



ACN 156 269 993

# ***Interim Report***

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*For the Half Year Ended 31 December 2023*

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## CORPORATE DIRECTORY

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

# DIRECTORS' REPORT

For the half year ended 31 December 2023

The directors of Maronan Metals Limited (the "Company") submit herewith the financial report for the half-year ended 31 December 2023. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

## DIRECTORS

The names of the directors of the Company during or since the end of the half-year are as follows. Directors were in office for the entire period unless otherwise stated.

Simon Bird	appointed 23 March 2021
Richard Carlton	appointed 23 March 2021
Robert Rutherford	appointed 14 March 2012

## COMPANY SECRETARY

Catriona Glover	appointed 7 December 2022, resigned 16 October 2023
Ian Gebbie	appointed 16 October 2023

## PRINCIPAL ACTIVITIES

The principal activity of the Company during the half year ended 31 December 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.

## RESULTS AND REVIEW OF OPERATIONS

The result of the Company for the half-year ended 31 December 2023 was a loss after tax of \$3,314,334 (31 December 2022: loss \$4,539,309).

The initial 2022/2023 drill campaign was completed early in the December 2023 quarter having drilled 16,784 metres since the program commenced in August 2022. This included 4,735 metres for the 6 months to the end of December 2023. Several very strong assays results were reported from the final holes including a wide, high-grade silver with lead sulphide intercept located just 100 metres below surface, and down-plunge extensions to thickened zones along the Eastern and Western Horizons.

The many potentially mineable widths of higher-grade silver with lead mineralisation achieved during the 2022/2023 campaign have helped to confirm the resource potential at Maronan and highlight the strong continuity and plunge control of the mineralisation. Importantly, the closer spaced drilling continues to add value by discovering thickened, high grade, shoots between the more widely spaced historic holes. Shallow drill success during this period led to the definition and focused activity on the Shallow Starter Zone which continues to offer the best opportunity for any early potential development.

Results from drill holes targeting the Copper-Gold Zone demonstrate the strong continuity of broad intervals of copper and gold mineralisation that may have potential to be bulk mined.

Five of the holes from the 2022/2023 campaign successfully surpassed key milestones on 13,500,000 Performance Rights issued to Red Metal Limited. For more detailed results, refer to the Company's website and the list of ASX Announcements.

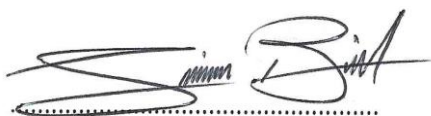
## EVENTS SUBSEQUENT TO REPORTING DATE

The Directors are not aware of any matter or circumstance not otherwise dealt with in this 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.

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

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

On behalf of the Directors.

A handwritten signature in black ink, appearing to read 'S Bird', with a horizontal line underneath.

**Simon Bird**  
**Chairman**  
**Sydney, 27 February 2024**

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

As lead auditor for the review of Maronan Metals Limited for the half-year ended 31 December 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 review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.



**Jackson Wheeler**  
**Director**

**BDO Audit (WA) Pty Ltd**  
Perth  
27 February 2024

# STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the half year ended 31 December 2023

	Note	Half year ended 31 December 2023	Half year ended 31 December 2022
		\$	\$
<b>Revenue from ordinary activities</b>			
Interest income		27,295	41,315
<b>Expenses</b>			
Corporate and administrative expense		432,008	537,808
Exploration expenditure expensed		2,844,617	2,975,552
Share based payments	8, 12	65,004	1,067,264
<b>Total expenses</b>		<b>(3,341,629)</b>	<b>(4,580,624)</b>
<b>Loss before income tax</b>		<b>(3,314,334)</b>	<b>(4,539,309)</b>
Income tax expense		-	-
<b>Loss from continuing operations after income tax</b>		<b>(3,314,334)</b>	<b>(4,539,309)</b>
Other comprehensive income for the half year		-	-
<b>Total comprehensive loss for the half year</b>		<b>(3,314,334)</b>	<b>(4,539,309)</b>
<b>Earnings per share</b>			
Basic - cents per share	11	(2.21)	(3.03)
Diluted - cents per share	11	(2.21)	(3.03)

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 31 December 2023

	Note	31 Dec 2023	30 Jun 2023
		\$	\$
<b>Current assets</b>			
Cash and cash equivalents	3	2,024,470	5,930,226
Trade and other receivables	4	99,598	230,322
Prepayments		13,475	33,687
<b>Total current assets</b>		<b>2,137,543</b>	<b>6,194,235</b>
<b>Non-current assets</b>			
Tenement acquisition cost	5	5,691,713	5,691,713
Right of use assets		23,833	52,433
Plant and equipment		82,257	106,111
Deposits		27,700	27,700
<b>Total non-current assets</b>		<b>5,825,503</b>	<b>5,877,957</b>
<b>Total assets</b>		<b>7,963,046</b>	<b>12,072,192</b>
<b>Current liabilities</b>			
Trade and other payables	6	198,245	1,017,400
Lease liability		23,833	52,433
Provisions		69,728	81,790
<b>Total current liabilities</b>		<b>291,806</b>	<b>1,151,623</b>
<b>Total non-current liabilities</b>		<b>-</b>	<b>-</b>
<b>Total liabilities</b>		<b>291,806</b>	<b>1,151,623</b>
<b>Net assets</b>		<b>7,671,240</b>	<b>10,920,569</b>
<b>Equity</b>			
Contributed equity	7	21,023,469	21,023,469
Reserves	8	2,289,310	2,224,306
Accumulated losses	9	(15,641,539)	(12,327,205)
<b>Total equity</b>		<b>7,671,240</b>	<b>10,920,569</b>

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



## STATEMENT OF CHANGES IN EQUITY

For the half year ended 31 December 2023

	Note	Issued capital	Reserves	Acc. losses	Total
		\$	\$	\$	\$
<b>2023</b>					
Balance at 1 July 2023		21,023,469	2,224,306	(12,327,205)	10,920,570
Total comprehensive loss for the half year		-	-	(3,314,334)	(3,314,334)
Total		21,023,469	2,224,306	(15,641,539)	7,606,236
<u>Transactions with owners in their capacity as owners</u>					
Movement in Share Based Payments Reserve	12	-	65,004	-	65,004
<b>Balance at 31 December 2023</b>		<b>21,023,469</b>	<b>2,289,310</b>	<b>(15,641,539)</b>	<b>7,671,240</b>
<b>2022</b>					
Balance at 1 July 2022		21,021,384	905,458	(3,093,048)	18,833,794
Total comprehensive loss for the half year		-	-	(4,539,309)	(4,539,309)
Total		21,021,384	905,458	(7,632,357)	14,294,484
<u>Transactions with owners in their capacity as owners</u>					
Movement in reserves		-	1,067,264	-	1,067,264
<b>Balance at 31 December 2022</b>		<b>21,021,384</b>	<b>1,972,722</b>	<b>(7,632,357)</b>	<b>15,361,748</b>

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

# STATEMENT OF CASH FLOWS

For the half year ended 31 December 2023

	Note	Half year ended 31 December 2023	Half year ended 31 December 2022
		\$	\$
<b>Cash flows from operating activities</b>			
Payments to suppliers and employees		(260,880)	(343,425)
Payments for exploration		(3,671,790)	(2,826,624)
Proceeds from interest received		27,295	41,315
<b>Net cash used in operating activities</b>	10	<b>(3,905,375)</b>	<b>(3,128,734)</b>
<b>Cash flows from investing activities</b>			
Payment for deposits		-	(1,200)
Payment for plant and equipment		(380)	(28,656)
<b>Net cash used in investing activities</b>		<b>(380)</b>	<b>(29,856)</b>
<b>Cash flows from financing activities</b>			
<b>Net cash provided by financing activities</b>		<b>-</b>	<b>-</b>
Net decrease in cash held		(3,905,756)	(3,158,589)
Cash at beginning of the period	3	5,930,226	13,037,399
<b>Cash at the end of the period</b>	3	<b>2,024,470</b>	<b>9,878,810</b>

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

# NOTES TO THE FINANCIAL STATEMENTS

For the half year ended 31 December 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 half year was the exploration for and evaluation of its silver-lead and copper-gold mineral deposits.

## 2. Basis of Preparation

This interim financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001.

The interim financial report does not include all of the information required for a full annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Company as in the full financial report. It is recommended that this interim financial report be read in conjunction with the annual financial report for the year ended 30 June 2023.

This interim financial report was approved by the Board of Directors on 27 February 2024. The Directors have the authority to amend and reissue the interim financial report.

### *Statement of significant accounting policies*

The accounting policies applied by the Company in this interim financial report are the same as those applied by the Company in its financial report as at and for the year ended 30 June 2023.

For the period ended 31 December 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 reporting period. There is no material impact of the new and revised Standards and Interpretations on the Company.

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted for the period ended 31 December 2023. As a result of this review the Directors have determined that there is no material impact of the Standards and Interpretations in issue not yet adopted on the Company and, therefore, no change is necessary to Company accounting policies.

### *New or amended Accounting Standards and Interpretations adopted*

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

### *Going concern*

As disclosed in the financial statements, the Company incurred a loss of \$3,314,334 for the half-year ended 31 December 2023 (31 December 2022: \$4,539,309). As at that date, the Company had net current assets of \$1,845,737 (30 June 2023: \$5,042,612).

The directors believe the available cash is sufficient to fund ongoing operations of the company through managing ongoing expenditure. The Directors are confident that the Company will be able to meet its liabilities as and when they fall due, and as a consequence of this belief, the Directors believe that the Company remains a going concern at the date of this Report. Notwithstanding this, funds may be sought through the issue of additional shares to provide further resources for the Company to advance its exploration project.

## 3. Cash and Cash Equivalents

Cash at bank

**Total cash and cash equivalents**

31 Dec 2023	30 Jun 2023
\$	\$
2,024,470	5,930,226
<b>2,024,470</b>	<b>5,930,226</b>

## 4. Trade and Other Receivables

GST recoverable

**Total trade and other receivables**

99,598	230,322
<b>99,598</b>	<b>230,322</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the half year ended 31 December 2023

## 5. Tenement Acquisition Cost

Total tenement acquisition - EPM 13368

31 Dec 2023	30 Jun 2023
\$	\$

5,691,713	5,691,713
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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.

## 6. Trade Payables

Trade creditors

153,980

696,886

Accruals

44,265

320,514

Total trade payables

198,245

1,017,400

## 7. Contributed Equity

Ordinary shares fully paid

31 Dec 2023	30 Jun 2023	31 Dec 2023	30 Jun 2023
Shares	Shares	\$	\$
159,506,951	150,006,951	21,023,469	21,023,469

9,500,000 of the performance rights issued to Red Metal Limited were converted to equity on 29 December 2023. The performance rights were issued to Red Metal on 19 April 2022 in settlement of the loan payable by Maronan Metals Limited to Red Metal. Accordingly, as the performance rights were issued in consideration for the settlement of the loan in the year ended 30 June 2022, no additional changes to issued capital value have been made in the half year ended 31 December 2023.

## 8. Reserves

### Share Based Payment Reserve

Balance at the beginning of the period

2,224,306

905,458

### Share based payments made during the period

21 December 2023 – 500,000 options issued to staff

65,004

-

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 half year

2,289,310

2,224,306

# NOTES TO THE FINANCIAL STATEMENTS

For the half year ended 31 December 2023

## 9. Accumulated Losses

Balance at the beginning of the period  
Total comprehensive loss for the period  
**Balance at the end of the half year**

31 Dec 2023	31 Dec 2022
\$	\$
(12,327,205)	(3,093,048)
(3,314,334)	(4,539,309)
<b>(15,641,539)</b>	<b>(7,632,357)</b>

## 10. 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

31 Dec 2023	31 Dec 2022
\$	\$

### Reconciliation of cash flow from operations with loss from ordinary activities after income tax

Loss from ordinary activities after income tax

### Non-cash items

Depreciation

Share-based payments

Expenses paid by Red Metal Limited

### Add: movements in working capital

(Increase) / decrease in prepayments

(Increase) / decrease in trade and other receivables

Increase / (decrease) in trade and other payables

### Cash flow from operations

2,024,470	9,878,810
(3,314,333)	(4,539,309)
24,234	74,242
65,004	1,067,264
-	-
36,621	39,323
114,316	(262,350)
(849,717)	492,096
<b>(3,905,375)</b>	<b>(3,128,734)</b>

## 11. Earnings Per Share

### Ordinary share number 2023

Balance at 1 July 2023

### Shares issued during the period

21 December 2023 - quoted unrestricted ordinary shares

### Balance at 31 December 2023

### Ordinary share number 2022

Balance at 1 July 2022

### Balance at 31 December 2022

No	No Weighted Av.
150,006,951	150,006,951
9,500,000	520,548
<b>159,506,951</b>	<b>150,527,499</b>

150,000,000	150,000,000
<b>150,000,000</b>	<b>150,000,000</b>

### Total comprehensive loss for the half year

### Earnings per share

Basic - cents per share

Diluted - cents per share

31 Dec 2023	31 Dec 2022
\$	\$
(3,314,334)	(4,539,309)

(2.21)	(3.03)
(2.21)	(3.03)

## NOTES TO THE FINANCIAL STATEMENTS

For the half year ended 31 December 2023

### 12. Share Based Payments

#### Share Options

Type	Issued	Expiry	Exercise Price	Vested	Unvested
Balance 30 June 2023	67,000,000		\$0.43	67,000,000	-
<b>Additional options issued Dec 2023</b>					
a) Employee Options	500,000	21-Dec-26	\$0.28	500,000	-
	<b>500,000</b>	<b>Weighted Av.:</b>	<b>\$0.28</b>	<b>500,000</b>	-
Balance 31 December 2023	<b>67,500,000</b>			<b>67,500,000</b>	-

#### a) Employee Options

The Company issued 500,000 Options on 21 December 2023 to the Exploration Manager.

All 500,000 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 \$65,004 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	21 December 2023
Exercise price	\$0.28
Calculation date	21 December 2023
Underlying share price	\$0.22
Risk Free Rate	4.14%
Volatility	100.0%
Option Life	3 years
Expected dividends	Nil
<b>Fair value per option</b>	<b>13.00 cents</b>

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

### 13. 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. There have been no changes to the commitments and contingencies since disclosed at 30 June 2023.

### 14. 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.

## NOTES TO THE FINANCIAL STATEMENTS

*For the half year ended 31 December 2023*

### 15. Subsequent Events

No matters or circumstances have arisen since the end of the December 2023 half 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 half year ended 31 December 2023

### In the Directors' opinion;

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

On behalf of the directors;



Simon Bird  
**Chairman**

Sydney, 27th February 2024



## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Maronan Metals Limited

### Report on the Half-Year Financial Report

#### Conclusion

We have reviewed the half-year financial report of Maronan Metals Limited (the Company), which comprises the statement of financial position as at 31 December 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

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

#### Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual 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 the same terms if given to the directors as at the time of this auditor's review report.

#### Responsibility of the directors for the financial report

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



### **Auditor's responsibility for the review of the financial report**

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

**BDO Audit (WA) Pty Ltd**

A handwritten signature in blue ink, appearing to read 'Jh', with a horizontal line drawn above it.

**Jackson Wheeler**

**Director**

Perth, 27 February 2024