MAYUR RESOURCES LIMITED
(Co. Reg. No. 201114015W)
AND ITS SUBSIDIARIES

INTERIM FINANCIAL REPORT
FOR THE HALF-YEAR YEAR ENDED
31 DECEMBER 2023

Directors' report

The directors of Mayur Resources Limited (the "**Company**" or "**Mayur**") submit herewith the half-year report of the Company and the subsidiaries it controlled (collectively "**Group**") for the half-year ended 31 December 2023 ("**reporting period**").

Directors

The following persons were directors of the Company during the whole of the reporting period under review and up to the date of this report, unless otherwise stated:

- Richard Anthony Pegum (appointed 29 November 2023)
- Christopher Charles Indermaur
- Paul Levi Mulder
- Timothy Elgon Savile Crossley
- Musje Moses Werror (appointed 17 January 2024)
- Wong Fang Shyan (appointed 7 November 2023)

Charles Anthony Candlin Fear retired as a Chairman of the Company at the conclusion of the company's Annual General Meeting on 22 December 2023, and Benjamin Szeto Yu Hwei resigned as a Director of the Company on 7 November 2023.

Principal activities and review of operations

Mayur Resources Limited is focused on the development of natural resources and renewable energy in Papua New Guinea (PNG). Our diversified asset portfolio spans iron sands, lime and cement, battery minerals and renewable power generation. Mayur also holds an approximate 40% interest in copper gold explorer/developer Adyton Resources Corporation, a company listed on the TSX-V (TSXV:ADY).

Mayur's strategy is to serve PNG and the wider Asia Pacific region's path to decarbonisation by developing mineral projects that deliver higher quality, lower cost, and targeted "net zero" inputs for the mining and construction industries, as well as constructing a renewable energy portfolio of solar, wind, geothermal, forestry carbon credit estates, and battery storage.

Mayur is committed to engaging with host communities throughout the lifecycle of its projects, as well as incorporating internationally recognised Environmental, Social and Governance (ESG) standards into its strategy and business practices.

CENTRAL LIME PROJECT (CLP)

The proposed Central Lime Project (CLP) is a vertically integrated manufacturing facility with the ability to meet 100% of PNG's raw lime, quicklime/hydrated lime, clinker and cement requirements (in later stages of the project), displacing imports into PNG, creating a new manufacturing industry for PNG, and to penetrate nearby export markets in Australia and the South Pacific. The co-located quarry, plant site and deep draft wharf seeks to enable very low operating costs. CLP is also seeking to become Asia Pacific's first carbon-neutral Lime producer. The CLP resource also meets standards for road base and aggregates representing an additional market opportunity both domestically and for export.

Significant developments during the half-year included:

- In early November 2023 Mayur executed an Investment Agreement with Vision Blue Resources, a clean energy related investment firm led by Sir Mick Davis, for a proposed investment of US$40 million for a 49% equity share in the CLP, satisfying 100% of the expected equity funding requirements of the project.
- In early November 2023 Mayur executed an exclusive non-binding Debt Term Sheet with a Private Metals & Mining Fund. A total debt funding package of up to US$90 million is to be made available with US$70 million drawn initially to support the CLP's 'base case' of 400,000 tonnes of Quicklime production per annum and a further US$20 million available for quicklime kiln expansions. The debt funding package is expected to provide 100% of the debt funding requirements of the project.

Principal activities and review of operations (continued)

CENTRAL LIME PROJECT (CONTINUED)

- Mayur commenced offshore geotechnical drilling for the final phase of wharf construction at the CLP which follows the recent completion of the inner rubble core of the wharf and receipt of the first deliveries using this infrastructure in late October 2023.

IRON AND INDUSTRIAL SANDS PROJECTS

The Orokolo Bay Iron and Industrial Sands Project in PNG is set to produce a number of products including vanadium - titano-magnetite, construction sand and a zircon-rich valuable heavy mineral concentrate (DMS). The Orokolo Bay Project has been significantly de-risked with the Mining Lease granted and strategic delivery partners identified.

Significant developments during the half-year and subsequent to the end of the half-year included:

- During the half-year, activity at Orokolo Bay has included general site maintenance and ongoing community engagement and investor due diligence visits; and
- Mayur continued its comprehensive metallurgical testing program aimed at assessing the geological and metallurgical potential of our Amazon Bay Project, engaging a reputable testing laboratory to evaluate previously collected samples to identify grades of Vanadium and any valuable heavy minerals within the deposit.
- In 23 January 2024, Mayur announced the funding structure on the Orokolo Bay Mineral Sands project having executed a series of legally binding contractual agreements with PT SEA First Nickel Industry (PTSFNI). The executed contractual agreements cover the full development funding requirements of the Orokolo Bay project, entailing the construction and operation by PTSFNI of the Orokolo Bay Mineral Sands project. In return PTSFNI shall be provided a 51% equity stake (to be earnt progressively) in the project entity MR industrials PNG Pte Ltd, currently a wholly owned subsidiary of Mayur.
- On 21 February 2024, Mayur advised shareholders that PTSFNI has requested to put on hold its obligations to fund the development of the Orokolo Bay project (as was announced on 23 January 2024), citing "sudden financial difficulties" related to the depressed state of the global nickel market and these prolonged conditions being forecast to continue.

RENEWABLES

Mayur Renewables was established to:

- Provide projects of sufficient scale to establish standalone carbon and renewables-based opportunities directly addressing the race to decarbonize and achieve net-zero targets by both governments and private industry;
- Directly assist Mayur's "nation building projects" in PNG by providing a pathway to "net zero" through the establishment of renewable energy and carbon offsets projects for its proposed lime and cement business; and
- Align and enhance broader ESG commitments and respond to the needs of future downstream building materials customers.

Significant developments during the half-year subsequent to the end of the half-year included:

- On 21 July 2022, Mayur announced that on 20 July 2022 Mayur had received notices from the Papua New Guinea Forest Authority (PNGFA) of purported cancellation of forest carbon concessions which had been issued in January 2022. On 22 January 2024, Mayur welcomed the decision from Deputy Chief Justice Ambeng Kandakasi in the National Court of Justice, Papua New Guinea, reinstating the validity of the Kamula Doso timber permits for carbon offset projects by our subsidiary, Mayur Renewables PNG Ltd.
- With this ruling, Mayur continues with the establishment of its Nature Based REDD+ Carbon Credit Offset Projects at Kamula Dosa in Western Province of PNG. Mayur is fully dedicated to collaborating with the Marape-Rosso Government, supporting the PNG Government's public stance on preserving nature and forests, mitigating climate impact, and advocating for the cause of forest nations like Papua New Guinea. This commitment is rooted in an understanding of the crucial role that trees play as the world's lungs, vital for maintaining ecological balance; and

Directors' report

Principal activities and review of operations (continued)

RENEWABLES (CONTINUED)

- In relation to the Expression of Interest (EOI) with Santos Ventures Pty Limited (Santos) in respect of the proposal to jointly develop a portfolio of nature-based carbon offset projects in PNG (Carbon Projects), as previously disclosed, as the Company was unable to agree definitive transaction documents with Santos, the agreed exclusivity period with Santos has expired and the EOI has terminated, allowing Mayur to discuss investment opportunities in the Carbon Projects in an unrestricted manner, including with other parties. Despite not entering into binding transaction documents with Santos, the US$3 million facility provided by Santos to Mayur on 16 June 2022 to, amongst other things, fund ongoing detailed feasibility and landholder consent work on the Carbon Projects, remains on foot and the convertible securities issued under that loan facility on 16 June 2022 will convert on the date that is 5 business days after the third anniversary of the execution of the EOI (provided no shareholder approval is required) or such other date as the parties may agree to issue ordinary fully paid shares in Mayur based on a 30-day Volume Weighted Average Price (VWAP) calculated three years from the date of execution of the EOI (being 20 June 2025). The facility is non-interest bearing and security has been provided over the Mayur Renewables business.

POWER GENERATION

These assets were fully impaired at 30 June 2023 and remain fully impaired at 31 December 2023.

COAL PROJECTS

Mayur holds a prospective coal tenement portfolio in Gulf Province in PNG, with a focus on the Depot Creek Project.

Only minor desktop works were completed during the half year, as the Group was focused on its other projects during the 6 months period.

CORPORATE ACTIVITIES

Significant corporate activities in the half-year included:

Capital Raising

- In early November 2023 Mayur received a financing package of A$10 million (prior to costs) from a consortium of professional and sophisticated investors, comprising a A$9.25 million covenant light loan facility (Loan Facility) and a A$0.75 million share placement (Share Placement).
- These funds are being used to continue advancing the pioneering works at Mayur's Central Lime Project and to settle and discharge the existing convertible note facility in place with Obsidian Global Partners. The convertible note was repaid in full, with the repayment of 1,696,500 convertible notes, fully extinguishing the facility.

Appointment of Executive Director, Executive Chairman, and Board Changes

- In November 2023, the Company announced the appointment of Mr Richard Pegum as Executive Director of the Company. Upon the appointment of Mr Richard Pegum as an Executive Director, Mayur also advised that existing Chairman, Mr Charles Fear, would retire as a Director at the 2023 Annual General Meeting (AGM).
- Upon Mr Fear's retirement, Mr Pegum was appointed Executive Chairman.
- Mr Pegum is a highly accomplished finance and investment professional, bringing a rich legacy of experience to the role. Having started his career at Macquarie Bank, he rapidly advanced to the position of Executive Director. His strategic leadership was instrumental in expanding one of the bank's key trading divisions to regions including Hong Kong, South Africa, Japan, Europe and Brazil. He then went on to become the founding Partner of Bennelong Asset Management in the United Kingdom and successfully managed the firm's growth, overseeing assets over $3 billion.
- In January 2024, the Company announced the appointment of Mr Musje Werror as an Executive Director of the Company, effective from 17 January 2024. In his new role, Mr Werror has a wide range of responsibilities, including the critical task of overseeing government and community relations across Mayur's diverse portfolio of projects.

Directors' report

Principal activities and review of operations (continued)

CORPORATE (CONTINUED)

- Mr Werror brings over two decades of leadership experience in the mining and resources sector of PNG. He most notably served as the Managing Director and Chief Executive Officer of Ok Tedi Mining Limited from June 2020 until December 2022. He began his distinguished career at Ok Tedi Mining in 1988 as a graduate and has since held various significant roles, including managing health, safety & environment, mine closure planning, tax credit scheme projects, government affairs and leading community relations in the Western Province of PNG.

OPERATING RESULT

The Group reported a loss after tax of A$2,947,700 for the half-year ended 31 December 2023 (half-year ended 31 December 2022: loss after tax of A$5,526,004). The operating result reflected the following significant items:

- Share based payments amounting to A$471,894.

OUTLOOK

During the coming 12 months period, the Group will be focused on:

- Advancing the Central Lime Project and Orokolo Bay Industrial Sands Project to Final Investment Decision, and the commencement of construction of the projects; and
- Advancing the portfolio of renewable energy opportunities in PNG – with interests and aspirations in nature based forestry carbon credits, large scale solar, battery, and large scale geothermal.

EVENTS OCCURRING AFTER THE REPORTING PERIOD

No matter or circumstance has arisen since the end of the reporting period that has significantly affected, or may significantly affect, the Group's operations, the results of those operations or the Group's state of affairs in subsequent reporting periods, other than those disclosed below:

Appointment of Mr Musje Werror as Executive Director

On 17 January 2024, Mayur announced the appointment of Mr Musje Werror as an Executive Director of the Company, effective from 17 January 2024. In his new role, Mr Werror will have a wide range of responsibilities, including the critical task of overseeing government and community relations across Mayur's diverse portfolio of projects.

Mr Werror brings over two decades of leadership experience in the mining and resources sector of PNG. He most notably served as the Managing Director and Chief Executive Officer of Ok Tedi Mining Limited from June 2020 until December 2022. He began his distinguished career at Ok Tedi Mining in 1988 as a graduate and has since held various significant roles, including managing health, safety & environment, mine closure planning, tax credit scheme projects, government affairs and leading community relations in the Western Province of PNG.

In addition to his role at Mayur, Mr Werror is currently serving as an Independent Non-Executive Director at Santos Limited (ASX:STO). Past directorships include Oil Search Limited (ASX:OSH) (2021 until merger with STO), Chairman of the Western Province Health Authority (2019-2023) and Chairman of the Ok Tedi Development Foundation (2020-2022).

Principal activities and review of operations (continued)

EVENTS OCCURRING AFTER THE REPORTING PERIOD (CONTINUED)

Funding for Orokolo Bay Project

On 23 January 2024, Mayur announced that it had finalized the funding structure with its partners on the Orokolo Bay Mineral Sands project in Gulf Province of PNG having executed a series of legally binding contractual agreements with PT SEA First Nickel Industry (PTSFNI).

The executed contractual agreements cover the full funding of the Orokolo Bay project, entailing the construction and operation by PTSFNI of the Orokolo Bay Mineral Sands project. In return PTSFNI shall be provided a 51% equity stake in the project.

PTSFNI is a Nickel, Ferrous, Non-Ferrous and New Energy Materials Development Company with its activities primarily based in Indonesia. The shareholders of PTSFNI and its parent company are involved and responsible for the transformation of Indonesia's downstream processing smelting operations in ferro Nickel and Stainless Steel operations.

PTSFNI shall provide all required capital, construction, and operational works ensuring the project is fully funded through to first cashflows. In the event that the development of the Orokolo Bay project to nameplate capacity exceeds A$25 million, PTSFNI will provide the additional funding to MIPP and receive a priority repayment of that additional amount above A$25 million.

On 21 February 2024, Mayur advised shareholders that PTSFNI has requested to put on hold its obligations to fund the development of the Orokolo Bay project as was announced on 23 January 2024), citing "sudden financial difficulties" related to the depressed state of the global nickel market and these prolonged conditions being forecast to continue.

PTSFNI wish to continue cooperation with the Company in respect of the Orokolo Bay project should it's circumstances change. As a result, the Company has agreed with PTSFNI that Mayur has the right to transact with other development partners in relation to the Orokolo Bay project.

Subject to PTSFNI's financial situation improving and the potential resumption of its paused projects, Mayur has the opportunity to re-engage with PTSFNI on similar terms previously announced in the absence of other development partners in respect of Orokolo Bay.

Carbon Credit Projects

On 23 January 2024, Mayur welcomed the ruling of the Deputy Chief Justice, the Honourable Ambeng Kandakasi (his Honour), which was delivered on 22 January 2024 in the National Court of Justice in Port Moresby, Papua New Guinea.

The ruling relates to the purported cancellation (the Cancellation Decision) of the timber permits for development of carbon offset projects held by Mayur's wholly owned subsidiary, Mayur Renewables PNG Ltd.

In a 69 page detailed written ruling, his Honour upheld Mayur's application for judicial review of the Cancellation Decision. The Cancellation Decision has been quashed, reinstating the validity of Mayur's carbon timber permits for the development of carbon offset projects.

With this ruling, Mayur continues with the establishment of its Nature Based REDD+ Carbon Credit Offset Projects at Kamula Dosa in Western Province of PNG (as well as other locations in PNG).

TENEMENT LIST

As at 31 December 2023 the Company had interests in the Exploration Licences (EL) as listed in Table 1, all located in Papua New Guinea. In addition to this the Company holds 100% of Mining Lease ML 526 for the Central Lime Project and ML 541 for the Orokolo Bay project

Table 2 shows the ELs held by Adyton Resources Corporation (TSXV: ADY) with MRL retaining an approximately 40% ownership in Adyton Resources.

Table 3 details the Forestry Carbon Concession Permits granted to Mayur Renewables.

As noted in the table, some Exploration Licences are under renewal, and are progressing in accordance with the regulatory processes as prescribed by the PNG Mining Act.

The Company believes it has complied with all licence conditions, including minimum expenditure requirements, and is not aware of any matters or circumstances that have arisen that would result in the Company's application for renewal of the exploration licence not being granted in the ordinary course of business.

	EL number	Province	Commodity Focus	MRL Ownership	Area Km^2
1	2150	Gulf	Industrial mineral sands	100%	256
2	2304*	Gulf	Industrial mineral sands	100%	256
3	2305	Gulf	Industrial mineral sands	100%	256
4	2556	Central	Industrial mineral sands	100%	694
5	2695*	Western	Industrial mineral sands	100%	2070
6	1875*	Gulf	Thermal energy	100%	256
7	1876*	Gulf	Thermal energy	100%	256
8	2599*	Gulf	Thermal energy	100%	48
9	2303	Central	Limestone	100%	256

*Table 1 - Exploration Licences (*EL under renewal)*

	EL number	Province	Commodity Focus	MRL Indirect Interest	Area Km^2
1	2096*	New Ireland	Copper / gold	43%	95
2	2546	Milne Bay	Copper / gold	43%	38
3	2549*	Milne Bay	Copper / gold	43%	102

*Table 2 - Exploration Licences held by Adyton Resources Corporation in which MRL has an indirect interest through its approximately 40% ownership interest in Adyton Resources Corporation (*EL under renewal)*

	Forestry Permit Number	Province	Commodity Focus	MRL Ownership	Area Hectares
1	FCCTP 1-01	Western	Carbon	100%	268,786
2	FCCTP 1-02	Western	Carbon	100%	265,907
3	FCCTP 1-03	Western	Carbon	100%	257,962

Table 3 - Forestry Carbon Concession & Trading Permits held by Mayur Renewables issued under the Forestry Act 1991. On 21 July 2022, Mayur announced that on 20 July 2022 Mayur had received notices from the Papua New Guinea Forest Authority (PNGFA) of purported cancellation of forest carbon concessions which had been issued in January 2022. On 23 January 2024, Mayur announced the decision from Deputy Chief Justice Ambeng Kandakasi in the National Court of Justice, Papua New Guinea, reinstating in full the validity of timber permits for carbon offset projects.

Directors' report

This report is made in accordance with a resolution of directors.

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Paul Levi Mulder
Managing Director
Brisbane, 8 March 2024

DocuSigned by:
Richard Pegum
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Richard Anthony Pegum
Chairman
Brisbane, 8 March 2024

Directors' declaration

In the directors' opinion:

(a) the attached interim financial statements and notes are in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34, Interim Financial Reporting; and give a true and fair view of the Group's financial position as of 31 December 2023 and of its performance, as represented by the results of its operations and its cash flows and changes in the equity for the half-year ended on that date; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of directors.

DocuSigned by:
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Paul Levi Mulder
Managing Director
Brisbane, 8 March 2024

DocuSigned by:
Richard Pegum
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Richard Anthony Pegum
Chairman
Brisbane, 8 March 2024

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MAYUR RESOURCES LIMITED
INDEPENDENT AUDITOR'S REVIEW REPORT
ON INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 December 2023

Report on Review of Interim Financial Statements

We have reviewed the accompanying interim financial statements of Mayur Resources Limited (the "Company") and its subsidiaries (collectively, the "Group") as set out on pages 9 to 27, which comprise the condensed consolidated balance sheet of the Group as at 31 December 2023, and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows of the Group for the half-year then ended, and selected explanatory notes.

Management is responsible for the preparation and fair presentation of the interim financial statements in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34, *Interim Financial Reporting* ("SFRS(I) 1-34"). Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410, *"Review of Interim Financial Information Performed by the Independent Auditor of the Entity"*. A review of interim financial information consists of making inquiries, 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 Singapore Standards on Auditing 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the interim financial statements. As at 31 December 2023, the Group had net current liabilities of A$6,554,152, incurred a loss for the period of A$2,947,700 and net cash outflows from operating activities of A$1,568,084. These factors indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. The ability of the Group to continue as a going concern depends on its ability to generate cash flows from financing activities.

If the Group is unable to continue in operational existence for the foreseeable future, the Group may be unable to discharge its liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the balance sheet. In addition, the Group may have to provide for further liabilities that may arise and to reclassify non-current assets as current assets. No such adjustments have been made to these interim financial statements. Our opinion is not modified in respect of this matter.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not present fairly, in all material respects, the financial position of the Group as of 31 December 2023, and of its financial performance, cash flows and changes in equity of the Group for the half-year then ended in accordance with SFRS(I) 1-34.

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Baker Tilly TFW LLP
Public Accountants and
Chartered Accountants
Singapore

8 March 2024

Condensed consolidated statement of profit or loss and other comprehensive income

	Notes	*For the half-year ended 31 December* 2023 A$	2022 A$
Interest revenue		**27,463**	12,296
Gain on extinguishment of the existing liability		**1,249,246**	-
Revenue and other income		**1,276,709**	12,296
Less: expenses			
Audit fees		**(78,818)**	(137,615)
Consultants and contractors		**(1,097,643)**	(304,899)
Depreciation expense	4	**(8,397)**	(8,005)
Director and key management personnel remuneration		**(72,356)**	(389,198)
Finance expenses	7(d)	**(992,655)**	(1,952)
Impairment of investment in associate	6	–	(826,544)
Insurance		**(96,121)**	(85,819)
Investor and public relations expenses		**(59,882)**	(48,633)
Listing and share registry expenses		**(100,935)**	(75,187)
Net foreign exchange losses		**(128,079)**	(89,995)
Occupancy costs		**(123,668)**	(103,822)
Other operating expenses		**(182,982)**	(86,160)
Carbon credits projects expenditure		**(257,254)**	(423,060)
Professional fees		**(421,316)**	(177,172)
Share based payments expense	9	**(471,894)**	(1,897,274)
Travel expenses		**(132,409)**	(76,149)
Share of results of associate		–	(806,816)
Loss before income tax expense		**(2,947,700)**	(5,526,004)
Taxation			
Loss for the period		**(2,947,700)**	(5,526,004)
Other comprehensive loss:			
Share of other comprehensive loss of associate		-	96,151
Total comprehensive loss for the period attributable to owners of the Company		**(2,947,700)**	(5,429,853)
Basic and diluted loss per share attributable to owners of the Company (cents per share)	3	**(0.90)**	(2.25)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Condensed consolidated balance sheet

		As at	
		31 December	***30 June***
	Notes	***2023 A$***	***2023 A$***
Non-current assets			
Property, plant, and equipment	*4*	**385,887**	330,978
Exploration and evaluation expenditure	*5*	**42,496,508**	37,405,880
Investment in associate	*6*	**345,644**	345,644
Security deposits		**118,494**	118,494
Total non-current assets		**43,346,533**	38,200,996
Current assets			
Cash and cash equivalents		**4,014,198**	4,141,551
Other current receivables		**763,705**	400,077
Total current assets		**4,777,903**	4,541,628
Total assets		**48,124,436**	42,742,624
Current liabilities			
Trade and other payables		**2,838,057**	1,520,072
Borrowings	7(a)	**8,493,998**	-
Total current liabilities		**11,332,055**	1,520,072
Non-current liabilities			
Convertible notes	7(b)	-	2,789,264
Other financial liabilities	7(c)	3,206,005	4,515,930
Provisions		23,857	83,770
Total non-current liabilities		**3,229,862**	7,388,964
Total liabilities		**14,561,917**	8,909,036
Net assets		**33,562,519**	33,833,588
Equity			
Share capital	*8*	**68,732,763**	67,576,577
Reserves	*9*	**11,226,828**	9,706,383
Accumulated losses		**(46,397,072)**	(43,449,372)
Total equity		**33,562,519**	33,833,588

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Condensed consolidated statement of changes in equity

2023	Share capital A$	Reserves A$	Accumulated losses A$	Total equity A$
Balance as of 1 July 2023	67,576,577	9,706,383	(43,449,372)	33,833,588
Loss for the half-year	--	--	(2,947,700)	(2,947,700)
Other comprehensive loss				
Share of other comprehensive loss of associate	-	-	-	-
Total comprehensive loss for the period	67,576,577	9,706,383	(46,397,072)	30,885,888
Transactions with owners in their capacity as owners:				
Issue of equity securities	1,493,113	-	-	1,493,113
Costs of equity raising	(336,927)	-	-	(336,927)
Share based payments	-	1,520,445	-	1,520,445
Total transactions with owners in their capacity as owners	1,156,186	1,520,445	-	2,676,631
Balance as of 31 December 2023	**68,732,763**	**11,226,828**	**(46,397,072)**	**33,562,519**

2022	Share capital A$	Reserves A$	Accumulated losses A$	Total equity A$
Balance as of 1 July 2022	59,497,618	6,363,498	(30,208,918)	35,652,198
Loss for the half-year	--	--	(5,526,004)	(5,526,004)
Other comprehensive loss				
Share of other comprehensive loss of associate	--	96,151	--	96,151
Total comprehensive loss for the period	--	96,151	(5,526,004)	(5,429,853)
Transactions with owners in their capacity as owners:				
Issue of equity securities	4,000,000			4,000,000
Costs of equity raising	(270,128)			(270,128)
Share based payments	1,300,000	887,658	--	2,187,658
Total transactions with owners in their capacity as owners	5,029,872	887,658	--	5,917,530
Balance as of 31 December 2022	**64,527,490**	**7,347,307**	**(35,734,922)**	**36,139,875**

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Condensed consolidated statement of cash flows

		For the half-year ended 31 December	
		2023	***2022***
		A$	***A$***
Loss before income tax expense		(2,947,700)	(5,526,004)
Adjustments for:			
Interest income		(27,463)	(12,296)
Impairment of investment in associate		-	826,544
Depreciation expense	4	8,397	8,005
Finance expenses		992,655	1,952
Gain on extinguishment of the existing liability		(1,249,246)	--
Share of results of associate		--	806,816
Shares issued as payment for services		743,113	--
Share based payments expense		471,894	1,897,274
Unrealised foreign exchange differences		27,507	89,995
Total adjustments		966,587	3,618,290
Operating cash flows before changes in working capital		(1,980,843)	(1,907,714)
Changes in working capital:			
Increase in receivables		(363,628)	(105,901)
Increase in trade and other payables		748,924	18,962
Total changes in working capital		385,296	(86,939)
Cash flows used in operations		(1,595,547)	(1,994,653)
Interest received		27,463	12,296
Net cash flows used in operating activities		**(1,568,084)**	**(1,982,357)**
Cash flow from investing activities			
Payments for property, plant, and equipment	4(b)	(74,376)	(59,601)
Payments for exploration and evaluation expenditure	5	(4,706,308)	(1,839,717)
Net cash used in investing activities		**(4,780,684)**	**(1,899,318)**
Cash flow from financing activities			
Proceeds from share issue	8	750,000	4,000,000
Capital raising costs	8	(18,750)	(248,777)
Proceeds from borrowings	7	9,250,000	--
Repayment of borrowings	7	(3,231,211)	--
Finance expenses		(400,547)	(1,952)
Net cash from financing activities		**6,349,492**	**3,749,271**
Reconciliation of cash and cash equivalents			
Cash and cash equivalents on 1 July		4,141,551	3,050,864
Net increase/(decrease) in cash and cash equivalents		724	(132,404)
Foreign exchange difference on cash and cash equivalents		(128,077)	(34,078)
Cash and cash equivalents on 31 December		**4,014,198**	**2,884,382**

The accompanying accounting policies and explanatory notes form an integral part of the financial statements

Notes to the financial statements

1. Basis of preparation of half-year report

This condensed consolidated interim financial report for the half-year ended 31 December 2023 has been prepared in accordance with Singapore Financing Reporting Standards (International) ("SFRS(I)") 1-34, *Interim Financial Reporting*.

This condensed consolidated interim financial report does not include all of the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by the Company during the interim reporting half-year. Those public announcements may be viewed on the Company's website www.mayurresources.com or at www.asx.com.au under the code MRL

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except as noted below.

In the reporting period, the Group has adopted all the new and revised SFRS(I) and SFRS(I) Interpretations ("SFRS(I) INT") that are relevant to its operations and effective for the current financial year. The adoption of these new and revised FRSs and INT FRSs did not have any material effect on the financial results or financial position of the Group for the reporting period.

The functional and presentation currency used in the preparation of these financial statements is the Australian dollar ("A$").

Going Concern

As of 31 December 2023, the Group had cash reserves of A$4,014,198 (30 June 2023: A$4,141,551), net current liabilities of A$6,554,152 (30 June 2023: net current assets of A$3,021,556) and net assets of A$33,562,519 (30 June 2023: A$33,833,588). The Group incurred a loss for the half year ended 31 December 2023 of $2,947,700 (half year ended 31 December 2022: A$5,526,004) and net cash outflows from operating activities of $1,568,084 (half year ended 31 December 2022: A$ 1,982,357).

The ability of the Group to continue as a going concern is principally dependent upon the following: ·

- the ability of the Company to raise additional funding in the future; and ·
- the successful exploration and subsequent exploitation and development of the Group's tenements and projects.

These conditions give rise to material uncertainty which may cast significant doubt over the Group's ability to continue as a going concern.

Based on the success of previous capital raisings combined with the potential to attract farm-in partners for projects, the potential sale of the current portfolio of exploration assets held and the ability of the Group to reduce or defer uncommitted expenditure, the Directors have prepared the financial statements on a going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the ordinary course of business.

The Directors are confident of securing funds as and when necessary to meet the Group's obligations as and when they fall due.

Should the Group be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts or classification of liabilities and appropriate disclosures that may be necessary should the Group be unable to continue as a going concern.

2. Segment information

For management purposes, the Group is organised into the following business units:

- Industrial Minerals which includes the Central Lime Project;
- Iron and Industrial Sands which includes construction sands, magnetite sands, heavy mineral sands, and industrial sands. The focus of this business unit is the development of the Orokolo Bay Industrial Sands Project located along the southern coast of Papua New Guinea
- Coal and Power comprising the Depot Creek coal resource in the Gulf Project of Papua New Guinea and which is developing a proposal for vertically integrated domestic power projects in Papua New Guinea with an initial focus on the Lae region;
- Renewable Energy, which includes the development of a portfolio of renewable energy opportunities in Papua New Guinea – with interests and aspirations in nature-based forestry carbon credits, large scale solar, battery, and large scale geothermal;
- Corporate which provides Group-level corporate and management services and treasury functions.

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on actual expenditure incurred, including capitalised expenditure which differs from operating profit or loss reported in the consolidated financial statements.

The Chief Operating Decision Maker assesses the performance of the operating segments based on a measure of gross expenditure that includes both expenditure that is capitalised in these financial statements and expenditure that is expensed in the income statement in these financial statements. The measurement of gross expenditure does not include the impairment of exploration expenditure or non-cash items such as depreciation expense and share based payments expense. Interest and other items of revenue are allocated to the Corporate segment. Inter-segment assets and liabilities are excluded.

2. Segment information (continued)

31 December 2023	**Industrial Minerals** A$	**Iron and Industrial Sands** A$	**Coal and Power** A$	**Renewables** A$	**Corporate** A$	**Total** A$
Results:						
Interest income	--	--	--	--	27,463	27,463
Other income – fair value adjustment	--	--	--	--	1,249,246	1,246,246
Impairment of exploration and evaluation expenditure	--	--	--	--	--	--
Depreciation of property, plant, and equipment	(3,191)	(840)	(3,817)	(549)	--	(8,397)
Share of results of associate	--	--	--	--	--	--
Segment loss	**(63,059)**	**(155,649)**	**(270,587)**	**(332,264)**	**(2,126,141)**	**(2,947,700)**
Assets:						
Exploration and evaluation expenditure	15,880,263	20,651,411	6,003,867	--	(39,033)	**42,496,508**
Segment assets	**16,174,066**	**21,270,534**	**6,096,715**	**174,831**	**4,408,290**	**48,124,436**
Segment assets include:						
Non-cash expenditure capitalised	148,214	(65,549)	(755)	--	--	**81,910**
Additions to property, plant, and equipment	30,631	--	--	32,675	--	**63,306**
Segment liabilities	**5,434,000**	**4,762,537**	**11,625,362**	**1,743,198**	**(9,003,180)**	**14,561,917**

31 December 2022	**Industrial Minerals** A$	**Iron and Industrial Sands** A$	**Coal and Power** A$	**Renewables** A$	**Corporate** A$	**Total** A$
Results:						
Interest income	--	--	--	--	12,926	12,926
Impairment of exploration and evaluation expenditure	--	--	--	--	--	--
Depreciation of property, plant, and equipment	--	(2,521)	(3,817)	--	(1,667)	(8,005)
Share of results of associate	--	--	--	--	(806,816)	(806,816)
Segment loss	**(98,852)**	**(59,979)**	**(73,081)**	**(483,647)**	**(4,810,445)**	**(5,526,004)**
Assets:						
Exploration and evaluation expenditure	10,292,558	18,470,712	5,590,796	--	--	**34,354,066**
Segment assets	**10,323,143**	**19,070,541**	**8,723,635**	**140,123**	**3,966,945**	**42,224,387**
Segment assets include:						
Non-cash expenditure capitalised	374,817	1,007,297	181,657	--	--	**1,563,771**
Additions to property, plant, and equipment	--	--	90,175	--	--	**90,175**
Segment liabilities	**121,337**	**370,381**	**28,466**	**16,052**	**(5,548,276)**	**6,084,512**

3. Earnings per share

The earnings per share was calculated based on net loss attributable to equity shareholders divided by the weighted average number of ordinary shares. The basic and diluted loss per share is the same, as the Company did not have any dilutive potential ordinary shares on issue during the reporting period covered by these financial statements.

The following tables reflect the loss and share data used in the computation of basic and diluted earnings per share.

	For the half-year ended 31 December	
	2023	**2022**
	A$	**A$**
Loss for the reporting period attributable to owners of the Company	**(2,947,700)**	(5,526,004)
Basic and diluted loss per share attributable to owners of the Company (cents per share)	**(0.90)**	(2.25)

	2023	**2022**
	Number of shares	**Number of shares**
Weighted average number shares - basic and diluted	**328,299,624**	245,442,200

Options on issue at the end of the half-year (refer Note 9) have not been included in the calculation of diluted earnings per share because they are anti-dilutive.

4. Property, plant and equipment

	31 December 2023	*30 June 2023*
	A$	*A$*
Net carrying value:		
Power plant assets, at cost (a)	**--**	--
Property, plant and equipment, net of depreciation (b)	**385,887**	330,978
	385,887	330,978

(a) <u>Power plant assets at cost</u>

The Group continued feasibility studies and negotiations to obtain approvals for a coal fired electricity power plant to operate in Lae, Morobe Province and supply electricity to PNG Power Limited. The capitalised costs relate to expenditure incurred as of 31 December 2023 and 30 June 2023 in respect of the proposed project. The Power Plant assets have not been put to use, hence no depreciation is charged.

At 30 June 2023, the Group impaired the full carrying value of previously capitalised costs relating to the Lae Power Plant Project, in the amount of A$3,078,803. This decision was made as a result of little to no activity occurring on the project in recent years, and the likelihood that the project would not be able to proceed in the form originally envisaged. While no formal work is being completed on the site, the Group will continue to consider alternative feedstock sources for this project, with the potential for the project to be converted to a biomass powered generation site.

Notes to the financial statements

4. Property, plant and equipment (continued)

(a) Power plant assets at cost (Continued)

Reconciliation of movements in power plant assets	***Half-year ended 31 December 2023 A$***	*Year ended 30 June 2023 A$*
Balance at the beginning of the reporting period	**--**	2,863,520
Additions	**-**	215,283
Impairment of power plant assets	**--**	(3,078,803)
Balance at the end of the reporting period	**--**	--

(b) Property, plant and equipment, net of depreciation

Reconciliation of movements in other property, plant and equipment

Balance at the beginning of the reporting period	**330,978**	359,071
Additions	**63,306**	-
Disposals	**--**	(13,750)
Depreciation	**(8,397)**	(14,343)
Balance at the end of the reporting period	**385,887**	330,978

Non-cash transactions

Aggregate cost of power plant expenditure	**-**	215,283
Aggregate cost of property, plant and equipment	**63,306**	-
Less: Share-based payment	**-**	(119,688)
Add: Change in other payables for additions	**11,070**	7,032
Net cash outflow for property, plant and equipment expenditure	**74,376**	102,627

5. Exploration and evaluation expenditure

	31 December 2023 A$	*30 June 2023 A$*
Exploration and evaluation expenditure, net of impairment	**42,496,508**	37,405,880

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phase is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Notes to the financial statements

5. Exploration and evaluation expenditure (continued)

Movements in exploration and evaluation assets, net of impairment, during the financial periods are summarised below:

	Half-year ended 31 December 2023 A$	*Year ended 30 June 2023 A$*
Balance at beginning of the reporting period	**37,405,880**	32,790,295
Exploration and evaluation expenditure capitalised during the reporting period	**5,090,628**	4,615,585
Balance at the end of the period	**42,496,508**	37,405,880

Impairment charges for the period represent the impairment of capitalised exploration in relation to tenements that the Group has, or intends to, relinquish. Movements in impairment charges are summarised below:

Movement of impairment of exploration and evaluation expenditure	**-**	-
Balance at beginning and the end of the period	**7,295,478**	7,295,478

Non-cash transactions

Aggregate cost of exploration and evaluation expenditure	**5,090,628**	4,615,585
Less: Share-based payment	**(81,910)**	(1,453,570)
Less: Change in other payables for additions	**(302,410)**	611,122
Net cash outflow for exploration and evaluation expenditure	**4,706,308**	3,773,137

6. Investment in associate

	31 December 2023 A$	*30 June 2023 A$*
Investment in Adyton Resources Corporation	**345,644**	345,644

On 18 February 2021, the Group acquired a 42.75% ownership interest in Adyton Resources Corporation as the consideration of the Group's disposal of its 100% ownership interest in MR Exploration PNG Pte Ltd and Mayur Exploration PNG Limited.

Adyton Resources Corporation is incorporated in Canada with its principal place of business at Level 14, 167 Eagle Street Brisbane QLD Australia. The principal activity of Adyton Resources Corporation is mineral exploration for gold and copper in Papua New Guinea.

The Group accounts for its investment in Adyton Resources Corporation using the equity method. The financial year end date of Adyton Resources Corporation is 31 December, and it presents its financial statements in Canadian dollars. For the purposes of applying the equity method of accounting, the financial statements of Adyton Resources Corporation for the six months ended 31 December 2023 have been used. The fair value of the Group's interest in Adyton Resources Corporation on 31 December 2023 was A$345,644 based on the quoted market price available on the TSX Venture Exchange. The fair value measurement is classified with Level 1 of the fair value hierarchy. The investment is recorded at fair value in the financial statements.

The Group did not receive any dividends from Adyton Resources Corporation during the financial half-year.

7. Borrowings

(a) Loan Facility

	Half-year ended 31 December 2023 A$	*Year ended 30 June 2023 A$*
Loan Facility	**9,250,000**	--
Borrowing costs to amortise over future periods	**(756,002)**	--
Balance at the end of the period	**8,493,998**	--

On 8 November 2023, Mayur announced a financing package of A$10 million from a consortium of professional and sophisticated investors, comprising a A$9.25 million covenant-light loan facility (Loan Facility) and a A$0.75 million share placement (Share Placement).

The funds are to be primarily used to continue advancing the pioneering works at Mayur's Central Lime Project (CLP) - particularly completing the wharf so it is capable of generating early cashflows in 2024 through the sale of raw high-grade limestone. Mayur also utilised the funding raised to settle and discharge its then existing convertible note facility with Obsidian Global GP, LLC and for general working capital purposes to further advance its Central Lime Project, towards first revenues and through to final construction.

The Loan Facility is bearing annual interest rates of 15% and repayable on 15 November 2024. The Loan Facility is secured by a General Security Deed over the assets and undertakings of Mayur Resources Limited (excluding Mayur's renewables business).

(b) Convertible Notes

On 1 May 2023, the Company issued A$2.5 million non-interest-bearing convertible notes (the "Notes") pursuant to a convertible securities agreement with Obsidian Global GP, LLC (the "Noteholder") ("Convertible Securities Agreement"):

- the Notes were issued to the Noteholder;
- 1,696,500 Notes were issued with an aggregate face value of US$1.15 each totaling US$1,950,975 (being the equivalent of A$2,875,000) and with a maturity date of 18 months from date of issue on 11 May 2023 (the default maturity date is 11 November 2024);
- the Notes were issued in accordance with the Convertible Securities Agreement, the material terms and conditions of which are set out in Schedule 2 of the agreement;
- the funds raised from the issue will be primarily applied towards early development works at Mayur's Central Lime Project in parallel with the PNG Government preparing for the Consultative Forum;
- If an event of default occurs, interest shall be payable on the Note at a rate of 15% per annum, which interest shall accrue daily and shall be compounded monthly, from the date of the event of default until the Company discharges the amount outstanding in full or the event of default is no longer subsisting;
- The Company must issue the initial collateral shares of 1,000,000 shares of the Company to the Noteholder within 3 days of the execution date and if the Note remains outstanding after 120 days, the Company need to issue subsequent collateral shares of 2,000,000 shares of the Company to the Noteholder.

The convertible notes will mature 18 months from the issue date at their principal amount or can be converted into ordinary shares of the Company at the holder's option at the fixed rate of US$1.15 per share for 1,696,500 shares of the outstanding principal. The interest will be payable by the Company annually in arrears. The convertible notes holders have the right to convert their convertible notes into new shares at any time on or after 120 days from the issue date.

The Company may early redeem the convertible notes under the following conditions:
(a) Prior to 120 days ('the Initial Period'), it shall be done at the face value of the notes;
(b) After 120 days ('the Subsequent Period'), but prior to the maturity date, it shall be done at a 10% premium to the face value of the notes; or

Notes to the financial statements

(b) Convertible Notes (continued)

(c) On the maturity date, it shall be done at the face value of the notes.

The notes were repaid in full on 12 November 2023 in the total amount of $USD 2,080,910 (paid in $AUD equivalent on that date of AUD$3,231,211).

(c) ***Santos Facility***

On 20 June 2022, Mayur Resources Limited announced that it had executed an Expression of Interest (EOI) with Santos Ventures Pty Ltd (Santos), a subsidiary of Santos Limited (ASX:STO), to jointly develop a portfolio of nature-based carbon offset projects in Papua New Guinea (Carbon Projects).

Under the terms of the EOI, Mayur agreed to provide Santos with an exclusive period of 180 days (Exclusivity Period) during which Santos and Mayur were to negotiate in good faith and if agreed, enter into binding transaction documents (Transaction Documents) to jointly develop Carbon Projects. The Carbon Projects focus on preserving 1.4 million hectares of pristine rainforest in Papua New Guinea through avoided deforestation. Phase 1 development being progressed which includes up to 800,000 hectares in the Western Province. The EOI included a framework for the future commercialisation of the Carbon Projects contingent on executing Transaction Documents along with remaining confirmatory due diligence. In conjunction with that announcement, Santos provided Mayur with a US$3 million facility (at exchange rate on 31 December 2023 - $AUD 4,407,271) on 16 June 2022 to, amongst other things, fund ongoing detailed feasibility and landholder consent work on the Carbon Projects.

The EOI contemplated that Transaction Documents were to be completed by 16 December 2022. On 13 December 2022, the Exclusivity Period was extended to 16 December 2023. In relation to the Expression of Interest (EOI) with Santos Ventures Pty Limited (Santos) in respect of the proposal to jointly develop a portfolio of nature-based carbon offset projects in Papua New Guinea (Carbon Projects), as previously disclosed, as the Company was unable to agree definitive transaction documents with Santos, the agreed exclusivity period with Santos has expired and the EOI has terminated, allowing Mayur to discuss investment opportunities in the Carbon Projects in an unrestricted manner, including with other parties. Despite not entering into binding transaction documents with Santos, the US$3 million facility provided by Santos to Mayur on 16 June 2022 to, amongst other things, fund ongoing detailed feasibility and landholder consent work on the Carbon Projects, remains on foot and the convertible securities issued under that loan facility on 16 June 2022 will convert on the date that is 5 business days after the third anniversary of the execution of the EOI (provided no shareholder approval is required) or such other date as the parties may agree to issue ordinary fully paid shares in Mayur based on a 30-day Volume Weighted Average Price (VWAP) calculated three years from the date of execution of the EOI (being 20 June 2025). The facility is non-interest bearing and security has been provided over the Mayur Renewables business.

The facility is secured over the Mayur Renewables business, by:

- A Charge issued via a Security Deed, over all of the shares held by Mayur Resources Limited in MR Renewables PNG Pte Ltd (incorporated in Singapore), including any additional future shares that may be issued, and all related rights to those shares (including but not limited to dividends, warrants, options, and the like);
- A Charge issued via a Security Deed, over all of the shares held by MR Renewables PNG Pte Ltd (incorporated in Singapore) in Mayur Renewables PNG Limited (incorporated in Papua New Guinea), including any additional future shares that may be issued, and all related rights to those shares (including but not limited to dividends, warrants, options, and the like); and
- A Charge issued via a Security Deed, over all of the assets and undertakings, future and present, in Mayur Renewables PNG Limited (incorporated in Papua New Guinea).

The fair value of the facility has been assessed at 31 December 2023, based on the valuation of the components of the instrument, being an embedded derivative liability at fair value, and the host debt being measured at amortised cost. As the facility is non-interest bearing, in determining the fair value of the facility an interest rate of 23.9% per annum has been applied. This has been determined based on the effective interest rate of the Loan Facility (Note 7 (a)) that was in place, and which provided funding to Mayur for comparable project and investment purposes.

Notes to the financial statements

Borrowings (continued)

(d) ***Finance expenses***

This comprises:

	For the half-year ended 31 December	
	2023	**2022**
	A$	**A$**
Change in fair value of Convertible Note Facility	**438,350**	--
Upfront fee costs of November 2023 debt raising	**231,250**	--
Share based payments in relation to fees paid to a third party	**593,480**	--
Options issued under Convertible Note Facility	**54,985**	--
External legal and arrangement costs	**166,392**	--
Interest on November 2023 debt raising	**217,808**	--
Unwinding of Santos facility	**43,487**	--
Other costs	**2,905**	1,952
Less: borrowing costs capitalized to loan	**(756,002)**	--
	992,655	1,952

8. Share capital

	31 December 2023	*30 June 2023*
	A$	*A$*
Issued and paid-up capital - ordinary shares	**68,732,763**	67,576,577

Movements in ordinary shares on issue are summarised below.

	Half-year ended 31 December 2023		**Year ended 30 June 2023**	
	Number	**A$**	**Number**	**A$**
At beginning of financial year	**316,834,266**	**67,576,577**	241,543,663	59,497,618
Issuance of shares pursuant to capital raising	**3,750,000**	**750,000**	55,277,778	6,750,000
Issuance of Sign On Shares	**-**	**-**	10,000,000	1,300,000
Issuance of shares on exercise of unlisted options	-	-	5,000,000	750,000
Cost of issuing shares	**-**	**(336,927)**	–	(721,041)
Shares issued on the exercise of options and performance rights	**9,737,384**	**-**	1,262,825	–
Issuance of shares as payment for services received	**4,394,456**	**743,113**	–	–
Issuance of loan funded shares to executives	**1,700,000**	**-**	2,750,000	**–**
Issuance of Collateral Shares to Obsidian	**-**	**-**	1,000,000	–
At end of financial year	**336,416,106**	**68,732,763**	316,834,266	67,576,577

Ordinary shares, which have no par value, carry one vote per share and carry a right to dividends as and when declared by the Company.

Notes to the financial statements

8. Share capital (continued)

Options issued

The following table illustrates the number and movements in share options issued during the half-year ended 31 December 2023.

Issue Date	Expiry Date	Number	Strike Price $AUD	Half-year ended 31 December 2023
19/09/2023	19/09/2026	625,000	0.40	625,000
15/11/2023	15/11/2025	375,000	0.25	375,000
21/11/2023	21/11/2025	3,000,000	0.25	3,000,000
15/11/2023	15/11/2025	4,625,000	0.25	4,625,000
				8,625,000

9. Reserves

	31 December 2023 A$	*30 June 2023 A$*
Capital reserve (a)	**(6,545,316)**	(6,545,316)
Share of foreign currency translation reserve of an associate	**(441,978)**	(441,978)
Share based payments reserve (b)	**18,161,092**	16,640,647
Equity component of convertible notes, net of tax	**53,030**	53,030
	11,226,828	9,706,383

(a) ***Capital reserve***

No movements occurred in the capital reserve during the current reporting period.

(b) ***Share based payments reserve***

The share-based payments reserve is used to record the fair value of shares or options issued to employees/contractors and other service providers. Movements in the share-based payments reserve during the reporting period were:

	Half-year ended 31 December 2023 A$	*Year ended 30 June 2023 A$*
Balance at the beginning of the reporting period	**16,640,647**	13,309,716
Share based payments made during the reporting period	**1,520,445**	4,630,931
Transfer to share capital (nil issue price shares issued to Executive Chairman)	**-**	(1,300,000)
Balance at the end of the reporting period	**18,161,092**	16,640,647

The share-based payments made during the reporting period were accounted for as follows:

Recognised as share-based payments expense in the Statement of Profit and Loss and Other Comprehensive Income	**471,894**	2,783,335
Recognised as capitalised borrowing costs to be amortised	**648,464**	--
Recognised as capital raising costs (Note 8)	**318,177**	274,338
Capitalised as exploration and evaluation expenditure (Note 5)	**81,910**	1,453,570
Capitalised as property, plant, and equipment (Note 4)	**--**	119,688
	1,520,445	4,630,931

Notes to the financial statements

9. Reserves (continued)

(b) Share based payments reserve (continued)

The following share-based payment transactions were recognised during the half-year:

	Half-year ended 31 December 2023		***Year ended 30 June 2023***	
	Number	**A$**	**Number**	**A$**
Vested performance rights awarded to employees as salary (Salary Sacrifice Rights) (i)	**1,205,612**	**184,250**	3,225,302	475,436
Loan funded shares (iii)	**1,700,000**	**325,788**	2,750,000	404,050
Ransley Sign On Shares	**--**	**--**	10,000,000	1,300,000
Ransley options	**--**	**--**	10,000,000	244,400
Landsdowne options	**--**	**--**	6,000,000	141,795
Obsidian options	**625,000**	**54,985**	**--**	**--**
Reign options	**3,000,000**	**267,810**	5,000,000	333,160
Loan funding options (refer to Note 7)	**4,625,000**	**593,480**	-	-
Long term incentive rights subject to vesting conditions (ii)	**39,600,000**	**159,444**	29,750,000	1,610,096
Amounts recognised in relation to share based payments issued in the current year		**1,585,757**		4,508,937
Amounts recognised in the current year in relation to share based payments issued in previous financial years		**(65,312)**		121,994
		1,520,445		4,630,931

i. Salary sacrifice rights

Performance rights are granted to employees and contractors to receive shares in respect of a portion of their agreed remuneration. Each performance right will entitle the holder to receive one share. The performance rights vest annually over four equal instalments and can be exercised for no consideration at any time after being granted but prior to the expiry date of the rights.

The number of performance rights to be issued at each grant date is determined by dividing the salary amount to be paid in the form of performance share rights divided by the prevailing share price (rounded down to the nearest whole number).

Any new employees/contractors or employees/contractors that have not worked on behalf of the Company for a minimum of 12 months shall be restricted in exercising their performance rights until such time they have worked for and/or on behalf of the Company for a year of 12 months.

During the period, 1,205,612 salary sacrifice rights were issued in respect of remuneration totalling A$184,250 (30 June 2022: 5,670,565 salary sacrifice rights issued in respect of remuneration totalling A$857,620).

9. Reserves (continued)

(b) Share based payments reserve (continued)

ii. LTI performance rights

On 22 December 2023, following approval from shareholders at the Company's AGM, the Group issued 15,000,000 long term incentive rights to two Executive Directors.

The rights were issued subject to the achievement of the following milestone:

- Long Term Incentive Performance Rights in the Company will be provided, that shall vest if, within the relevant period from the date of the Annual General Meeting of the Company on 22 December 2023, the share price performance of the Company is achieved at the limit of (or greater than) AU$0.30 per share based upon a 45 trading day volume weighted average price (VWAP) of the Company share price. There is no strike price payable upon the exercise of the Long Term Incentive Performance Rights.

On 22 December 2023, following approval from shareholders at the Company's AGM, the Group issued 10,000,000 long term incentive rights to an Executive Director.

The rights were issued subject to the achievement of the following milestones:

Detail	**LTIs**
Share Price minimum of $0.30 cents per share trading for 45 day volume weighted average price (**VWAP**) – prior to 31 December 2024 Continue to serve as a Director of Mayur Resources Limited for a period of 3 years from commencement of role as Chairman of Mayur Resources	3,333,000
Share Price minimum of $0.40 cents per share trading for 45 day volume weighted average price (VWAP) – prior to 31 December 2025 Continue to serve as a Director of Mayur Resources Limited for a period of 3 years from commencement of role as Chairman of Mayur Resources	3,333,000
Share Price minimum of $0.50 cents per share trading for 45 day volume weighted average price (VWAP) – prior to 31 December 2025 Continue to serve as a Director of Mayur Resources Limited for a period of 3 years from commencement of role as Chairman of Mayur Resources	3,334,000
Total	**10,000,000**

On 22 December 2023, following approval from shareholders at the Company's AGM, the Group issued 2,250,000 long term incentive rights to a Non-Executive Director.

The rights were issued subject to the achievement of the following milestone :

- Long Term Incentive Performance Rights in the Company will be provided, that shall vest if, within the relevant period from the date of the Annual General Meeting of the Company on 22 December 2023, the share price performance of the Company is achieved at the limit of (or greater than) AU$0.30 per share based upon a 45 trading day volume weighted average price (VWAP) of the Company share price. There is no strike price payable upon the exercise of the Long Term Incentive Performance Rights.

(iii) Loan funded shares

During the half-year the Company granted loan funded shares to the value of A$325,788 (Year ended 30 June 2023: A$404,050) to eligible employees selected by the Board. Pursuant to the terms of the Employee Incentive Plan, employees are granted an interest free limited recourse loan to assist in the purchase of Shares, with the Shares acquired at their market value. The loan will be limited recourse so that at any time the employee may divest their Shares in full satisfaction of the loan balance. In accordance with the requirements of applicable SFRS(I), the loan funded shares are to be accounted for as an option granted to the employee with an exercise price equal to the market price of the Company's shares at the grant date.

Notes to the financial statements

10. Subsidiaries

Subsidiaries of Mayur Resources Limited:	Country of incorporation	Principal Activity	Ownership interest held by the group	
			31 December 2023	30 June 2023
MR Iron PNG Pte Ltd^	Singapore	Investment	100%	100%
MR Energy PNG Pte Ltd^	Singapore	Investment	100%	100%
MR Industrials PNG Pte Ltd^	Singapore	Investment	100%	100%
MR Power Generation Pte Ltd^	Singapore	Investment	100%	100%
MR Renewables PNG Pte Ltd^	Singapore	Investment	100%	100%
Mayur Iron PNG Limited^^	Papua New Guinea	Mineral exploration	100%	100%
Mayur Energy PNG Ltd^^	Papua New Guinea	Coal exploration	100%	100%
Mayur Industrials PNG Ltd^^	Papua New Guinea	Industrial minerals	100%	100%
Mayur Power Generation PNG Limited^^	Papua New Guinea	Power generation	100%	100%
Waterford Limited^^	Papua New Guinea	Coal exploration	100%	100%
Mayur Renewables PNG Ltd^^	Papua New Guinea	Renewable energy	100%	100%
Ortus Resources Limited^^	Australia	Mineral exploration	100%	100%
Mayur Renewables PNG Carbon Trading Company Ltd^^	Papua New Guinea	Renewable energy	100%	100%
Mayur Renewables PNG Sales Company Ltd^^	Australia	Renewable energy	100%	100%

^ Audited by Baker Tilly TFW LLP

^^ Audited by independent overseas member firms of Baker Tilly International for consolidation purposes.

11. Events occurring after the reporting half-year

No matter or circumstance has arisen since the end of the reporting period that has significantly affected, or may significantly affect, the Group's operations, the results of those operations or the Group's state of affairs in subsequent reporting periods, other than those disclosed below:

Appointment of Mr Musje Werror as Executive Director

On 17 January 2024, Mayur announced the appointment of Mr Musje Werror as an Executive Director of the Company, effective from 17 January 2024. In his new role, Mr Werror will have a wide range of responsibilities, including the critical task of overseeing government and community relations across Mayur’s diverse portfolio of projects.

Mr Werror brings over two decades of leadership experience in the mining and resources sector of PNG. He most notably served as the Managing Director and Chief Executive Officer of Ok Tedi Mining Limited from June 2020 until December 2022. He began his distinguished career at Ok Tedi Mining in 1988 as a graduate and has since held various significant roles, including managing health, safety & environment, mine closure planning, tax credit scheme projects, government affairs and leading community relations in the Western Province of PNG.

In addition to his role at Mayur, Mr Werror is currently serving as an Independent Non-Executive Director at Santos Limited (ASX:STO). Past directorships include Oil Search Limited (ASX:OSH) (2021 until merger with STO), Chairman of the Western Province Health Authority (2019-2023) and Chairman of the Ok Tedi Development Foundation (2020-2022).

Notes to the financial statements

Funding for Orokolo Bay Project

On 23 January 2024, Mayur announced that it had finalised the funding structure with its partners on the Orokolo Bay Mineral Sands project in Gulf Province of PNG having executed a series of legally binding contractual agreements with PT SEA First Nickel Industry (PTSFNI).

The executed contractual agreements cover the full funding of the Orokolo Bay project, entailing the construction and operation by PTSFNI of the Orokolo Bay Mineral Sands project. In return PTSFNI shall be provided a 51% equity stake in the project.

PTSFNI is a Nickel, Ferrous, Non-Ferrous and New Energy Materials Development Company with its activities primarily based in Indonesia. The shareholders of PTSFNI and its parent company are involved and responsible for the transformation of Indonesia's downstream processing smelting operations in ferro Nickel and Stainless Steel operations.

PTSFNI shall provide all required capital, construction, and operational works ensuring the project is fully funded through to first cashflows. In the event that the development of the Orokolo Bay project to nameplate capacity exceeds A$25 million, PTSFNI will provide the additional funding to MIPP and receive a priority repayment of that additional amount above A$25 million.

On 21 February, Mayur advised shareholders that PTSFNI has requested to put on hold its obligations to fund the development of the Orokolo Bay project as was announced on 23 January 2024), citing "sudden financial difficulties" related to the depressed state of the global nickel market and these prolonged conditions being forecast to continue.

PTSFNI wish to continue cooperation with the Company in respect of the Orokolo Bay project should it's circumstances change. As a result, the Company has agreed with PTSFNI that Mayur has the right to transact with other development partners in relation to the Orokolo Bay project.

Subject to PTSFNI's financial situation improving and the potential resumption of its paused projects, Mayur has the opportunity to re-engage with PTSFNI on similar terms previously announced in the absence of other development partners in respect of Orokolo Bay.

Carbon Credit Projects

On 23 January 2024, Mayur welcomed the ruling of the Deputy Chief Justice, the Honourable Ambeng Kandakasi (his Honour), which was delivered on 22 January 2024 in the National Court of Justice in Port Moresby, Papua New Guinea.

The ruling relates to the purported cancellation (the Cancellation Decision) of the timber permits for development of carbon offset projects held by Mayur's wholly owned subsidiary, Mayur Renewables PNG Ltd.

In a 69 page detailed written ruling, his Honour upheld Mayur's application for judicial review of the Cancellation Decision. The Cancellation Decision has been quashed, reinstating the validity of Mayur's carbon timber permits for the development of carbon offset projects.

With this ruling, Mayur continues with the establishment of its Nature Based REDD+ Carbon Credit Offset Projects at Kamula Dosa in Western Province of PNG (as well as other locations in PNG).

12. Authorisation of interim financial statements

The interim financial statements of the Group for the half-year ended 31 December 2023 were authorised for issue in accordance with a resolution of the directors dated 8 March 2024.