of 24.8 metres and 11.7 metres respectively and correlate with other strong intercepts in nearby holes MRN07002 and MRN23001 highlighting the good continuity and economic potential of the silver-rich Eastern Horizons.

Western Horizons

Assays on the strong lead sulphide mineralisation in MRN23008 interpreted as Western Horizons returned high tenor silver with lead and zinc mineralisation including:

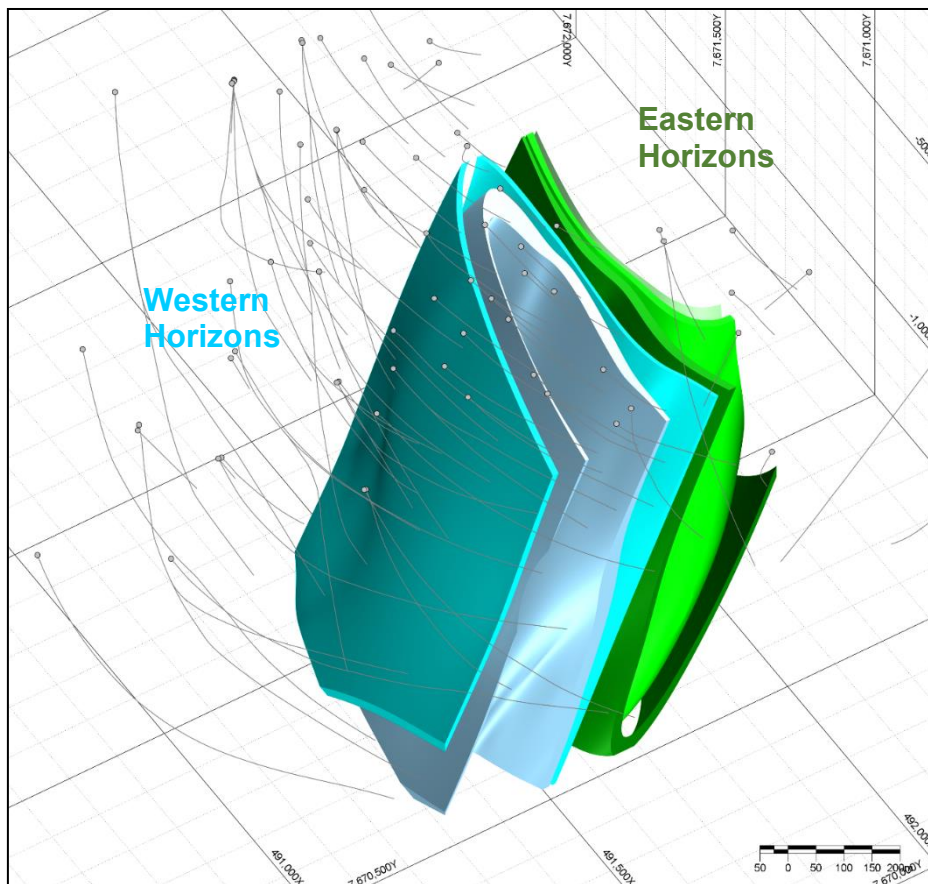
MRN23008

5.8 metres at 8.4% lead, 231g/t silver, 0.9% zinc (463g/t Silver Equivalent), including, 2.0 metres at 15.4% lead, 372g/t silver, 0.8% zinc (801g/t Silver Equivalent), and 11.8 metres at 5.9% lead, 69g/t silver, 1.2% zinc (239g/t Silver Equivalent), including 4.8 metres at 11.7% lead, 131g/t silver, 3.2% zinc (468g/t Silver Equivalent).

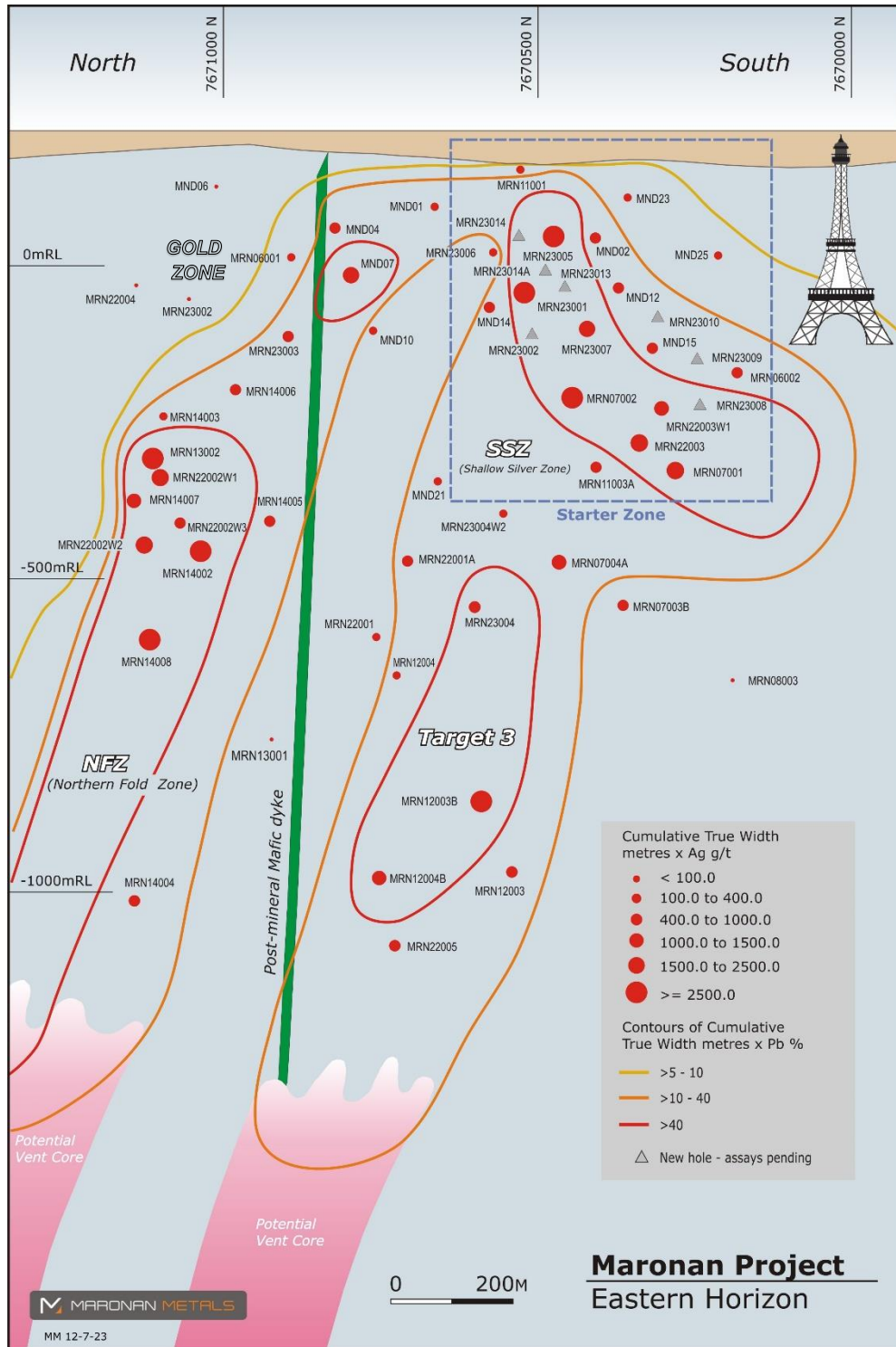
The Western Horizons in MRN23008 are about 180 metres above and 30 metres south of those in historic hole MRN07001 (Figure 6) which intersected:

MRN07001

14.5 metres grading 11.1% lead, 133g/t silver (256g/t Silver Equivalent), including 6.5 metres grading 18.1% lead, 255g/t silver (256g/t Silver Equivalent).



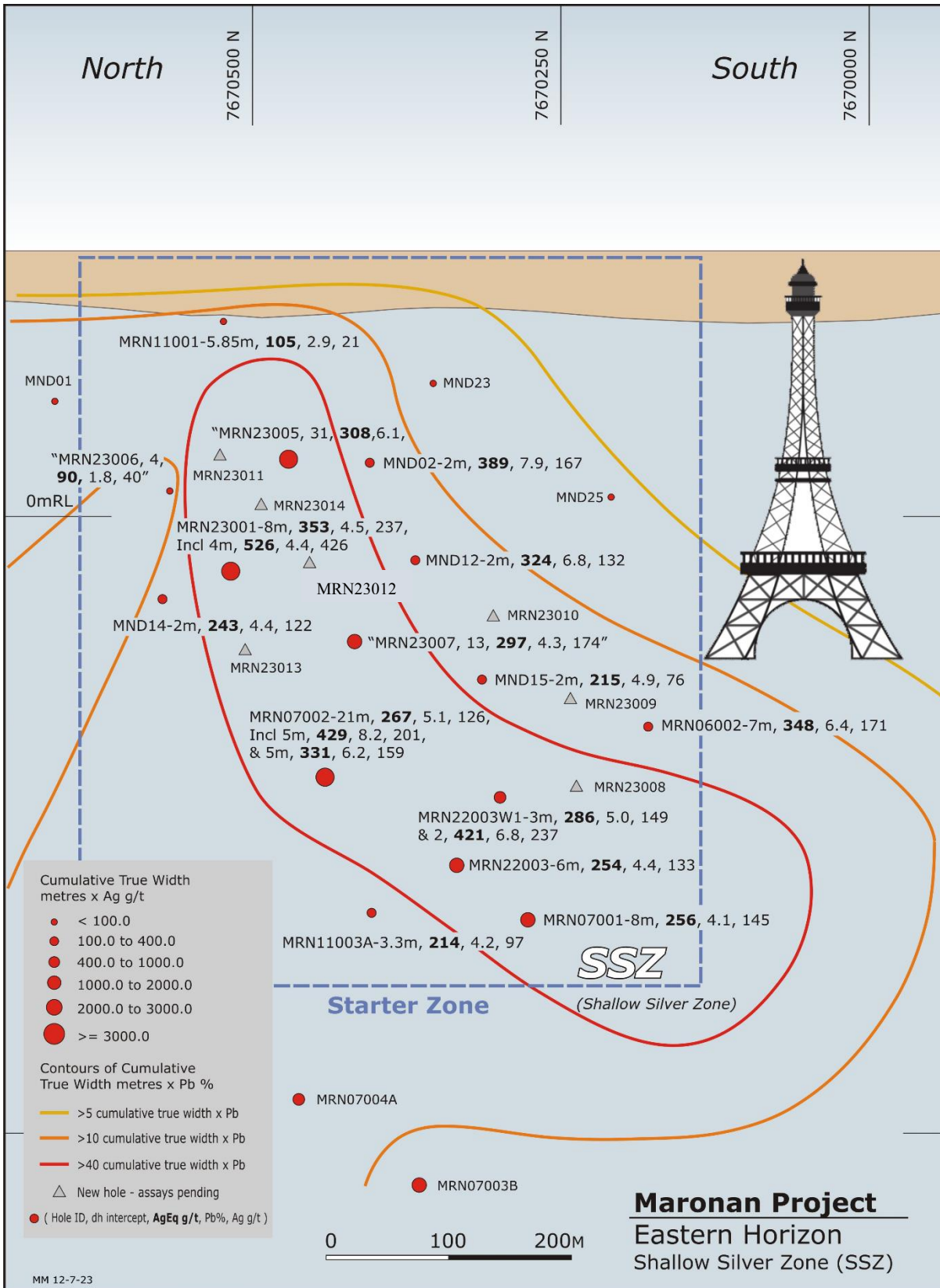
[Figure 2] Oblique view of updated 3D geological model for the Starter Zone. With recent closer spaced drilling, confidence interpreting individual horizons has increased resulting in an updated, more detailed geological model. The model is being progressively updated as more drilling is completed.



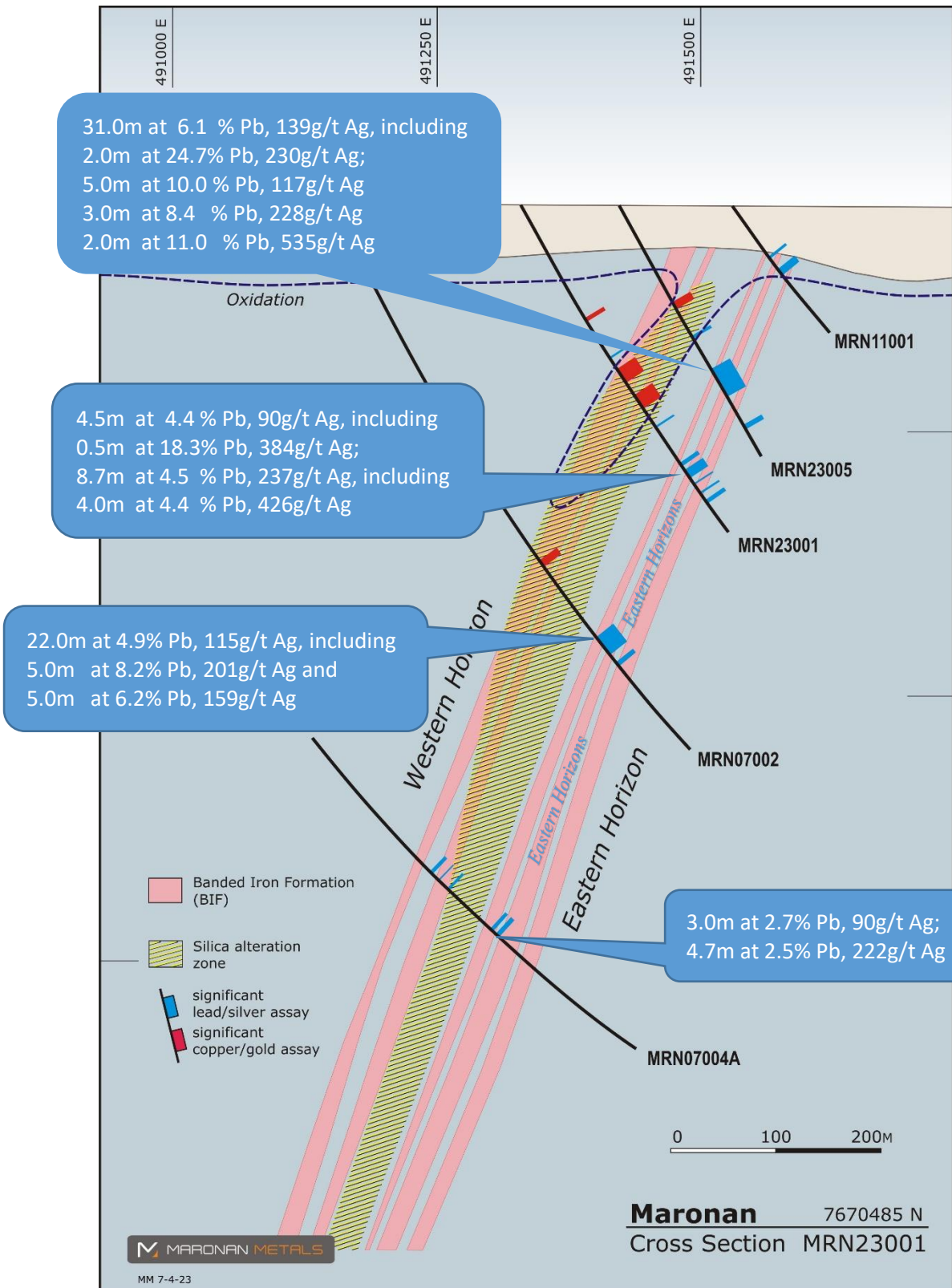
[Figure 3] Eastern Lead-Silver long section showing the 2022/2023 drilling completed and in progress on the Maronan Project. Note the shallow Starter Zone location where Maronan Metals have recently reported good widths of strong silver with lead grades from MRN23001, MRN22003, MRN23005, MRN23007 and MRN23008.

MANAGING DIRECTOR'S REVIEW OF OPERATIONS

For the year ended 30 June 2023



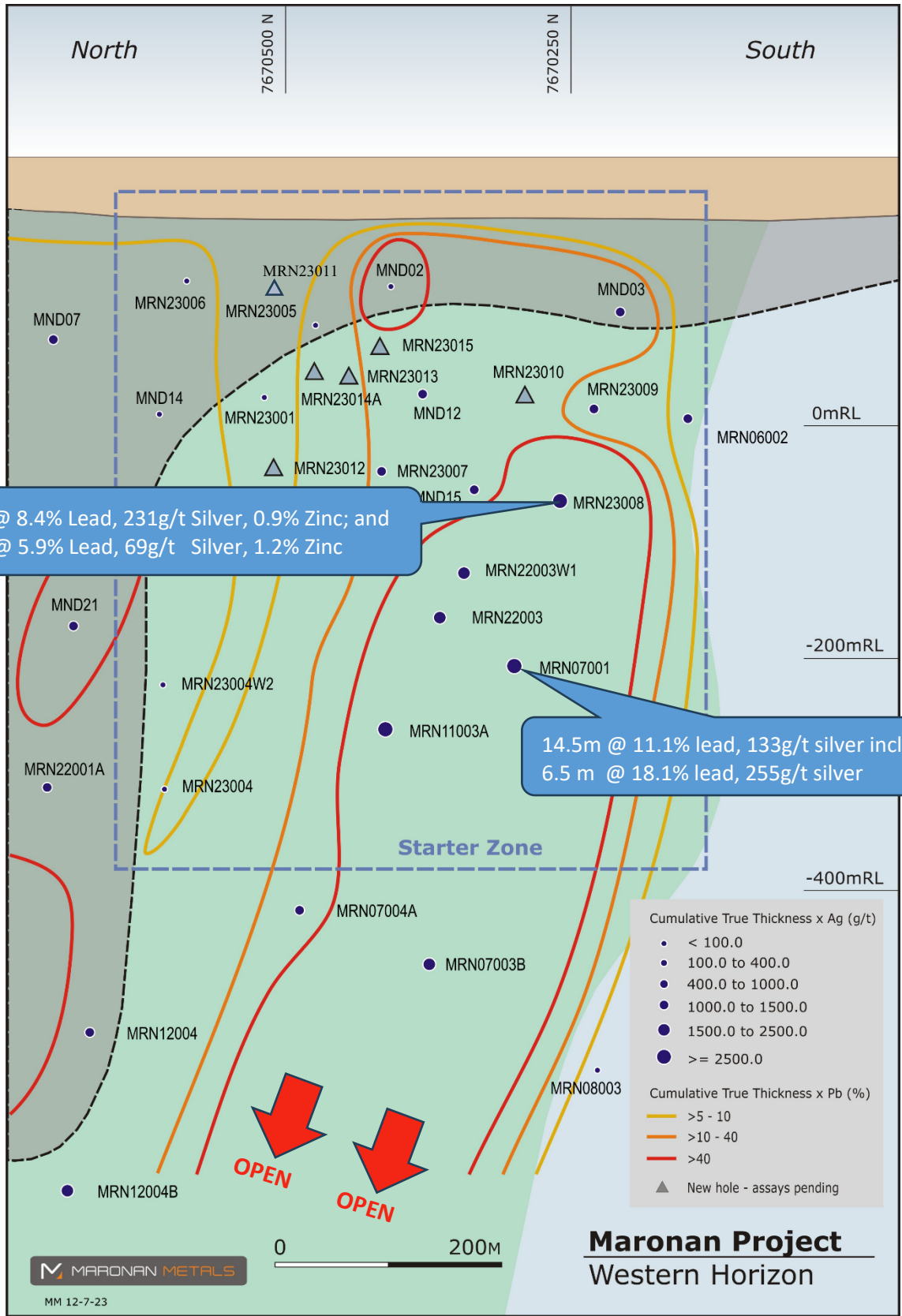
[Figures 4] Starter Zone – Eastern Horizon or Shallow Silver Zone (SSZ) long section with posted new and historic drill intercepts and pending drill hole locations. Key intercepts defining the SSZ posted as Hole Number / Downhole Intercept Metres / Silver Equivalent Value g/t (bold) / Lead % / Silver g/t.



[Figure 5] Cross section MRN23005 viewed facing north highlighting continuity of the Eastern Horizons (referred to as the Shallow Silver Zone).

MANAGING DIRECTOR'S REVIEW OF OPERATIONS

For the year ended 30 June 2023



[Figure 6] Western Horizon Long section.

Copper-Gold Zone

Results from drill holes targeting the Copper-Gold Zone continue to demonstrate the strong continuity of higher-grade chalcopyrite-dominant lenses within broader zones of silica-pyrrhotite ± chalcopyrite mineralisation (Figure 7).

Impressive higher grades of copper-gold intersected include:

MRN14004W1

82.0 metres at 0.41% copper, 0.57g/t gold (0.9% Copper Equivalent) including
22.0 metres at 0.85% copper, 1.77g/t gold (2.4% Copper Equivalent) including
8.0 metres at 1.55% copper, 4.40g/t gold (5.3% Copper Equivalent)

MRN23004

10.0 metres at 1.41% copper, 0.58g/t gold (1.9% Copper Equivalent)
20.0 metres at 0.80% copper, 0.69g/t gold (1.4% Copper Equivalent)

MRN23004W2

58.0 metres at 0.73% copper, 0.67g/t gold (1.3% Copper Equivalent) including
10.0 metres at 1.12% copper, 1.17g/t gold (2.1% Copper Equivalent)

MRN23007

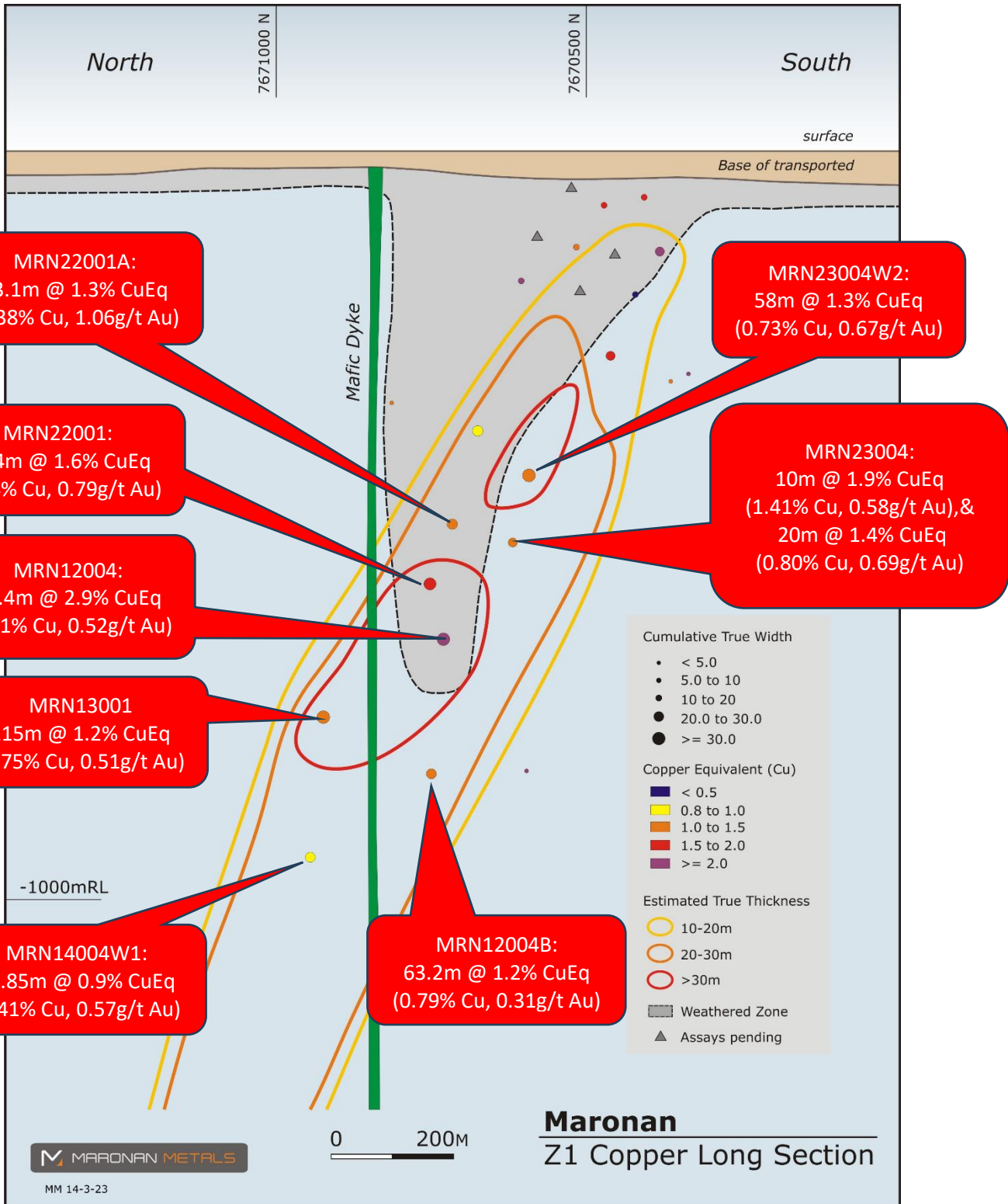
9.0 metres at 1.78% copper, 2.41g/t gold (3.8% Copper Equivalent)

These high value lenses show good correlation between holes which will enable them to be integrated into any future mining scenario along with the higher value lead-silver horizons. The broad intervals of copper and gold mineralisation that surround the higher-grade lenses could have the potential to be bulk mined and are contributing to an expanding copper-gold resource.

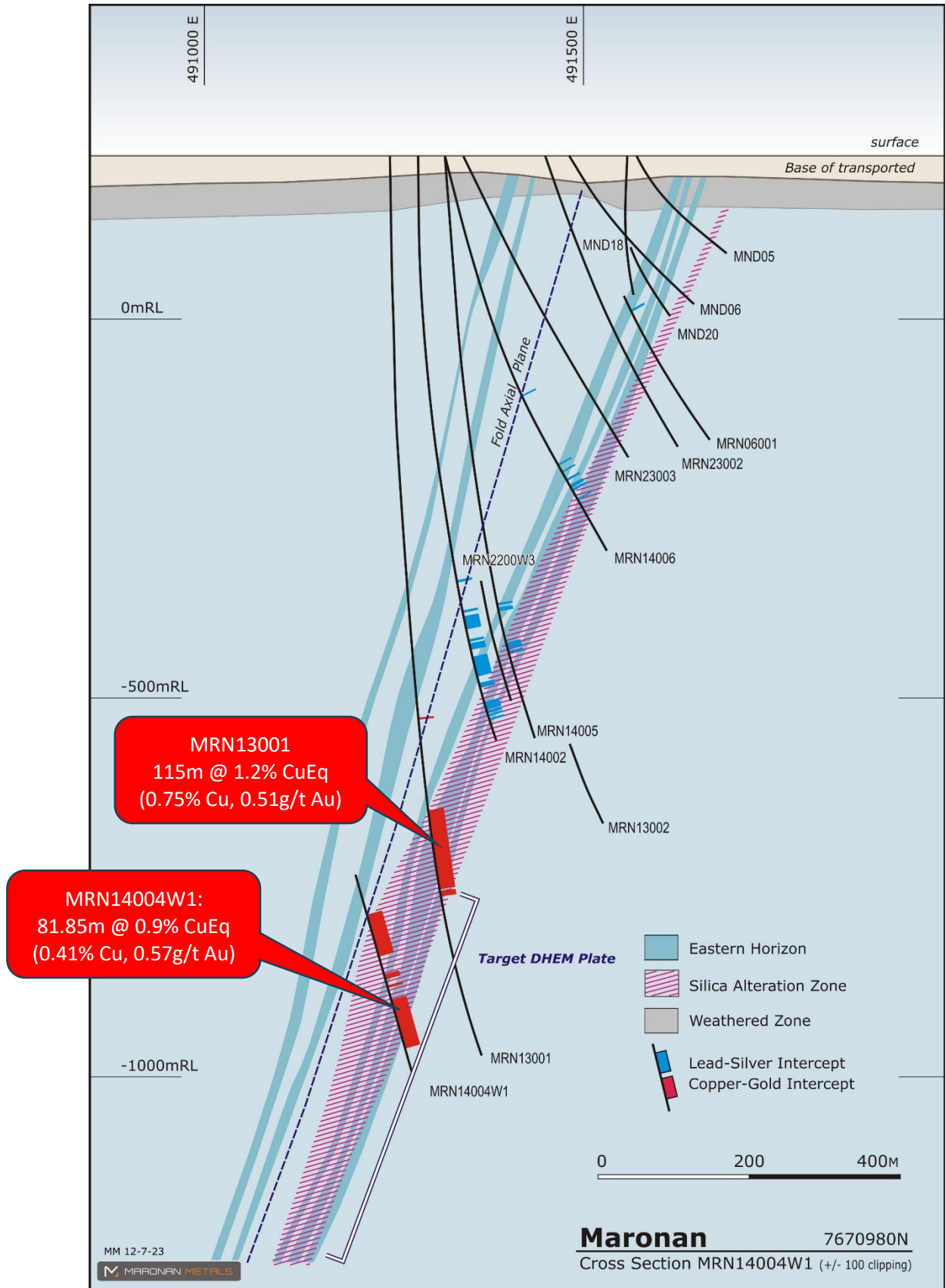
Drill results show a large copper-gold system has been active at Maronan centred around a substantial silica alteration pipe which extends at least 1300 metres down plunge and remains open at depth (Figures 7 and 8). Scope for wide intervals of the higher grade, copper sulphide dominant mineralisation is speculated at depth and intercepts such as 8 metres at 1.55% copper, 4.4g/t gold in the MRN14004W1, one of the deepest copper holes drilled to date, supports this concept.

MANAGING DIRECTOR'S REVIEW OF OPERATIONS

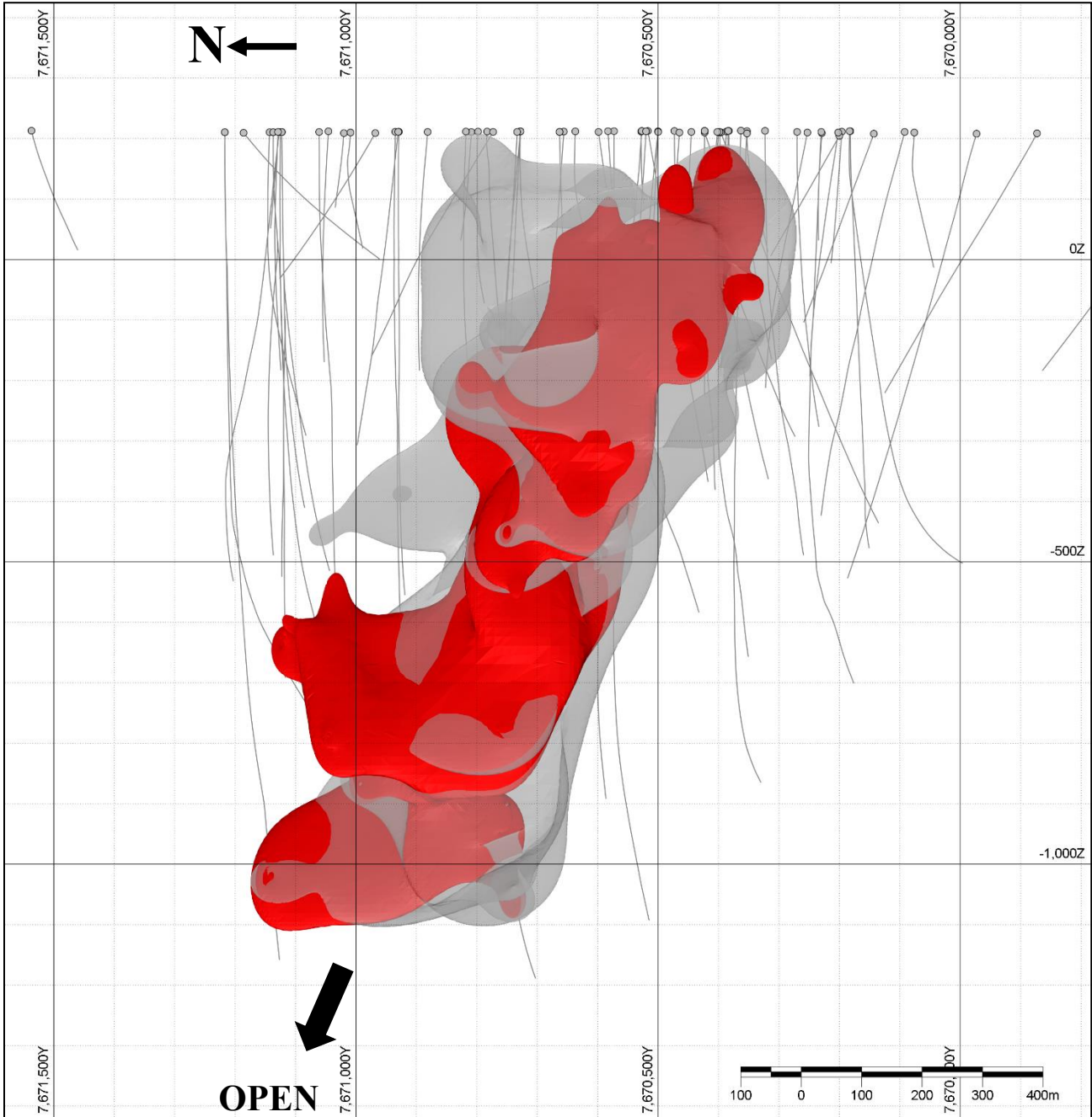
For the year ended 30 June 2023



[Figure 7] Copper-Gold Zone Long Section – View looking to the East



[Figure 8] Cross Section - showing MRN13001 and MRN14004W1



[Figure 9] 3D computer generated copper geochemical model looking due east (north to left of page). Images show an interpolated 0.1% copper grade shell overlain by a transparent grey shell showing the large silica alteration halo. Copper-gold mineralisation remains open down-plunge.

Northern Fold Structure

The Northern Fold Structure represents the folded northward extension of the eastern banded iron and lead-carbonate horizons (Eastern Horizons). The top 500 metres of the Northern Fold Structure, referred to as the Gold Zone (Figure 3), is characterised by magnetite-carbonate facies banded iron formation with narrow lead-silver horizons overprinted by wide intervals of gold with arsenopyrite and minor chalcopyrite mineralisation. Below 500 metres the iron formation sharply changes to banded lead sulphide-carbonate facies and contains wide intervals of strong silver with lead mineralisation.

Eastern Horizons Silver-Lead

Drill holes MRN22002W1, MRN22002W2 and MRN22002W3 centred on the Northern Fold Structure below 500 metres, confirmed the extent of the broad zones of lead and silver mineralisation re-enforcing the bulk resource potential at this target area.

The soft, carbonate-galena horizons vary from about 6 metres to 23 metres true width and can be interpreted over a vertical distance of about 350 metres and a strike length of 150 metres. These wide zones of lead and silver mineralisation remain open down-plunge may be amenable to cost effective bulk mining.

Gold Zone

Results from three drill holes MRN22002W3, MRN23002 and MRN23003 directed towards the Gold Zone intersected low-grade gold-only mineralisation as well as narrow intervals of silver with lead mineralisation from the Eastern Horizons. Drill assays failed to improve on past grades and widths however geological interpretation of the new Gold Zone data remains to be completed.

Geological Technical Workshop

During the year, a geology workshop was held at Maronan's Cloncurry Facility with industry leading consultants Clemens Augenstein (Absolute Geoscience Consulting), Michael Outhwaite (Lithify Solid Geology) and Richard Lilly (Dr Richard Lilly Consulting) to fast track building a 3D geological model for Maronan. A preliminary model for the Starter Zone has been delivered which will feed into a future resource update.

Ongoing Exploration and Project Development Priorities

Near-term growth opportunities for Maronan Metals include defining an early pathway towards development at the shallow Starter Zone and expansion of the copper and gold resource down-plunge of the known mineralisation.

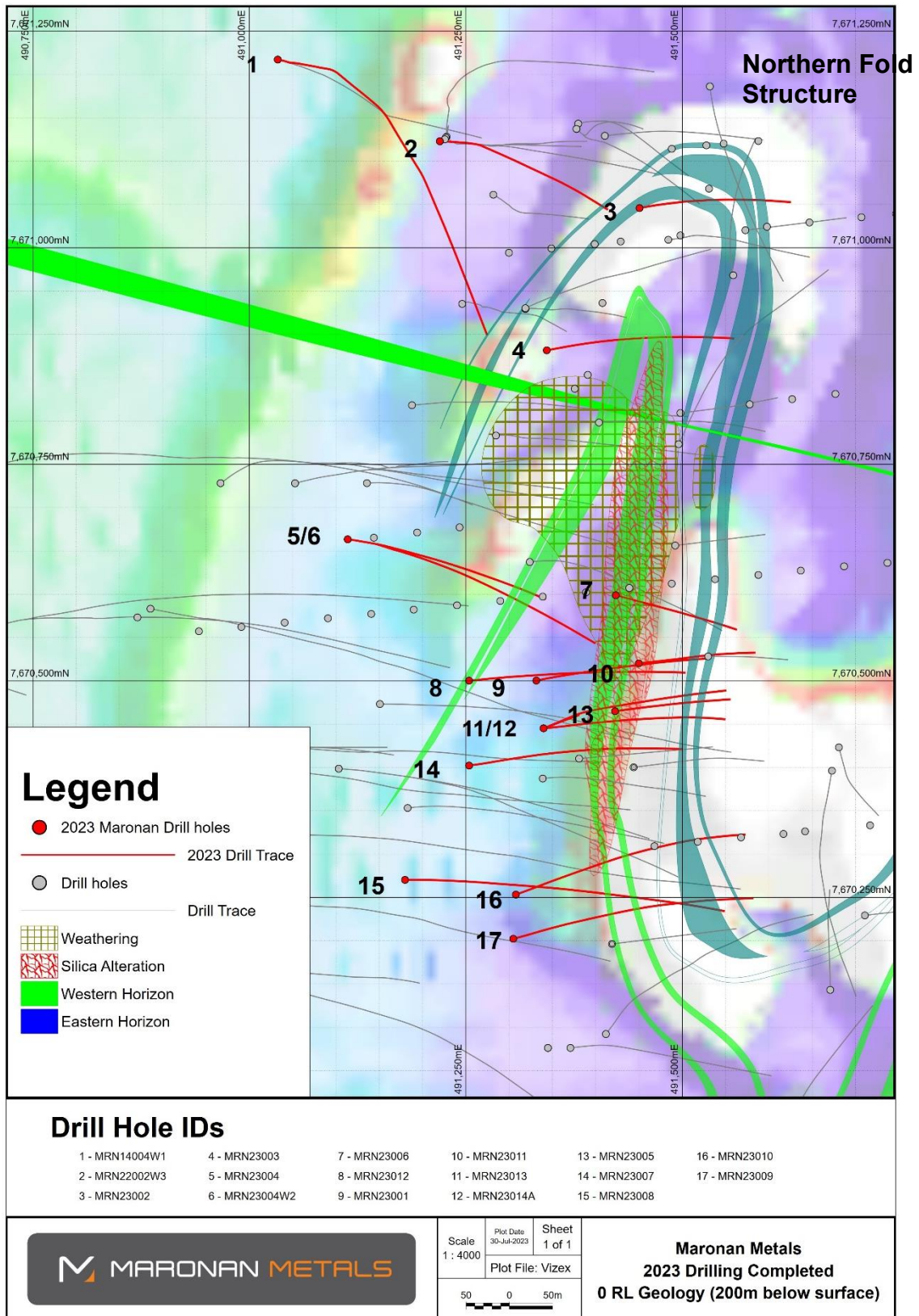
Work to date continues to support the integrity of the original geological model with recent shallow step-out drilling firming up the shallow Starter Zone as a likely early contributor to any potential future production scenario.

Future drilling will continue to focus on expanding and improving confidence within the near-surface portion of the Starter Zone in preparation for updating the resource and previous mine development study.

Reviews by specialists to determine likely permitting requirements for any potential mine lease have commenced.

MANAGING DIRECTOR'S REVIEW OF OPERATIONS

For the year ended 30 June 2023



[Figure 10] Plan view of 2023 drilling completed and in progress at the Maronan Project with respect to key target horizons at the 0mRL (200m below surface).

Drilling Results Announced

The following list of ASX announcements include the assay results referred to in this Report:

20 September 2022	Visual Results from First Target Test
19 October 2022	Exploration Program Advancing First Assay Results Received
24 November 2022	Exploration Program Strong Copper Results
8 December 2022	Drilling Intersects Significant Lead-Silver Mineralisation
16 January 2023	Company Update – Very High-Grade Lead-Silver Assays in Shallow Target 1
24 January 2023	Visual Results from First Deep Test MRN22005
4 April 2023	Very Strong Off-hole DHEM Conductor and MRN22005 Assays
18 April 2023	Shallow High-Grade Silver Intersection
24 May 2023	Wide Copper Sulphide Mineralisation Visuals MRN14004W1
29 May 2023	Wide Interval of High-Grade Silver-Lead Assays in MRN23005
1 June 2023	Another Wide Interval of Visible Galena
14 June 2023	Western Horizon Delivers Sticks of Massive Galena
20 July 2023	Copper Zone Drilling Update
31 July 2023	Strong Silver with Lead Assays in Shallow Starter Zone
9 August 2023	More High Tenor Silver with Lead in Starter Zone

Competent Persons Statement

The information in this report that relates to Exploration Results is based on and fairly represents information and supporting documentation compiled by Mr Robert Rutherford, who is a member of the Australian Institute of Geoscientists (AIG). Mr Rutherford is the Non-Executive Technical Director of the Company. Mr Rutherford has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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" (the JORC Code). Mr Rutherford consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



Richard Carlton
Managing Director

13th day of September 2023

MANAGING DIRECTOR'S REVIEW OF OPERATIONS

For the year ended 30 June 2023

Your Directors present their report together with the financial statements of Maronan Metals Limited for the financial year ended 30 June 2023.

Review of Operations

Maronan Metals Limited ("Maronan" or the "Company") holds a 100% interest in the Maronan lead-silver copper-gold project ("Maronan Project"), an emerging large base metal deposit in the world class Carpentaria Province in Northwest Queensland.

In the previous financial year the Company raised \$15 million through an Initial Public Offering ("IPO") and successfully applied for listing on the Australian Securities Exchange ("ASX") (ASX: MMA). Trading on ASX commenced on 29 April 2022.

Since listing the Company has efficiently put shareholders' funds to work employing crucial technical and corporate personnel, reviewing the extensive historic technical data and designing the initial drill holes. On site logistic support and safety systems have been set-up and key contracts awarded head of drilling.

The Company's maiden drill program targeting extensions to high-grade copper-gold and lead-silver intervals commenced on schedule in early August 2022.

More details on the progress of the drilling programme are included in the Managing Director's Review of Operations, on page 3 of this Annual Report.

The loss after income tax for the full year ended 30 June 2023 was \$9,234,158 (2022: \$1,560,315).

The Company's activities are subject to numerous risks, mostly outside the Board's and management's control. These risks can be specific to the Company, generic to the mining industry and generic to the stock market as a whole. The key risks, expressed in summary form, affecting the Company and its future performance include but are not limited to:

- geological and technical risk posed to exploration and commercial exploitation success;
- security of tenure including licence renewal, inability to obtain regulatory or landowner consents or approvals and native title issues;
- joint venture management;
- change in commodity prices and market conditions;
- environmental and occupational health and safety risks;
- Covid-19;
- government policy changes;
- retention of key staff;
- financial reporting and continuous disclosure obligations; and
- capital requirement and lack of future funding.

This is not an exhaustive list of risks faced by the Company or an investment in it. There are other risks generic to the stock market and the world economy as whole and other risks generic to the mining industry, all of which can impact on the Company.

Principal Activity

The principal activity of the Company during the financial year ended 30 June 2023 was the exploration, evaluation and development of lead-silver, copper-gold and other mineral deposits with a view to becoming a miner in the short to medium term. No change in the principal activity occurred during this period.

Likely Developments

It is likely that the Company will continue its drilling programme at the Maronan Project in accordance with the programme included in its Prospectus lodged with ASX on 27 April 2022.

Environmental Regulations

The Company is subject to significant environmental regulations under legislation of the Commonwealth of Australia. The Company aims to ensure that it complies with the identified regulatory requirements in each jurisdiction in which it operates. There have been no known material breaches of the environmental obligations of the Company's contracts or licences.

Dividends

No dividends have been declared in respect of the financial year ended 30 June 2023 (2022: Nil).

Events Subsequent to Reporting Date

The Directors are not aware of any matter or circumstance not otherwise dealt with in this Annual Report or in the financial statements that has significantly or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years.

Significant Changes in State of Affairs

Since listing on ASX the Company has commenced a drilling programme at the Maronan Project in accordance with the programme included in its Prospectus lodged with ASX on 27 April 2022.

DIRECTORS' REPORT

For the year ended 30 June 2023

Proceedings on Behalf of the Company

No person has applied to the Court for leave to bring proceedings on behalf of the Company or 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 any of those proceedings. The Company was not a party to any such proceedings during the year.

Options Over Ordinary Shares

Details of options issued over ordinary shares, and performance rights to ordinary shares granted during the year are shown at Note 19 to these financial statements. A total of 6,951 shares, and 3,475 secondary options have been issued as a result of the exercise of the 6,951 primary options. No shares have been issued as a result of the exercise performance right and options. A total of 2,800,000 options have been issued during the year ended 30 June 2023, pursuant to the Company's Employee Securities Incentive Plan (ESIP), exercisable at \$0.43 per option and an expiry date of 28 July 2024. A further 1,200,000 options were issued on 28 July 2022 to the Company's Exploration Manager in accordance with the terms of the Company's ESIP, with 600,000 vesting immediately and the second tranche of 600,000 vesting on 15 July 2023. These options are exercisable at \$0.43 per option and have an expiry date of 28 July 2025. No option holder has any right under the terms of the options to participate in any other share issue of the Company.

Directors

The names of the Directors, who held office from 1 July 2022 to date of this report, unless otherwise stated, are:



Simon Bird - Non-Executive Chairman

BAcc Science (Hons), CA, FCPA, FAICD

Simon Bird has over 30 years of international corporate experience, including holding the positions of General Manager Finance at Stockland Limited, Chief Financial Officer of GrainCorp Limited, and Chief Financial Officer of Wizard Mortgage Corporation. He was also Chief Executive Officer of ASX-listed King Island Scheelite Limited which was developing a large tungsten deposit, a former Managing Director of ASX listed gold explorer Sovereign Gold Limited, a former Chairman of ASX-listed oil and gas company Rawson Resources Limited and a former Director of CPA Australia Limited.

- Appointed. 23 March 2021
- Other listed Board memberships. Mount Gibson Iron Limited
- Previous listed Board memberships. Sovereign Gold Limited, Rawson Resources Limited
Pacific American Holdings Limited



Richard Carlton - Managing Director

Dip Min Eng, FAusIMM, GAICD

Richard Carlton is a senior executive with over 30 years of extensive mining operations management experience in Australia and internationally across a range of commodities. He has held the position of General Manager at Edna May in Western Australia (Evolution Mining), Stawell Gold Mines in Victoria (Mining Project Investors Pty Ltd), Waihi Gold Mine in New Zealand (Normandy Limited) and the Westonia and the Golden Crown Gold Mines in Western Australia (Australian Consolidated Minerals Ltd). Mr Carlton's extensive base metals experience includes North Limited's mines, the Rosebery underground zinc/copper/lead mine in Tasmania and Elura zinc/lead/silver mine in Cobar NSW. Mr Carlton was also a key member of a focused team securing funding and developing a new metallurgical process.

- Appointed. 23 March 2021
- Other listed Board memberships. Nil
- Previous listed Board memberships. Nil for the last three years



Rob Rutherford - Non-Executive Director

BSc (Geol), Masters Econ Geol, MAIG

Rob Rutherford is a geologist with over 30 years Australian and international exploration experience and has been involved in generative, feasibility and management roles in the copper, gold and base metal exploration industry. He was formerly employed by Phelps Dodge Australasia Inc. for over 9 years where he was promoted to Australian Exploration Manager and internal expert on Iron-Oxide Copper-Gold hydrothermal systems and Sediment-Hosted copper deposits. Rob founded Red Metal Limited in 2003.

- Appointed. 14 March 2012
- Other listed Board memberships. Red Metal Limited
- Previous listed Board memberships. Nil for the last three years

Catriona Glover – Company Secretary

Catriona has over 20 years' experience in private practice providing legal, corporate governance and company secretarial advice to a range of companies including ASX and NSX listed companies, private and not-for-profit organisations.

DIRECTORS' REPORT

For the year ended 30 June 2023

Directors' Meetings

The number of Directors' meetings and meetings of committees of Directors of Maronan Metals Limited (including by way of circular resolution) held during the year ended 30 June 2023 and the numbers of meetings attended by each Director are as follows.

Director	Board	
	Eligible to attend	Attended
Simon Bird	6	6
Richard Carlton	6	6
Robert Rutherford	6	6

As well as formal Directors' meetings, Executive and Non-Executive Directors are in frequent communication by telephone and email. The Company does not have any Committees.

REMUNERATION REPORT (AUDITED)

This report details the nature and amount of remuneration for each Key Management Personnel during the Financial year ended 30 June 2023. The Key Management Personnel of the Company during this period comprised the Directors only.

Directors' Interests

The Directors' beneficial interests in shares and options as at the date of this Report are shown in the following tables.

Director	Interest	Shares			
		1 July 2022	Acquired	Disposed	30 June 2023
Simon Bird	Indirect	100,000	-	-	100,000
	Total	100,000	-	-	100,000
Richard Carlton	Indirect	100,000	-	-	100,000
	Total	100,000	-	-	100,000
Robert Rutherford	Direct	100,000	-	-	100,000
	Total	100,000	-	-	100,000

Director	Interest	Options				
		1 July 2022	Acquired	Disposed	Vested and exercisable	30 June 2023
Simon Bird	Direct	2,000,000	-	-	2,000,000	2,000,000
	Indirect	33,333	-	-	33,333	33,333
	Total	2,033,333	-	-	2,033,333	2,033,333
Richard Carlton	Indirect	4,033,333	-	-	4,033,333	4,033,333
	Total	4,033,333	-	-	4,033,333	4,033,333
Robert Rutherford	Direct	5,226,801	-	-	5,226,801	5,226,801
	Total	5,226,801	-	-	5,226,801	5,226,801

Remuneration Policy

The Board's remuneration policy determines the nature and amount of remuneration for Board members of the Company. The policy, setting the terms and conditions for the Executive Director, was developed by Board.

A part of this policy, all executive's remuneration will be based on factors such as length of service and experience. The Board will review executive packages annually by reference to the Company's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries. The objective of this policy is to secure and retain the services of suitable individuals capable of contributing to the Company's strategic objectives.

The Board policy is to remunerate Non-Executive Directors at market rates for comparable companies for time, commitment and responsibilities. The Board will review Non-Executive Director remuneration annually, based on market practice, duties and accountability.

REMUNERATION REPORT (AUDITED) (Cont.)

The current base fees were last reviewed at the most recent remuneration committee meeting. Non executive director fees are determined with an aggregate Directors' fee pool limit, which is annually recommended for approval by the shareholders. In accordance with the constitution, a shareholders resolution has been passed providing that a maximum total remuneration of \$350,000 per annum may be paid to the Non-executive Directors.

The board reviews and approves the remuneration policy to ensure the Company attracts and retains executives and Directors who will create value for shareholders. Given the size of the Company and its level of activity it has not used external remuneration consultants in this process.

The Company currently has only two employees. When the Company reaches an appropriate size, it will endeavour to employ suitably qualified women to fill at least one third of its employment positions. There were no bonuses paid or proposed to be paid for the year ended 30 June 2023 (2022: Nil).

Below is a table summarising key performance and shareholder wealth indicators for the Company for the year ended 30 June 2023 and the previous 2 financial years.

Period	Loss after Tax	EPS	Share Price
Year ending 30 June 2023	(\$9,234,157)	Cents (6.16)	\$0.33
Year ending 30 June 2022	(\$1,560,315)	Cents (5.84)	\$0.33
Year ending 30 June 2021	(\$799,422)	Cents (7,942,200)	NA

Directors and Key Management Remuneration

Details of the remuneration of the Directors, other Key Management Personnel (defined as those who have the authority and responsibility for planning, directing and controlling the major activities of the Company) are set out in the following table.

	Short Term		Post-Employment	Total	Performance Based
	Base fee / salary \$	Options \$	Superannuation \$	\$	%
2023					
Executive Directors					
Richard Carlton – Managing Director	272,500	193,476	28,612	494,588	39.1%
Non-Executive Directors					
Simon Bird - Chairman	81,448	96,738	8,552	186,738	51.8%
Robert Rutherford	45,249	193,476	4,751	243,476	79.5%
Total Non-Executive	126,697	290,214	13,303	430,214	67.5%
Total Remuneration	399,197	483,690	41,915	924,802	52.3%
2022					
Executive Directors					
Richard Carlton – Managing Director	47,522	275,752	4,755	328,029	84.1%
Non-Executive Directors					
Simon Bird	14,266	137,876	1,427	153,569	89.8%
Robert Rutherford	7,925	275,752	793	284,470	96.9%
Russell Barwick	-	-	-	-	-
Total Non-Executive	22,191	413,628	2,220	438,039	94.4%
Total Remuneration	69,743	689,380	6,975	766,098	90.0%

Fair Value of the equity-based component of the Directors' remuneration shown above is shown in this Remuneration Report on page 25. The fair value of options is determined using a Black-Scholes model

The Company issued 10,000,000 Director Options to Directors of the Company listing on the ASX ("Listing").

5,000,000 of these options vested on Listing and a further 5,000,000 vested on 27 April 2023, one year after Listing.

DIRECTORS' REPORT

For the year ended 30 June 2023

REMUNERATION REPORT (AUDITED) (Cont.)

All of these options are convertible into fully paid ordinary shares that are escrowed for 24 months from the date of quotation.

The Company has valued these options using the Black-Scholes option pricing model and an amount of \$586,535 has been recognised as an expense in the Statement of Profit or Loss and Other Comprehensive Income this year.

Key inputs used in the calculation of this amount are as follows:

Variable	
Grant date	27 April 2022
Exercise price	\$0.25
Calculation date	27 April 2022
Underling share price	\$0.20
Risk Free Rate	3.13%
Volatility	100.0%
Option Life	3 years
Expected dividends	Nil
Fair value per option	11.73 cents

No other features of the option grant were factored into the calculation of the option value.

Details of Directors' appointment dates, skills and qualifications are shown on page 21 of this Directors' Report.

Agreements with Directors

Name: Richard Carlton
Title: Managing Director
Commencement Date: 23 March 2021
Term of Agreement: Ongoing
Details: Mr Carlton is paid an annual salary of \$300,000 inclusive of superannuation. The Board may offer Mr Carlton performance-based remuneration including cash bonuses or equity-based incentives that do not exceed 50% of his base salary. On 19 April 2022, Mr Carlton was awarded 4 million options over fully paid ordinary shares exercisable at 25.0 cents and expiring 19 April 2025. One half of these options vested immediately and one half on 19 April 2023. The Agreement may be terminated by either party on 3 months' notice. No termination benefits are payable under the Agreement.

Name: Simon Bird
Title: Chairman
Commencement Date: 23 March 2021
Term of Agreement: Ongoing
Details: Mr Bird is paid an annual fee of \$90,000 inclusive of superannuation entitlements, from commencement of trading on the ASX and subject to annual review by the Board. On 19 April 2022 Mr Bird was awarded 2 million options over fully paid ordinary shares exercisable at 25.0 cents and expiring 19 April 2025. One half of these options vested immediately and one half on 19 April 2023.

Name: Robert Rutherford
Title: Non-Executive Director
Commencement Date: 14 March 2012
Term of Agreement: Ongoing
Details: Mr Rutherford is paid an annual fee of \$50,000 inclusive of superannuation entitlements, from commencement of trading on the ASX and subject to annual review by the Board. On 19 April 2022 Mr Rutherford was awarded 4 million options over fully paid ordinary shares exercisable at 25.0 cents and expiring 19 April 2025. One half of these options vested immediately and one half on 19 April 2023.

REMUNERATION REPORT (AUDITED) (Cont.)
Share-Based Compensation

The Company has established the Maronan Metals Employee Share Incentive Plan ("Plan") to assist in the attraction, retention and motivation of employees of the Company. The Plan is administered by the Board in accordance with the rules of the Plan, and the rules are subject to the Listing Rules. A summary of the Rules of the Plan follows.

All employees and certain contracted staff will be eligible to participate in the Plan. The allocation of options to each employee is at the discretion of the Board. The options will be issued for nil consideration and are non-transferable, except with the consent of Directors. However, at the time of accepting the offer to participants of the Plan, the eligible employee may nominate another person in whose favour the options should be granted. If permitted by the Board, options may be issued to an employee's nominee (for example, a spouse or family company).

Each option is to subscribe for one fully paid ordinary share in the Company. The exercise price, term of the option and any vesting conditions are determined by the Board at the time that the option is offered. An option is exercisable at any time from its date of vesting until it expires. The Plan may be terminated or suspended at any time. Except with the consent of the Directors, options may not be transferred. The Company will not apply for official quotation of any options. Shares issued as a result of the exercise of options will rank equally with the Company's previously issued shares.

If there is a bonus share issue to the holders of shares, the number of shares over which an option is exercisable will be increased by the number of shares which the option holder would have received if the option had been exercised before the record date for the bonus issue. The options or exercise price of the options will be adjusted if there is a pro-rata issue, bonus issue or any reconstruction in accordance with the Listing Rules. If there is a pro-rata issue (other than a bonus share issue) to the holders of shares, the exercise price of an option will be reduced to take account of the effect of the pro-rata issue. If there is a reorganisation of the issued capital of the Company, unexercised options will be reorganised in accordance with the Listing Rules. The Board may amend the Plan Rules subject to the requirements of the Listing Rules.

Compensation Options granted and vested as at 30 June 2023 are shown in the following table:

Director	Grant Date	Term (years)	Exercise Price	Grant Number	Fair value per option	Vested and Exercisable
Simon Bird	19-Apr-22	3	\$0.25	2,000,000	\$0.1173	2,000,000
Richard Carlton	19-Apr-22	3	\$0.25	4,000,000	\$0.1173	4,000,000
Robert Rutherford	19-Apr-22	3	\$0.25	4,000,000	\$0.1173	4,000,000
Weighted average exercise price:			\$0.25	10,000,000	\$0.1173	10,000,000

Unvested Directors' Options vested on 29 April 2023 being the date one year after listing on the ASX. These options are not dependent on the satisfaction of a performance condition.

The options were granted to align the Board with shareholder's interests and with market practices of peer companies and to provide a competitive total remuneration package. As an exploration company, the Board does not consider any specific performance conditions in determining the share-based compensation

The value of options granted during the period is recognised as compensation over the vesting period of the grant, in accordance with Australian Accounting Standards.

There were no alterations to the terms and conditions of options granted as remuneration since their grant date. There were no Director's options exercised during the year. There were no forfeitures during the period. There were no other transactions with Directors or director-related entities.

Voting and comments made at the Company Annual General Meeting

The Company received more than 90% of "yes" votes on its remuneration report for the 2022 financial year. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

This concludes the Remuneration Report, which has been audited.

DIRECTORS' REPORT

For the year ended 30 June 2023

Indemnifying Officers and Auditor

During the financial year the Company paid premiums to insure all Directors and officers of the Company against claims brought against the individual while performing services for the Company and against expenses relating thereto, other than conduct involving a wilful breach of duty in relation to the Company. The Company is prohibited under its contract for insurance from disclosing the amount of the premiums paid.

The Company has indemnified Directors and staff to the extent possible under the Corporations Law against any liabilities incurred by the person as an officer of the Company. The Company has also provided an indemnity to its contracted accounting staff for liabilities incurred in acting in this capacity. The Company has not indemnified the auditor.

Non-Audit Services

There were no non-audit services during the year ended 30 June 2023.

Officers of the Company who are former Audit Partners of BDO Audit (WA) Pty Ltd.

There are no officers of the Company who are former Partners of BDO Audit (WA) Pty Ltd.

Auditor Independence Declaration

The Auditor's independence declaration for the year ended 30 June 2023 has been received and a copy is reproduced on page 27.

BDO Audit (WA) Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

Environmental Legislation

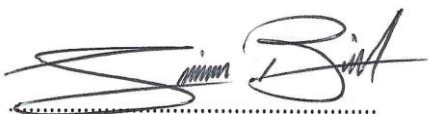
The Group's operations are not significantly impacted by any environmental legislation under a law of the Commonwealth or of a state or Territory of Australia.

Corporate Governance

A copy of the Company's Corporate Governance Statement can be found at:

www.maronanmetals.com.au/about/corporate-governance

Signed in accordance with a resolution of the Board of Directors.



Simon Bird
Chairman

Sydney, 13th September 2023

DECLARATION OF INDEPENDENCE BY JACKSON WHEELER TO THE DIRECTORS OF MARONAN METALS LIMITED

As lead auditor of Maronan Metals Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.



Jackson Wheeler

Director

BDO Audit (WA) Pty Ltd

Perth

13 September 2023

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ACN 156 269 993

Financial Report

For the Year Ended 30 June 2023

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2023

	Note	2023	2022
		\$	\$
Revenue from ordinary activities			
Interest income		93,753	1,638
Less: Expenses			
Corporate and administrative expense		1,136,512	241,070
Exploration expenditure expensed		6,887,469	179,603
Share based payments	19	1,318,848	586,535
IPO costs		-	117,363
Total expenses		(9,342,829)	(1,124,571)
Loss from operating activities		(9,249,076)	(1,122,933)
Finance costs	12	14,918	(437,382)
Loss before income tax		(9,234,158)	(1,560,315)
Income tax expense	4	-	-
Loss from continuing operations after income tax		(9,234,158)	(1,560,315)
Other comprehensive income for the year		-	-
Total comprehensive income for the year		(9,234,158)	(1,560,315)
Earnings per share			
Basic - cents per share	17	(6.16)	(5.84)
Diluted - cents per share	17	(6.16)	(5.84)

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

STATEMENT OF FINANCIAL POSITION

As at 30 June 2023

	Note	2023	2022
		\$	\$
Current assets			
Cash and cash equivalents	5	5,930,226	13,037,399
Trade and other receivables	6	230,322	116,307
Prepayments		33,687	55,828
Total current assets		6,194,235	13,209,534
Non-current assets			
Tenement acquisition cost	7	5,691,713	5,691,713
Right of use assets	8	52,433	101,260
Plant and equipment	9	106,111	137,896
Deposits	10	27,700	26,500
Total non-current assets		5,877,957	5,957,369
Total assets		12,072,192	19,166,903
Current liabilities			
Trade and other payables	11	1,017,400	200,256
Lease liability	8	52,433	53,649
Borrowings	12, 18	-	20,217
Provisions		81,790	11,376
Total current liabilities		1,151,623	285,498
Non-current liabilities			
Borrowings	12	-	-
Lease Liability	8	-	47,611
Total non-current liabilities		-	47,611
Total liabilities		1,151,623	333,109
Net assets (liabilities)		10,920,569	18,833,794
Equity			
Contributed equity	13	21,023,469	21,021,384
Reserves	14	2,224,306	905,458
Accumulated losses	15	(12,327,207)	(3,093,048)
Total equity		10,920,569	18,833,794

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

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2023

	Note	Issued capital	Reserves	Acc. losses	Total
		\$	\$	\$	\$
2023					
Balance at 1 July 2022		21,021,384	905,458	(3,093,048)	18,833,794
Total comprehensive income for the year		-	-	(9,234,158)	(9,234,158)
Total		21,021,384	905,458	(12,327,206)	9,599,636
<u>Transactions with owners in their capacity as owners</u>					
Ordinary shares issued, net of transaction costs	13	2,085	-	-	2,085
Issue of options	14	-	1,318,848	-	1,318,848
Balance at 30 June 2023		21,023,469	2,224,306	(12,327,205)	10,920,569
2022					
Balance at 1 July 2021		10	-	(1,532,733)	(1,532,723)
Total comprehensive income for the year		-	-	(1,560,315)	(1,560,315)
Total		10	-	(3,093,048)	(3,093,038)
<u>Transactions with owners in their capacity as owners</u>					
Ordinary shares issued, net of transaction costs		21,021,374	-	-	21,021,374
Issue of options		-	905,458	-	905,458
Balance at 30 June 2022		21,021,384	905,458	(3,093,048)	18,833,794

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

STATEMENT OF CASH FLOWS

For the year ended 30 June 2023

	Note	2023	2022
		\$	\$
Cash flows from operating activities			
Payments to suppliers and employees		(404,105)	(149,449)
Payments for exploration		(6,739,005)	(155,575)
Proceeds from interest received		93,753	1,638
Net cash used in operating activities	16	(7,049,357)	(303,386)
Cash flows from investing activities			
Payment for deposits	10	(1,200)	(16,500)
Payment for plant and equipment		(58,701)	(81,290)
Net cash used in investing activities		(59,901)	(97,790)
Cash flows from financing activities			
Proceeds from share issue	13	2,085	15,000,000
Payments for capital raising costs		-	(854,324)
Repayment of borrowings		-	(707,111)
Net cash provided by financing activities		2,085	13,438,565
Net increase in cash held		(7,107,173)	13,037,389
Cash at beginning of the year		13,037,399	10
Cash at the end of the year	16	5,930,226	13,037,399

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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

1. Reporting Entity

The financial report is for the entity Maronan Metals Limited (referred herein also as the "Company" or "Maronan") as an individual entity. Maronan Metals Limited is a company limited by shares incorporated and domiciled in Australia with its registered address at Level 15, 323 Castlereagh Street Sydney Australia. Maronan Metals Limited is listed on the ASX.

The principal activity of the Company during the year was the exploration for and evaluation of its silver-lead and copper-gold mineral deposits.

2. Basis of Preparation

Statement of compliance

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for-profit oriented entities.

The financial statements of the Company comply with International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board ('IASB').

The financial statements were authorised for issue by a resolution of the Board dated 13 September 2022.

Basis of measurement

These financial statements have been prepared under the historical cost convention.

Functional and presentation currency

The financial report has been presented in Australian Dollars (\$) which is the functional currency of the Company.

Use of estimates and judgements

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The Directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Information about critical judgements in applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Note 7 – Tenement Acquisition Costs.
- Note 19 – Share Based Payments.

Going concern

The Company has incurred a net loss after tax of \$9,234,157 (2022: \$1,560,315) for the full year and net cash outflows from operating activities of \$7,049,358 (2022: \$303,386).

The Directors have prepared the Financial Statements on the Going Concern basis having prepared a cash flow forecast indicating that the Company's current cash balance of \$5,930,225 is sufficient for it to remain cash positive at least until September 2024.

Adoption of new and revised standards

In the period ended 30 June 2023, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the current annual reporting period. It has been determined by the Directors that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Company and, therefore, no change is necessary to Company accounting policies. The Directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the period ended 30 June 2023. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Company. The following is a summary of the material accounting policies adopted by the Company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Tenement Acquisition Costs

Acquisition costs of mining tenements are capitalised in respect of each identifiable area of interest. These costs are only carried forward to the extent that the Company's rights of tenure to that area of interest are current and that the costs are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Costs in relation to an abandoned area are written off in full against profit or loss in the year in which the decision to abandon the area is made. Each area of interest is also reviewed annually and acquisition costs are written off to the extent that they will not be recoverable in the future. Exploration, evaluation and development costs of mining tenements are expensed as incurred.

3. Significant Accounting Policies**Property plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation

Items of equipment have limited lives and are depreciated on a straight-line basis over their estimated useful lives.

Depreciation rates and methods are reviewed annually for appropriateness. When changes are made, adjustments are reflected prospectively in current and future periods only. Depreciation is expensed to the statement of profit or loss and other comprehensive income. Plant and equipment is depreciated at 20% per annum.

De-recognition and disposal

An item of equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset (calculated as the difference between net disposal proceeds and the carrying amount of the asset) is included in statement of profit or loss and other comprehensive income in the year the asset is de-recognised.

Income tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted at the reporting date.

Deferred tax is accounted for using the statement of financial position method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the statement of profit or loss and other comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The number of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Company will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Financial instruments**Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less.

Payables

Payables represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are generally settled between 7 days and 30 days terms.

Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. Cash flows are presented in the statement of cash flows inclusive of GST.

Interest income

Interest revenue is recognised using the effective interest rate method taking into account rates applicable to the financial assets.

Contributed equity

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

Other receivables

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

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

3. Significant Accounting Policies (cont.)

Borrowings

Borrowings are classified as current liabilities unless the Entity has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

For compound instruments, the component of the loan that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs. The fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds are allocated to the conversion option that is recognised and included in shareholders' equity, net of transaction costs. The carrying amount of the conversion option is not remeasured in the subsequent years.

Share based payment expense

The Company provides benefits to individuals acting as and providing services similar to employees (including Directors) of the Company in the form of share-based payment transactions, whereby individuals render services in exchange for shares or rights over shares ("Equity Settled Transactions").

There is currently an Employee Share Incentive Plan ("ESIP") in place, which provides benefits to Directors and individuals providing services similar to those provided by an employee.

The cost of these equity settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by using the Black Scholes formula, taking into account the terms and conditions upon which the instruments were granted. In valuing equity settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Maronan Metals Limited ("Market Conditions").

The cost of the equity settled transactions is recognised, together with a corresponding increase in equity, over the period in which the equity instruments vest, ending on the date on which the relevant employees become fully entitled to the award ("Vesting date"). The cumulative expense recognised for equity settled transactions at each reporting date until Vesting Date reflects (i) the extent to which the vesting period has expired and (ii) the number of awards that, in the opinion of the Directors of the Company, will ultimately vest. This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of the market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The statement of comprehensive income charge or credit for a period represents the movement in cumulative expense recognised at the beginning and end of the period. No expense is recognised for awards that do not vest, except for awards where vesting is conditional upon a market condition.

Where the terms of an equity settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of the modification.

Where an equity settled award is cancelled, it is treated as if it had vested on the date of the 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 a modification of the original award, as described in the previous paragraph.

The cost of equity-settled transactions with non-employees is measured by reference to the fair value of goods and services received unless this cannot be measured reliably, in which case the cost is measured by reference to the fair value of the equity instruments granted.

Employee benefits

Wages, salaries and annual leave Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled wholly within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date. They are measured at the (undiscounted) amounts expected to be paid when the liabilities are settled. Contributions are made by the Company to superannuation funds as stipulated by statutory requirements and are charged as expenses when incurred.

Earnings per share

Basic earnings per share are determined by dividing the net result attributable to members, adjusted to exclude costs of servicing equity (other than dividends), by the weighted average number of ordinary shares, adjusted for any bonus element. Diluted earnings per share are determined by dividing the net result attributable to members, adjusted to exclude costs of servicing equity (other than dividends) and any expenses associated with dividends and interest of dilutive potential ordinary shares, by the weighted average number of ordinary shares (both issued and potentially dilutive) adjusted for any bonus element.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

	2023	2022
	\$	\$
4. Income Tax Expense		
The prima facie tax benefit on loss before income tax is reconciled to the income tax expense as follows:		
Prima facie income tax benefit on loss before income tax at 25% (2022: 25%)	2,308,539	390,079
<u>Add tax effect of:</u>		
Non-allowable expenses	(329,712)	(328,191)
<u>Add/(deduct) temporary differences not brought to account:</u>		
Deferred tax assets / liabilities and other differences / tax losses recognised	(1,978,827)	(61,888)
Income tax expense	-	-

	Opening	Movement	Closing
	\$	\$	\$
Deferred income tax – 2023			
Deferred tax assets have not been recognised in respect of the following items:			
Capital raising expenses	199,059	-	199,059
Provisions	25,054	(4,272)	20,782
Tax losses	90,824	1,936,505	2,027,329
Total deferred tax assets	314,937	1,932,233	2,247,170
Deferred tax liabilities have not been recognised in respect of the following items:			
Prepaid expenses	(13,957)	5,535	(8,422)
Total deferred tax liabilities	(13,957)	5,535	(8,422)
Net deferred tax assets	300,980	1,937,768	2,238,748

The tax losses and deductible temporary differences do not expire under current tax legislation. Deferred tax liabilities have been offset against deferred tax assets and net deferred tax assets have not been recognised because it is not yet probable that future taxable profit will be available against which the Company can utilise these benefits.

	2023	2022
	\$	\$
5. Cash and Cash Equivalents		
Cash at bank	5,930,226	13,037,389
Cash on hand	-	10
Total cash and cash equivalents	5,930,226	13,037,399

	2023	2022
	\$	\$
6. Trade and Other Receivables		
GST recoverable	213,913	116,307
Other receivable	16,409	-
Total trade and other receivables	230,322	116,307

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

	2023	2022
	\$	\$
7. Tenement Acquisition Cost		
Total tenement acquisition - EPM 13368	5,691,713	5,691,713

The ultimate recoupment of costs carried forward for tenement acquisition cost is dependent on the successful development and commercial exploitation or sale of respective areas. The Company reviews annually the carrying value of the tenement acquisition cost, and will carry this as an asset if it considers the area of interest to be prospective. Should the particular area of interest no longer be considered prospective, then the Company will make a provision in the accounts for the carrying value of the project. The list of tenements the Company has an interest in is disclosed on page 54.

	2023	2022
	\$	\$
8 Right of Use Assets		
Leased Premises		
<u>At cost</u>		
Balance at the beginning of the year	101,260	
Additions	-	101,260
Balance at the end of the year	101,260	101,260
<u>Accumulated depreciation</u>		
Balance at the beginning of the year	-	-
Charge for the year	(48,827)	-
Balance at the end of the year	(48,827)	-
Total right of use asset	52,433	101,260

Future Lease Payments

The Company has a lease over its premises in Cloncurry. The lease is for a two-year period. The contractual cash flows of the Group's lease liabilities at the reporting date are shown in the table below. The contractual amounts represent the future undiscounted amounts payable.

Within one year	52,433	57,200
Later than one year but less than five years	-	57,200
	52,433	114,400

9. Plant and Equipment

Exploration equipment		
<u>At cost</u>		
Balance at the beginning of the year	137,896	-
Additions	20,131	137,896
Disposals	(52,460)	-
Balance at the end of the year	105,567	137,896
<u>Accumulated depreciation</u>		
Balance at the beginning of the year	-	-
Charge for the year	(34,389)	-
Balance at the end of the year	(34,389)	-
Total exploration equipment	71,178	137,896

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

	2023	2022
	\$	\$
Office equipment		
<u>At cost</u>		
Balance at the beginning of the year	2,921	-
Additions	38,570	2,921
Disposals	-	
Balance at the end of the year	41,491	2,921
<u>Accumulated depreciation</u>		
Balance at the beginning of the year	(2,921)	(2,921)
Charge for the year	(3,637)	-
Balance at the end of the year	(6,558)	(2,921)
Total office equipment	34,933	-
Total plant and equipment	106,111	137,896
10. Deposits		
Environmental deposit - EPM 13368	10,000	10,000
Security deposit	17,700	16,500
Total deposits	27,700	26,500
11. Trade Payables		
Trade creditors	696,886	104,458
Accruals	320,514	95,799
Total trade payables	1,017,400	200,257
Refer to Note 22 for detailed information on financial instruments.		
12. Borrowings		
Current		
Loan from related party	-	20,217
Total current borrowings	-	20,217
Non-current		
Loan from related party	-	-
Total non-current borrowings	-	-
13. Contributed Equity		
150,000,000 (2022: 150,000,000) Ordinary shares fully paid		
Ordinary Shares Number	No.	No.
Balance at the beginning of the year	150,000,000	10
<u>Shares issued during the period</u>		

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

	2023	2022
	\$	\$
27 April 2022 - quoted unrestricted ordinary shares	-	75,000,000
27 April 2022 - unquoted restricted ordinary shares	-	74,999,990
Conversion of options	6,951	-
Balance at the end of the year	150,006,951	150,000,000
Ordinary Shares Value	\$	\$
Balance at the beginning of the year	21,021,384	10
<u>Shares issued during the period</u>		
27 April 2022 - 75,000,000 quoted unrestricted ordinary shares	-	15,000,000
27 April 2022 - 74,999,990 unquoted restricted ordinary shares	-	7,218,231
Share issue costs	-	(1,196,857)
Conversion of options	2,085	-
Balance at the end of the year	21,023,469	21,021,384

Restricted ordinary shares are restricted from trading until 27 April 2024 in accordance with ASX requirements.

14. Reserves

Share Based Payment Reserve

Balance at the beginning of the year

Share based payments made during the period

27 April 2022 - 5,000,000 options issued and vested to Directors

27 April 2022 - 3,000,000 options issued and vested to corporate advisors

27 April 2023 - 5,000,000 options issued and vested to Directors

28 July 2022 - 1,200,000 options issued to staff

29 July 2022 - 2,800,000 options issued to staff

Balance at the end of the year

	2023	2022
	\$	\$
Balance at the beginning of the year	905,458	-
27 April 2022 - 5,000,000 options issued and vested to Directors	-	586,535
27 April 2022 - 3,000,000 options issued and vested to corporate advisors	-	318,923
27 April 2023 - 5,000,000 options issued and vested to Directors	586,535	-
28 July 2022 - 1,200,000 options issued to staff	235,570	
29 July 2022 - 2,800,000 options issued to staff	496,743	
Balance at the end of the year	2,224,306	905,458

Shares issued to corporate advisors form part of share issue costs as they relate to the IPO process, and are not included in the Statement of Profit or Loss and Other Comprehensive Income.

15. Accumulated Losses

Balance at the beginning of the year

Total comprehensive loss for the year

Balance at the end of the year

Balance at the beginning of the year	(3,093,048)	(1,532,733)
Total comprehensive loss for the year	(9,234,157)	(1,560,315)
Balance at the end of the year	(12,327,205)	(3,093,048)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

	2023	2022
	\$	\$
16. Cash Flow Information		
Reconciliation of cash		
Cash at the end of the year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position.		
Cash at bank	5,930,226	13,037,399
Reconciliation of cash flow from operations with loss from ordinary activities after income tax		
Loss from ordinary activities after income tax	(9,234,158)	(1,560,315)
<u>Non-cash items</u>		
Finance costs paid	90,486	437,382
Share based payments	1,318,848	586,535
Expenses paid by Red Metal Limited	-	205,721
<u>Capital items in working capital movements</u>		
Trade and other payables	-	(206)
<u>Add: movements in working capital</u>		
(Increase) / decrease in prepayments	5,731	(55,828)
(Increase) / decrease in trade and other receivables	(97,606)	(116,307)
Increase / (decrease) in trade and other payables	867,341	188,257
Increase / (decrease) in provisions	-	11,375
Cash flow from operations	(7,049,358)	(303,386)
Non-cash items included in investing and financing		
Right of use assets (leased)	-	102,260
Settlement of outstanding loan to Red Metal Limited by the issue of equity	-	7,218,231
Share issue costs settled by the issue of equity	-	318,923
	-	7,639,414

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

17. Earnings Per Share

Ordinary share number 2023

Balance at the beginning of the year

Shares issued during the period

10 May -2023 - quoted unrestricted ordinary shares

5 June -2023 - quoted unrestricted ordinary shares

26 June -2023 - quoted unrestricted ordinary shares

Balance at end of the year

	No	No Weighted Av.
Balance at the beginning of the year	150,000,000	150,000,000
<u>Shares issued during the period</u>		
10 May -2023 - quoted unrestricted ordinary shares	483	69
5 June -2023 - quoted unrestricted ordinary shares	22	2
26 June -2023 - quoted unrestricted ordinary shares	6,446	122
Balance at end of the year	150,006,951	150,000,193

Ordinary share number 2022

Balance at the beginning of the year

Shares issued during the period

27 April 2022 - quoted unrestricted ordinary shares

27 April 2022 - unquoted restricted ordinary shares

Balance at end of the year

Balance at the beginning of the year	10	10
<u>Shares issued during the period</u>		
27 April 2022 - quoted unrestricted ordinary shares	75,000,000	13,356,164
27 April 2022 - unquoted restricted ordinary shares	74,999,990	13,356,163
Balance at end of the year	150,000,000	26,712,337

Total comprehensive income for the year

	2023	2022
	\$	\$
Total comprehensive income for the year	(9,234,157)	(1,560,315)

Earnings per share

Basic - cents per share

Diluted - cents per share

Basic - cents per share	(6.16)	(5.84)
Diluted - cents per share	(6.16)	(5.84)

18. Related Party Transactions

Red Metal Limited currently holds 50% of the issued capital of the Company and is a Related Party and is a related party of the Company.

During the previous financial year Red Metal Limited provided a loan to the Company and paid certain expenses on behalf of the Company including costs of the IPO, as shown in the following table:

	2023	2022
	\$	\$
Balance at the beginning of the year	20,217	7,222,446
Finance costs on loan	-	437,382
Expenses paid on behalf of the Company by Red Metal Limited	-	285,731
Repayment of other loan	(20,217)	(207,111)
<u>Settled in accordance with Loan Settlement Deed</u>		
Repayment of loan in cash	-	(500,000)
Repayment of loan by issue of equity	-	(7,218,231)
Balance at the end of the year	-	20,217

All related party transactions have to receive Board approval in advance. All payments to related parties also receive Board approval.

Repayment of this loan was made pursuant to the Prospectus lodged with ASX on 27 April 2022.

19. Share Based Payments

Share Options

As part of its IPO process, the Company issued 63,000,000 options on 27 April 2022.

Type	Issued	Expiry	Exercise Price	Vested	Unvested
a) Director Options	10,000,000	19-Apr-25	\$0.25	10,000,000	-
b) Advisor Options	3,000,000	19-Oct-24	\$0.30 ¹	3,000,000	-
c) Free attaching Options	25,000,000	19-Oct-24	\$0.30 ¹	25,000,000	-
d) Bonus Options	25,000,000	19-Oct-24	\$0.30	25,000,000	-
	63,000,000	Weighted Av.:	\$0.27	63,000,000	-
Additional options issued in July 2022					
e) Employee Options	1,200,000	28-Jul-25	\$0.43	600,000	600,000
f) Other Options	2,800,000	29-Jul-25	\$0.43	2,800,000	-
	4,000,000	Weighted Av.:	\$0.43	3,400,000	600,000
Total Options Issued	67,000,000		\$0.27	66,400,000	600,000

1. On exercise of these options the holder is entitled to receive one Secondary Option for each two fully paid shares issued with an exercise price of \$0.60 expiring on 30 June 2025.

a) Director Options

The Company issued 10,000,000 Director Options to Directors of the Company listing on the ASX ("Listing").

5,000,000 of these options vested on Listing and a further 5,000,000 vested on 27 April 2023, one year after Listing.

All of these options are convertible into fully paid ordinary shares that are escrowed for 24 months from the date of quotation.

The Company has valued these options using the Black-Scholes option pricing model and an amount of \$586,535 has been recognised as an expense in the Statement of Profit or Loss and Other Comprehensive Income this year.

Key inputs used in the calculation of this amount are as follows:

Variable	
Grant date	27 April 2022
Exercise price	\$0.25
Calculation date	27 April 2022
Underlying share price	\$0.20
Risk Free Rate	3.13%
Volatility	100.0%
Option Life	3 years
Expected dividends	Nil
Fair value per option	11.73 cents

No other features of the option grant were factored into the calculation of the option value.

b) Advisor Options

The Company issued 3,000,000 Advisor Options in the 2022 Financial year to its corporate advisor for services provided during the IPO process.

On exercise of the Advisor Options, the holder is to receive one Secondary Option for each two fully paid ordinary share received exercisable at \$0.60 and expiring on 30 June 2025. Fully paid ordinary shares issued on exercise of the Advisor Options will be escrowed for 24 months from the date of quotation.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

19. Share Based Payments (cont.)

Share Options (cont.)

The Company has valued the Advisor Options using the Black-Scholes option pricing model and an amount of \$318,923 has been recognised as a share issue cost. In calculating the value of the Advisor Options, one half of the value of the Secondary Option has been deducted from the exercise price of the Advisor Options as the issue of Secondary Options on a one for two basis represents a discount to the exercise price of the Advisor Option.

Key inputs used in the calculation of this amount are as follows:

Variable	
Grant date	19 April 2022
Exercise price	\$0.30
Calculation date	19 April 2022
Underlying share price	\$0.20
Risk Free Rate	3.13%
Volatility	100.0%
Option Life	2.5 years
Expected dividends	Nil
Fair value per option	10.63 cents

No other features of the option grant were factored into the calculation of the option value.

c) Free Attaching Options

All existing Australian registered holders of Red Metal shares were offered a bonus issue of 25,000,000 options over ordinary shares of the Company, on a pro-rata basis. The free attaching and bonus options were issued in the 2022 financial year.

On exercise of the Free Attaching Options, the holder is to receive one Secondary Option for each two fully paid ordinary share received exercisable at \$0.60 and expiring on 30 June 2025. Fully paid ordinary shares issued on exercise of the Free Attaching Options will be escrowed for 24 months from the date of quotation.

No amount has been recognised as an expense in the financial statements as they have been allotted to Red Metal shareholders on a pro-rata basis and conversion is conditional the administrative burden of any ASX imposed restrictions being prohibitive.

d) Bonus Options

All existing Australian registered holders of Red Metal shares were offered a bonus issue of 25,000,000 options over ordinary shares of the Company, on a pro-rata basis.

In the event that the ASX requires all, or a significant number of the Red Metal shareholders to enter into restriction deeds in respect of the shares issued pursuant to the exercise of the Options, the Company retains the right to withdraw the issue on the basis that the administrative costs of administering the restrictions would be prohibitive.

No amount has been recognised as an expense in the financial statements as they have been allotted to Red Metal shareholders on a pro-rata basis and conversion is conditional the administrative burden of any ASX imposed restrictions being prohibitive.

e) Employee Options

The Company issued 1,200,000 Options on commencement of employment to the Exploration Manager.

600,000 of these options vested on commencement and a further 600,000 vest one year after commencement of employment.

All of these options are convertible into fully paid ordinary shares that are escrowed for 24 months from the date of quotation.

The Company has valued these options using the Black-Scholes option pricing model and an amount of \$235,570 has been recognised as an expense in the Statement of Profit or Loss and Other Comprehensive Income.

Key inputs used in the calculation of this amount are as follows:

19. Share Based Payments (cont.)

Variable	
Grant date	16 July 2022
Exercise price	\$0.43
Calculation date	16 July 2022
Underlying share price	\$0.335
Risk Free Rate	3.13%
Volatility	100.0%
Option Life	3 years
Expected dividends	Nil
Fair value per option	19.63 cents

No other features of the option grant were factored into the calculation of the option value.

f) Other Options

The Company issued 2,800,000 Options to consultants.

All 2,800,000 of these options vested immediately on issue.

All of these options are convertible into fully paid ordinary shares that are escrowed for 24 months from the date of quotation.

The Company has valued these options using the Black-Scholes option pricing model and an amount of \$496,744 has been recognised as an expense in the Statement of Profit or Loss and Other Comprehensive Income.

Key inputs used in the calculation of this amount are as follows:

Variable	
Grant date	29 July 2022
Exercise price	\$0.43
Calculation date	29 July 2022
Underlying share price	\$0.36
Risk Free Rate	3.13%
Volatility	100.0%
Option Life	2 years
Expected dividends	Nil
Fair value per option	17.74 cents

No other features of the option grant were factored into the calculation of the option value.

20. Commitments and Contingencies

The Company holds an exploration tenement (EPM 13368) ("Tenement") in Queensland, Australia. In order to retain its current rights of tenure to the Tenement, the Company is required to comply with tenement obligations specified by the State Government, including the completion of activities-based works programmes which are assessed over the life of the Tenement. There are no set annual expenditure amounts. If Tenement obligations are not met it may result in the loss of the Tenement or a reduction in the Tenement area. The Company is presently on track to meet all of its Tenement obligations.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

21. Directors and Key Management Personnel Disclosures

Directors

Simon Bird

Richard Carlton

Robert Rutherford

Position

Chairman – Non-Executive

Managing Director

Director - Non-Executive

The Company had no other Key management Personnel.

Key management personnel compensation

Short term employee benefits

Post employment benefits

Share based payments

	2023	2022
	\$	\$
Short term employee benefits	399,197	69,743
Post employment benefits	41,915	6,975
Share based payments	483,690	689,380
	924,802	766,098

22. Financial Risk Management

The Company's financial instruments consist mainly of deposits with banks, accounts receivable and payable.

Exposure to currency risk, interest rate risk, commodity price risk, and liquidity risk arises in the normal course of the business.

The Company's overall financial risk management strategy is to seek to ensure that the Company is able to fund its business plans.

The Company uses various measures dependent on the types of risk to which it is exposed. These methods include cash flow at risk analysis, in the case of interest rates. Financial risk management is carried out by the Managing Director under policies approved by the Directors. The Directors provide written principles for overall risk management.

	Note	Current Interest rate	Floating Interest rate	Non-Interest Bearing	Total
			\$	\$	\$
Financial assets					
Cash held in general account	5	0.00%	1,452	-	1,452
Cash held in cash management account	5	0.60%	5,928,774	-	5,928,774
Trade and other receivables	6	0.00%		230,322	230,322
Financial liabilities					
Lease liability	8	0.00%		52,433	52,433
Trade payables	11	0.00%	-	696,886	696,886
Borrowings	12	0.00%	-	-	-

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company's credit risk exposure is limited to cash and cash equivalents. Management have reduced this risk by depositing cash with financial institutions with a credit rating of AAA or higher.

Interest rate risk

The Company's main interest rate risk arises from interest earnings on its surplus cash. The Company is exposed to interest rate risk to the extent its interest earnings may fluctuate. The impact of a 1% movement in the interest rate on the funds invested when all other variables are held constant is immaterial.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding to meet ongoing operational requirements, exploration expenditure, and small to medium sized opportunistic projects and investments, by keeping surplus cash available.

The Company's objective is to safeguard its ability to continue as a going concern and to maintain a conservative capital structure so that management can focus on running its core business together with being an attractive company for shareholders and potential investors. The Company will consider the most appropriate use of debt and equity to maximise its returns while maintaining a low-risk capital structure.

	Note	Total	Less than one year	Greater than one year	Maturity Details
		\$	\$	\$	
Financial liabilities					
Trade creditors	11	696,886	696,886	-	Usually, payable between 7 and 30 days.

Fair values

The Company has a number of financial instruments which are not measured at fair value in the Statement of Financial Position. The fair values are not materially different to their carrying amounts, since the interest receivable/payable is either close to current market rates or the instruments are short-term in nature.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

	2023	2022
	\$	\$
23. Auditor's Remuneration		
Audit Services		
Audit and review of the financial reports	48,600	40,500
Total audit services	48,600	40,500
Other Services		
Corporate and taxation services	-	20,676
Total other services	-	20,676
Total auditor's remuneration	48,600	61,176

24. Operating Segments

The company is organised into one operating segment, being the exploration of minerals in Australia. This operating segment is based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers) in assessing performance and in determining the allocation of resources.

25. Subsequent Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

DIRECTORS' DECLARATION

For the year ended 30 June 2022

In the Directors' opinion;

- the attached financial statements and notes thereto comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes thereto comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes thereto give a true and fair view of the Company's financial position as at 30 June 2023 and of its performance for the financial 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.

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5) (a) of the Corporations Act 2001.

On behalf of the directors;

A handwritten signature in black ink, appearing to read 'Simon Bird', is written over a horizontal dotted line.

Simon Bird
Chairman

Sydney, 13th September 2023

INDEPENDENT AUDITOR'S REPORT

To the members of Maronan Metals Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Maronan Metals Limited (the Company), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

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

- (i) Giving a true and fair view of the Company's financial position as at 30 June 2023 and of its financial performance for the year ended on that date; 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 Company in accordance with 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 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.

Carrying value of Tenement Acquisition costs

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>At 30 June 2023, the carrying value of the Tenement Acquisition costs represents a significant asset of the Company, as disclosed in note 7.</p> <p>As a result, we considered it necessary to assess whether any facts or circumstances exist to suggest that the carrying amount of this asset may exceed its recoverable amount.</p> <p>In accordance with AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i> (“AASB 6”), the recoverability of exploration and evaluation expenditure requires significant judgment by management in determining whether there are any facts or circumstances that exist to suggest that the carrying amount of this asset may exceed its recoverable amount. As a result, this is considered a key audit matter.</p>	<p>Our procedures included, but were not limited to the following:</p> <ul style="list-style-type: none"> • Obtaining a schedule of the area of interest held by the Company and assessing whether the rights to tenure of the area of interest remained current at balance date, which included obtaining and assessing supporting documentation such as license status records; • Considering the Company’s intention to carry out significant ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Company’s exploration budgets, ASX announcements and directors’ minutes; • Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Considering whether any facts or circumstances existed to suggest impairment testing was required; and • Assessing the adequacy of the related disclosures in Note 7 of the Financial Report.



Other information

The directors are responsible for the other information. The other information comprises the information in the Company's annual report for the year ended 30 June 2023, 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 we do not express any form of assurance conclusion thereon.

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

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

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability 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 Company 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar2_2020.pdf

This description forms part of our auditor's report.



Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included on pages 22 to 25 of the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Maronan Metals Limited, for the year ended 30 June 2023, 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.

BDO Audit (WA) Pty Ltd

A handwritten version of the BDO logo in black ink, consisting of the letters 'BDO' in a stylized, cursive font.

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

Jackson Wheeler

Director

Perth

13 September 2023

LIST OF TENEMENTS

As at 30 June 2023

Exploration licence	Title name	Location	Interest	Mineral	Grant date	Expiry date	Status
EPM 13368	Maronan	Northwest Queensland approximately 60km southeast of Cloncurry.	100%	Lead-silver Copper-gold	26 June 2001	25 June 2026	Current

Additional information required by the Australian Securities Exchange Limited and not shown elsewhere in this report is as follows. The information is current as at 30 June 2023.

Twenty Largest Shareholders

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

Nº	Shareholder	Shares	%
1	Red Metal Limited	75,000,000	50.00%
2	HSBC Custody Nominees (Australia) Limited	15,239,845	10.16%
3	BNP Paribas Nominees Pty Ltd <IB Au Noms Retail client DRP>	2,915,799	1.94%
4	Mad Fish Management Pty Ltd	2,576,715	1.72%
5	Glyde Street Nominees Pty Ltd J N Pitt Superannuation Fund	2,500,000	1.67%
6	Huon Pine Pty Ltd	2,100,284	1.40%
7	Bora Bora Resources Limited	1,880,200	1.25%
8	Perth Capital Pty Ltd	1,677,300	1.12%
9	Bluestar Management Pty Ltd	1,600,000	1.07%
10	Cavalletta Holdings Pty Ltd	1,500,000	1.00%
11	Jetosea Pty Ltd	1,232,836	0.82%
12	Bluestar Management Pty Ltd<Super Fund A/C>	1,125,000	0.75%
13	Radrob Pty Ltd	1,000,000	0.67%
14	Mr Robert Samuel Bartlett	990,354	0.66%
15	Mr Anthony John Locantro	961,500	0.64%
16	MP1 Capital Ltd	875,000	0.58%
17	Wythenshawe Pty Ltd<Minjar A/C>	750,000	0.50%
18	Whyte Eagle Super Pty Ltd	704,081	0.47%
19	East Chamber Enterprises Ltd	625,000	0.42%
20	Veritas Consolidated Pty Ltd	500,000	0.33%
Total		115,753,914	77.17

Distribution of Equity Securities

Fully Paid Ordinary Shares

Range	Number of holders	Number of shares	% Total
1 - 1,000	16	4,945	0.01%
1,001- 5,000	223	676,680	0.90%
5,001 - 10,000	177	1,496,782	2.00%
10,001 - 100,000	411	16,187,890	21.58%
100,001 - 9,999,999	90	131,633,703	75.51%
Total	917	150,000,000	100.00

There are 40 shareholders holding a total of 45,621 shares, holding less than a marketable parcel of shares as at 30 June 2023.

74,999,990 shares are escrowed until 28 April 2023.

ADDITIONAL ASX INFORMATION

As at 30 June 2023

Distribution of Equity Securities (cont.)

Options - \$0.25 expiring 19 April 2025

Range	Number of holders	Number of options	% Total
100,001 - 9,999,999	3	10,000,000	100.00
Total	3	10,000,000	100.00

Mr Richard Carlton and Mr Robert Rutherford each own 4,000,000 (40%), and Mr Simon Bird owns 2,000,000 (20%) of these options. Shares issued pursuant to the exercise of these options will be escrowed for 24 months from date of ASX quotation.

Options - \$0.30 expiring 19 October 2024

Range	Number of holders	Number of options	% Total
1 - 1,000	-	-	-
1,001- 5,000	104	380,942	1.52
5,001 - 10,000	67	540,809	2.16
10,001 - 100,000	168	6,197,695	24.79
100,001 - 9,999,999	42	17,880,554	71.52
Total	381	25,000,000	100.00

There are no holders of more than 20% of these securities.

Options - \$0.30 expiring 19 October 2024 – with one free attaching option on conversion - \$0.60 expiring 30 June 2025

Range	Number of holders	Number of options	% Total
1 - 1,000	618	321,192	1.15
1,001- 5,000	895	2,147,299	7.67
5,001 - 10,000	324	2,194,166	7.84
10,001 - 100,000	413	10,504,055	37.51
100,001 - 9,999,999	31	12,833,288	45.83
Total	2,281	28,000,000	100.00

There are no holders of more than 20% of these securities. Shares issued pursuant to the exercise of 20,984,035 of these options will be escrowed for 12 months from date of ASX quotation. Shares issued pursuant to the exercise of 7,015,965 of these options will be escrowed for 24 months from date of ASX quotation.

Performance Rights

Range	Number of holders	Number of options	% Total
100,001 - 9,999,999	1	13,500,000	100.00
Total	1	13,500,000	100.00

Red Metal Limited is the holder of all of the Performance Rights.

Distribution of Equity Securities (cont.)
Options - \$0.43 expiring 28 July 2024

Range	Number of holders	Number of options	% Total
100,001 - 9,999,999	5	2,800,000	100.00
Total	5	2,800,000	100.00

These securities were issued under an employee incentive scheme.

Options - \$0.43 expiring 28 July 2025

Range	Number of holders	Number of options	% Total
100,001 - 9,999,999	1	1,200,000	100.00
Total	1	1,200,000	100.00

These securities were issued under an employee incentive scheme.

Substantial Shareholders

Substantial shareholders and the number of equity securities in which it has an interest, as shown in the Company's Register of Substantial Shareholders are:

Shareholder	Shares	%
Red Metal Limited	75,000,000	50.00
HSBC Custody Nominees (Australia) Limited	15,239,845	10.16%

Class of Shares and Voting Rights

The voting rights attached to ordinary shares, as set out in the Company's Constitution, are that every member in person or by proxy, attorney or representative, shall have one vote when a poll is called, otherwise each member present at a meeting has one vote on a show of hands. No voting rights are attached to any other class of equity security.

On market buy-back

There is no current on-market buy back.

