Half Year Financial Report

MRG Metals Limited

ABN: 83 148 938 532

For the half-year ended 31 December 2024

Contents

Corporate Directory

Directors & Secretary

Andrew Van Der Zwan
Non Executive Chairman

Christopher Gregory
Non Executive Director

Shane Turner
Non Executive Director and Company Secretary

Principal place of business

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Stock Exchange Listing

ASX Codes: MRQ and MRQO

Director's Report

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of MRG Metals Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2024.

Projects

MRG Metals is pleased to provide an update on activities undertaken in the six months to 31 December 2024 across the Company's portfolio of projects in Mozambique, Zimbabwe and Australia.

MOZAMBIQUE

JOINT VENTURE AGREEMENT TO DEVLOP HMS PROJECTS

On 12 June 2024, MRG entered into a Binding Joint Venture Agreement (**JV**) with Sinowin Lithium (HK) Co., Ltd and Sinowin Lithium Cobalt Ltd (collectively "SLC") to develop its Mozambique Corridor Sands projects (Corridor Central and Corridor South) and its other Mozambique Heavy Mineral Sands ("**HMS**") projects.

Subsequently in December 2024, MRG provided an update on the JV which detailed the following key highlights:

JV Equity Structure Update

- The conditions precedent of the Joint Venture Agreement are now complete and as a result the tenements held in the respective Sofala entities are now presented as Held For Sale on MRG's Statement of Financial Position.
- The Hong Kong JV company, Terriland, (SLC 70%; MRG 30%) is now operational.
- Terriland owns 100% of a newly established UAE company (Tailan Mining Ltd (UAE)). The transfer of MRG's Mozambique companies, Sofala Mining & Exploration LDA and Sofala Mining and Exploration 1 LDA, which hold Corridor Central and Corridor South Mining Licence applications, has progressed to near completion, awaiting tax assessment from the Mozambique Government.
- Simultaneous with the transfer, SLC will deposit USD $3 million, the first part of an initial USD $6 million injection into the JV Trust Account, being working capital.
- Subsequently, the JVC will own Corridor Central and Corridor South via ownership of the Mozambique Holding Companies.

JV Expenditure

In accordance with the JV Agreement, SLC has funded the following to date:

- USD $150,000 comprising 6 months @ $25,000/month to cover MRG's in-country costs.
- USD $90,000 comprising 6 months @ $15,000/month to cover MRG Management – this will continue to a minimum 12 months into the JV.
- USD $55,000 of approved funding for exploration on Marao and Corridor North projects to meet minimum work commitments as required by INAMI under the Mining Law.
- A Revised Scoping Study (not ASX reportable).
- Re-submission of Mining Licence applications in July utilising revised Scoping Study data. • Initiation of an Environmental and Social Impact Assessment (ESIA) Study with contract value of circa USD $500,000 (refer ASX Announcement 8 November 2024).
- Multiple field trips of SLC Management together with Design and Construction Engineering Consultants.
- Initial Offtaker negotiations including additional metallurgy to refine product specifications.

JV Operational Update
The JV parties have agreed, effective 12 December 2024, for SLC to take over operational control of the Mozambique companies controlling Corridor Central and Corridor South.

Operational changes include:

Corridor Central and Corridor South Mining Licence Applications:

- The payment to MRG of USD $25,000/month to cover MRG's in-country costs is now replaced by the JV directly funding the Mozambique JV operations. This involves:
    - Employment of the existing necessary staff in Mozambique
    - Development (progressively) of the additional staffing needs as company transitions to mine development and operations
    - Necessary line management to administer all permitting and regulatory steps
    - In-country supervision of supply and logistics developments
    - JV Office will initially be shared until larger more appropriate office space is found
    - Vehicles/other equipment will similarly be shared until the JV finalises its needs.

Marao, Corridor North and Linhuane Projects:

- These projects are included as part of the JV. They remain 100% MRG-owned until the JV meets increased concentrate production milestones as defined in the JVA (see below under "Stage 1")
- MRG will manage, on behalf of the JV, on a pre-agreed service contract agreement, all costs associated with maintaining these projects.
- In accordance with the JVA, SLC will fund all expenditure on these projects and they must be kept in good standing with INAMI. Minimum work and expenditure commitments must be complied with.
- Linhuane project is still at Exploration Licence Application stage.

MRG will retain and fund an organisation necessary to administer the remainder of its exploration portfolio in Mozambique, including Adriano and Fotinho projects (REE) and Olinga (REE & Uranium) project that are not part of the JV.

JV Equity Structure:

- Effective immediately, upon receipt of USD $3-6 million working capital funding SLC shall have 70% of the JV equity and MRG shall have 30% of the JV equity. The JVC shall own Corridor Central and Corridor South via ownership of the Mozambique Holding Companies.
- **Stage 1**: After the JV has achieved 110,000 tonnes of annual capacity of Heavy Mineral Sands Concentrate. Stage 1 to be achieved within 21 months of receipt of mining licence. Milestone benefit: Corridor North is added to the JVC.
- **Stage 2**: After the JV has achieved 220,000 tonnes of annual capacity of Heavy Mineral Sands Concentrate. Stage 2 to be achieved within 2 years after Stage 1. Milestone Benefit: SLC increases equity to 75%. MRG reduces equity to 25% and Linhuane is added to the JV.
- **Stage 3**: After the JV has achieved 440,000 Tonnes of annual capacity of Heavy Mineral Sands Concentrate. Stage 3 to be achieved within 4 years after Stage 1. Milestone Benefit: SLC increases equity to 80%. MRG reduces equity to 20% and Marao is added to the JVC.
- SLC shall invest all funds necessary to develop the initial mining operation up to 480,000 KT of concentrate. Further expansion will be funded by the JVC but MRG's equity in the Joint Venture will not be diluted below 20%. It is anticipated that the JVC will have the financial capacity to fund expansion or have the capacity to arrange debt financing as needed.

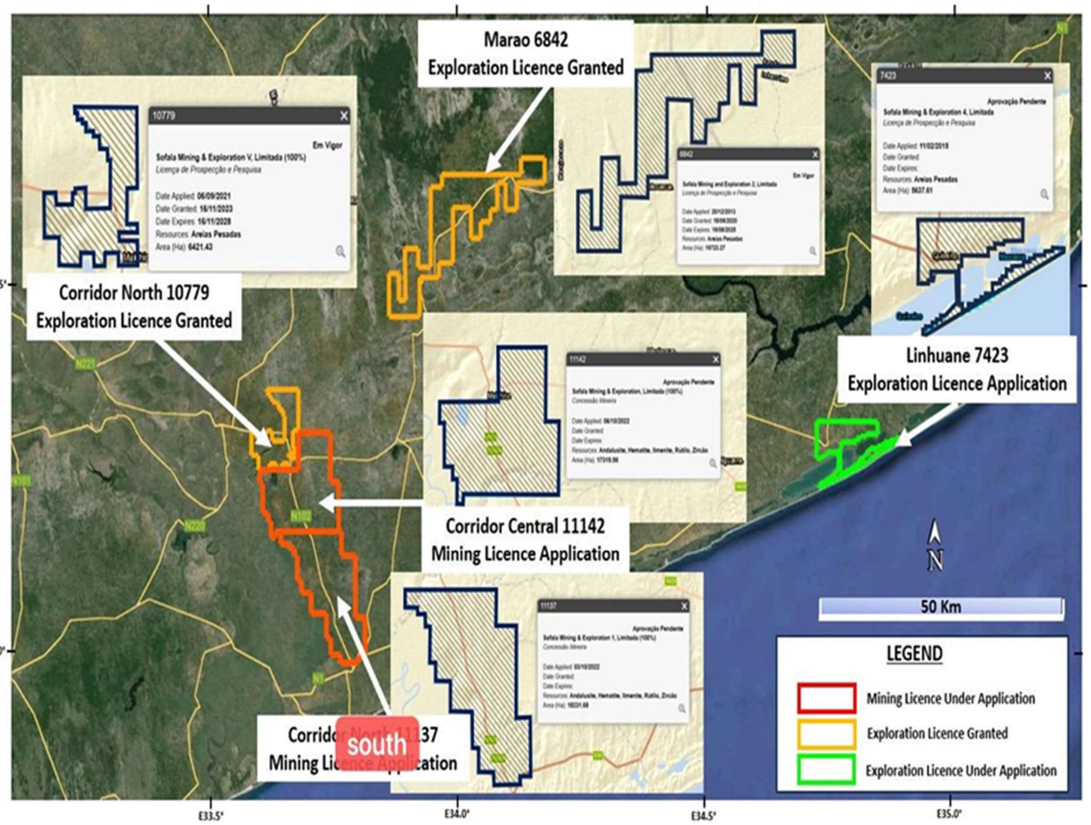

Figure 1: *MRG's Heavy Mineral Sands Projects*

Environmental And Social Impact Assessment
In November, MRG advised that the Mozambique HMS JV had entered into a contract for the Environmental and Social Impact Assessment (**ESIA**) and Resettlement Action Plan (**RAP**) with MOSHAQ Limitada.

The contract will run for an anticipated 9 months and has a value of circa USD$0.5 million. The JV will be responsible for contract payments with the terms requiring instalments by the JV, which is 100% funded by MRG's JV partner SLC. This contract forms an integral part of the ongoing process of securing the mining licence and progressing the project to production.

STEPS AND ACTIVITIES	Term(business days)	Responsible	Month 1	Month2	Month3	Month4	Month5	Month6	Month7	Month8
Kick-off Meeting										
Delivery of editable project elements (MB and drawn parts)		Client	(...)							
Process Instruction	7	Mozshaq								
Pre-assessment		MTA								
Environmental Pre-Feasibility Study, Scope Definition and Terms of Reference	15									
Field visit		Mozshaq								
Environmental Pre-Feasibility Study and Scope Definition										
Terms of Reference	15									
1st Public Consultation										
EPDA+Final ToR (including CP report)										
Final EPDA Review Period		MTA		(...)						
Final Report after Client/MTA comments										
Environmental Impact Study	88									
Introductory chapters										
Project Description										
Characterization of the reference situation										
Field Visit										
Impact Assessment		Mozshaq								
Mitigation and monitoring measures										
Cartography										
Environmental Management Plan										
Non-technical summary										
Draft version										
2nd Public Consultation	15									
Final EIA (including CP report)										
EIA review period		Customer								
Final Report after Client/MTA comments		Mozshaq								
EIA Presentation Session to Client	140	Mozshaq								

Exploration

In October 2024, MRG advised that the JV has approved budgets and will fund exploration programs totalling in excess of USD $60,000 at the Corridor North 10779 and Marao 6842 Projects.

The drilling at Corridor North will be the first exploration on the licence, while work at Marao will focus on closer spaced infill drilling within the Magonde high grade HMS target. Both the Corridor North and Marao Projects are planned to contribute to an expanded mine production schedule when annual Heavy Mineral Concentrate (**HMC**) production exceeds 110,000 tonnes at the end of Stage 1 (Corridor North) and 440,000 tonnes at the end of Stage 3 (Marao).

The exploration techniques to be applied at Corridor North and Marao will follow MRG's established HMS exploration protocols, which led to the successful discovery of the Company's Koko Massava, Nhacutse, Poiombo and peripheral HMS deposits in the Corridor Central and Corridor South tenements.

Corridor North 10779

- Exploration will commence with a 130-hole hand auger grid drilling program.
- Corridor North abuts immediately to the north of the MRG Corridor Central (11142) licence, which is currently under Mining Concession application. HMS mineralisation at MRG's Koko Massava (JORC Resource 1.4Bt @ 5.2% THM; ASX Announcement 22 April 2020) is open northwards towards Corridor North.
- Corridor North also abuts immediately to the east and south of the world-class Dingsheng Minerals Corridor 1 tenement. MRG's data interpretation suggests that HMS mineralisation may extend southwards from Dinsheng into Corridor North.
- Holes with visually estimated >3% total heavy minerals (THM) will be sent to the analytical laboratory for analysis.
- Mineralogy will be conducted on the HMC to determine the valuable heavy mineral (VHM) content.
- Environmental Management Plan (EMP) completed by MRG, to be delivered to Gaza Province Environmental Department for approval and Environmental licencing.

Marao 6842

- The Magonde, Maduacua and Mandende targets at Marao were previously generated by widespaced grid hand auger drilling over the entire Marao HMS Exploration licence (ASX Announcement 21 July 2022). Limited aircore drilling within these 3 targets showed the Magonde target with the highest and most continuous THM grades.
- A 100-hole hand auger grid infill drilling program will therefore be conducted at the Magonde target.
- Holes with visually estimated (VIS) total heavy >3% total heavy minerals will be sent to the analytical laboratory for analyses.
- Mineralogy will be conducted on HMC to determine the valuable heavy mineral (VHM) content.
- The program will contribute important geological and assay information, potentially allowing a JORC compliant mineral resource estimate (MRE) to be undertaken at Magonde target.

Adriano REE Exploration

MRG completed its successful maiden stream sediment exploration program at its Adriano 11002 REE project in Mozambique. The program comprised 42 samples collected from sites located upstream of branches of the stream drainage system running through the Adriano Exploration Licence (refer ASX Announcement 17 October 2024).

Highlights of the program included:

- All of the samples returned anomalous TREO assay results (16 rare earth oxides).
- 74% of the samples returned >1,000ppm TREOs with a highest result of TREO 32,393 ppm (3.24% TREO), demonstrating the high prospectivity of this tenement.
- Magnet rare earth oxides (MREO: neodymium, praseodymium, dysprosium and terbium) make up approximately 22% of the TREO in the samples.
- 3 of the 42 samples delivered exceptional results:
    - 3.24%, 3.12% and 2.70% TREO respectively;

- Nd+Pr oxides > 350ppm, 21 of the 42 samples exceeded the MREO target with 8 samples >1000ppm; Highest Pr2O3 >1,170ppm (0.117%); and
- Dy+Tb oxides >35ppm, 4 of the 42 samples exceed the MREE target and with 3 of these at >100ppm.

- ZrO2 >13,500ppm (>1.35%), which exceeded the maximum reading of the analytical technique
- Thorium shows a direct correlation with TREO and can be used as an exploration and analytical proxy for REOs going forward.
- A mineralogical study underway has confirmed monazite and zircon grains in the panned concentrate.

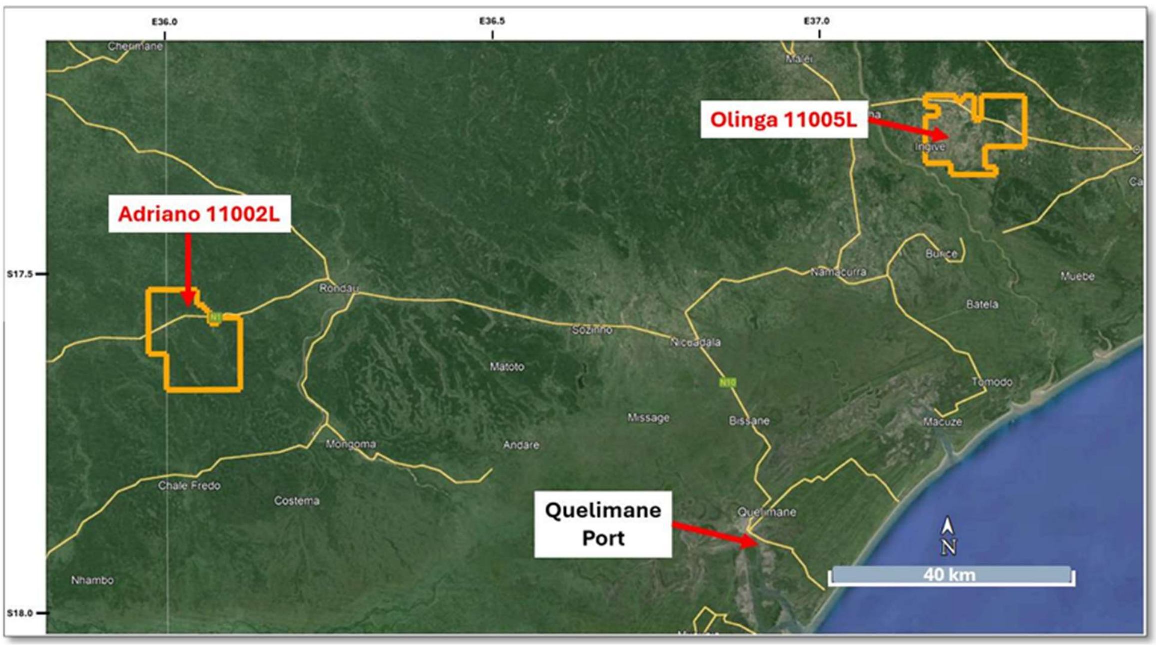

Figure 2: *Map of the location of MRG's Adriano 11002L REE Exploration licences and Olinga 11005L Uranium and Rare Earth Exploration licences (EL); with the port city of Quelimane nearby.*

Follow-up exploration at Adriano will involve:

- Completion of the mineralogical study, which will also analyse the monazite to confirm the REEs in the monazite.
- Closer spaced stream sedimentary sampling in adjacent catchments of samples 2402SED002, 2402SED017 and 2402SED018 to test the primary granite source.
- Ridge and Spur soil and outcrop sampling in the area of the exceptional TREO results.
- Hand-auger drilling around the exceptional TREO results to test for eluvial / alluvial deposits in the soil.
- Hand-auger drilling in the alluvial area in the south of the licence to test the alluvial potential.

Fotinho Exploration Licence Granted

MRG was granted the Fotinho Exploration Licence 11000 (19,865.18 ha) over a newly identified, high potential Thorium (Th) and Rare Earth Element (REE) district in Mozambique (refer ASX Announcement 22 October 2024).

Historical work, which led to the application for Fotinho, detailed the presence of monazite and highly elevated Th and REE grades, with Th assays >1,000 ppm in soil and panned heavy mineral concentrate and 559 ppm in rock (refer ASX Announcement 11 May 2022).

Fotinho is situated 780km North-East of the Company's Corridor Central (11142C) and Corridor South (11137C) Heavy Mineral Sands (HMS) Mining licence applications (MLAs) and 230km North-Northeast of the port city of Beira and 120km from the port of Quelimane.

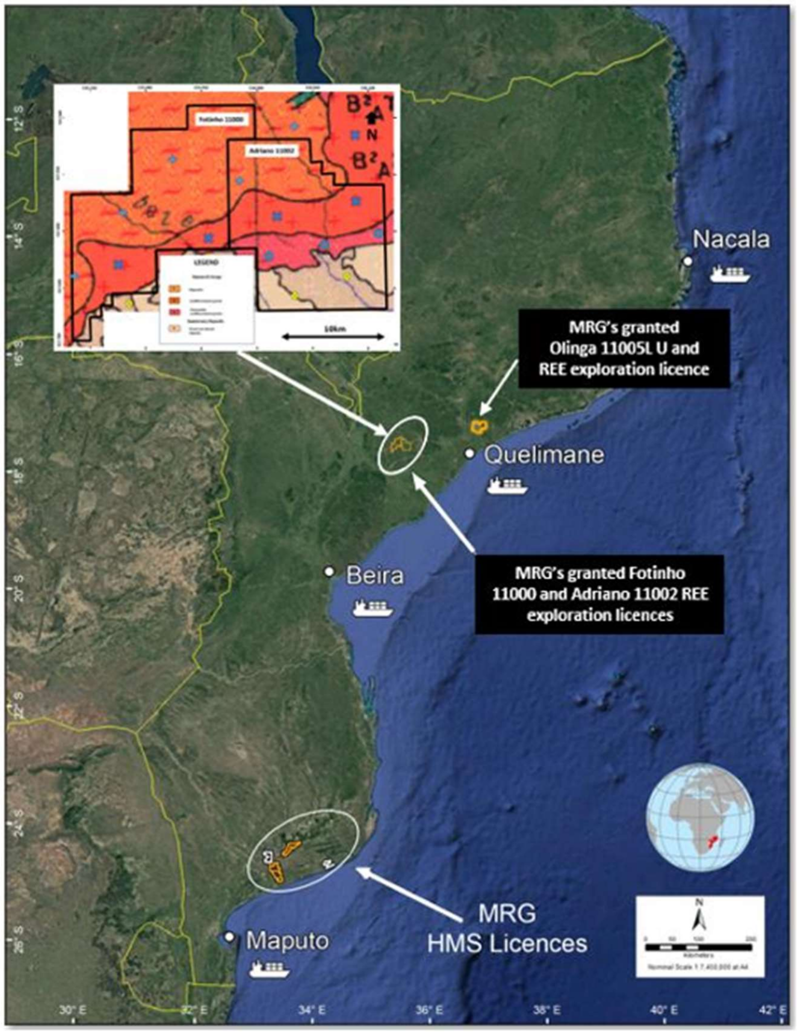

Figure 3: *Map of the location of MRG's new granted Fotinho 11000 Rare Earth Exploration licence (EL), as well as recently granted Adriano 11002L Rare Earth EL and Olinga 11005L REE and U EL in relation to MRGs exiting Heavy Mineral Sands exploration licences and the port city of Beira.*

The combined area of the Fotinho and Adriano projects represents an opportunity for MRG to explore a newly identified, virtually unexplored mineral district of high potential for rare earth deposits discovery, under 100% owned title.

ZIMBABWE

Shawa Carbonatite Complex

MRG announced assay results of Phase 2 exploration at the Shawa Carbonatite Mining Licences in Zimbabwe (refer ASX Announcement 11 November 2024). The assay results are from collected outcrop, subcrop (from a pitting program) and soil samples (refer Figure 1, ASX Announcement 21 February 2024) and follow the reported portable XRF (pXRF) results for the exploration program (refer ASX Announcement 1 July 2024 for the pXRF results).

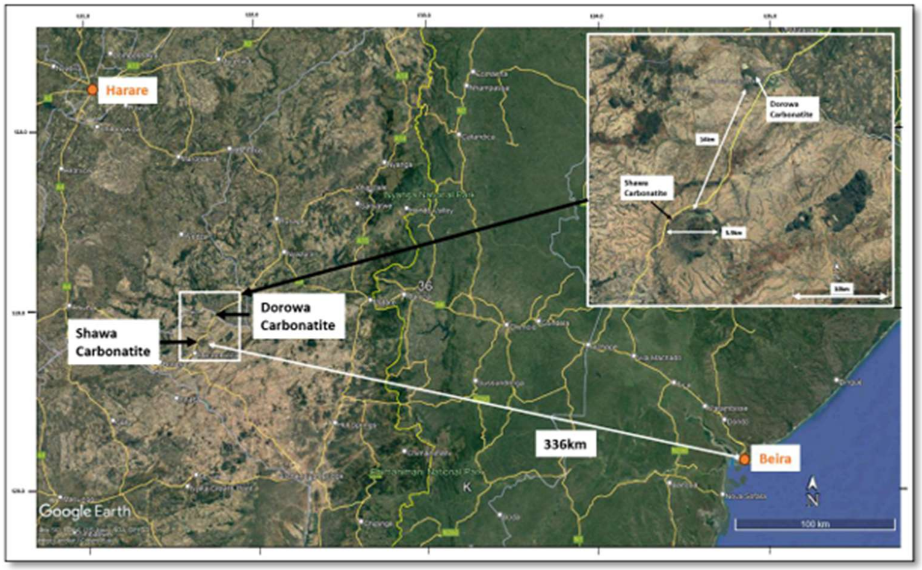

Figure 3: *Shawa Carbonatite in relation to Harare and the Mozambican Beira Port shown on Google Earth image, yellow roads national tar roads. Insert of Shawa and adjacent Dorowa carbonatites.*

Key highlights from the results included:

- Laboratory assay results confirm previously reported, highly anomalous portable XRF (pXRF) results
  - Very high P2O5 assay results from outcrop/subcrop samples up to 17.24% P2O5, with 21 of the 163 outcrop samples returning assays >3% P2O5.
  - Very high P2O5 assays from soil samples up to 8.04% P2O5, with 96 of the 292 soil samples returning assays >1% P2O5.
  - Phosphate targets, both outcrop and soil have now been identified for trenching and drilling.
  - TREO assay results up to 2,522ppm in outcrop/subcrop (11 samples >1000ppm) and 1,103ppm in soil samples:
    - MREO assay results (Nd+Pr+Tb+Dy oxides) in outcrop/subcrop up to 508ppm (6 samples >300ppm); and up to 295ppm in soils;
    - Assays for NdPr oxides in outcrop/subcrop up to 300ppm; and
    - Assays for TbDy oxides in outcrop/subcrop up to 315ppm.
  - Sr in 5 outcrop/subcrop samples assayed >5,000ppm (detection limit), with assays up to 1,366ppm in sieved soil samples.
  - Nb oxide assays up to 658ppm in outcrop/subcrop and 919ppm in soil samples.
  - Fe for 5 samples in outcrop/subcrop and 10 in soil assayed above detection of 25%.
  - Ba oxide as high as >50,000ppm in outcrop/subcrop (detection limit) and 22,345ppm in soil.
- Carbonatite expert Pete Siegfried reviewed the assay results and made the following comments and recommendations:
  - Clear association of the REO-enriched areas with Ca-enriched dolomite carbonatite;
  - A number of high Nd samples show enrichment in intermediate and heavy REE; and
  - Plotts of LREE vs HREE indicate multiple mineral control and probable presence of monazite and xenotime.
- Mineralogical studies to be conducted during the next phase of exploration to define the mineral assemblage of the REEs (monazite vs xenotime and the REE composition of each), Sr (Sr in strontianite or celestite) and the REE composition of the apatite.

The laboratory assay confirmation of the previously reported pXRF results has reinforced the potential for a significant phosphate and rare earths discovery at Shawa. The Company is now in the process of finalising its next phase of exploration in Zimbabwe which will include:

- Target testing by trenching the phosphate targets, both outcrop and soil, followed by Reverse Circulation (RC) drilling to test tonnage and grade continuity;
- Anthill sampling for residual minerals (apatite, monazite, pyrochlore, vermiculite and heavy minerals including magnetite) and to generate apatite concentrate for chemical analysis to determine the REE content of the apatite; and
- Analytical techniques will need to analyse for higher grade samples, which are reporting above the upper detection limits using current techniques. For full results see ASX Announcement 11th November 2024, "High Grade Phosphate and Ree Assays at Shawa Carbonatite Mining Licences, Zimbabwe".

AUSTRALIA

WESTERN AUSTRALIA LITHIUM ACQUISITION

In December 2023, MRG entered into a Binding Head of Agreement (**HOA**) to acquire 100% of two Western Australian lithium projects located in Lake Johnston and Forrestania.

The Lake Johnston tenement, targeting 136km² of key geological features is not only adjacent to TG Metals Limited's (ASX:TG6) Burmeister Project, but lies in the immediate vicinity of recent lithium (spodumene) discoveries and the NW-SE trending Lake Johnston regional belt. The tenement has 22km of N-S strike along the granite contact.

The Forrestania tenement, targeting 26km² of tenure on a splay structure adjacent to the main Forrestania mineralised belt near Lanthanein Resources Limited's (ASX:LNR) recent acquisition, covers 12km of N-S strike of mapped remnant greenstone (GSWA).

No work was carried out at the Company's Australian projects during the Reporting period.

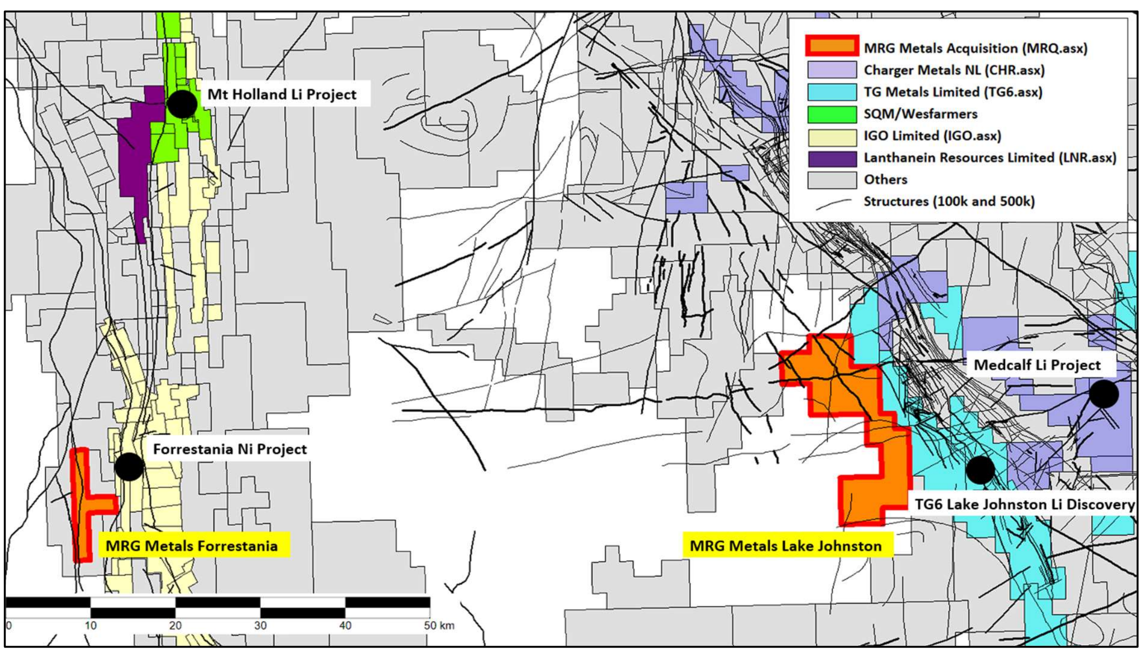

***Figure 14**: Location of the Forrestania (left) and Lake Johnston Projects (right).*

TENEMENTS:
The Tenements held by the Company at 31 December 2024 are as follows:

Project	Tenement	% Owned	Note
Norrliden	K nr 1	10	Granted
Malanaset	nr 100	10	Granted
Malanaset	nr 101	10	Granted
Corridor Central	11142C	100	Mining Concession Granted
Corridor South	11137C	100	Mining Concession Application
Corridor North	10779L	100	
Linhuane	7423L	100	Application
Marao	6842L	100	Granted
Adriano	11002L	100	Granted
Fotinho	11000L	100	Granted
Olinga	11005L	100	Granted
Lake Johnston	E63/2394	100	Application
Lake Johnston	E63/2446	100	Application
Forrestania	E77/3164	100	Application

The information in this report, as it relates to Mozambique Exploration Results is based on information compiled and/or reviewed by Mr JN Badenhorst, who is a member of the South African Council for Natural Scientific Professions (SACNASP) and the Geological Society of South Africa (GSSA). Mr Badenhorst is a contracted consultant of the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which has been undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Badenhorst consents to the inclusion in this report of the matters based on the information in the form and context in which they appear.

Forward Looking Statement
All statements other than statements of historical fact included in this announcement including, without limitation, statements regarding future plans and objectives of MRG Metals Ltd ('MRG' or 'Company') are forward-looking statements. When used in this announcement, forward-looking statements can be identified by words such as "anticipate", "believe", "could", "estimate", "expect", "future", "intend", "may", "opportunity", "plan", "potential", "project", "seek", "will" and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this announcement, are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, its Directors and management of MRG that could cause MRG's actual results to differ materially from the results expressed or anticipated in these statements. The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. MRG does not undertake to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this announcement, except where required by applicable law and stock exchange listing requirements.

Director details

The following persons were directors of MRG Metals Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

- Mr Andrew Van Der Zwan
- Mr Christopher Gregory
- Mr Shane Turner

Principal activities

During the period, the principal activities of entities within the Group were exploration and development of Heavy Mineral Sands and Rare Earth Elements in Mozambique; a Carbonatite Complex in Zimbabwe and Lithium in Western Australia.

Review of operations and financial results

The operating result from continuing operations of the Group for the half year was a loss of $309,976 (31 December 2023 loss $322,588). The operating result from discontinued operations of the Group for the half year was a loss of $310,602 (31 December 2023 loss $82,897).

Earnings per share from continuing operations during the half year were (0.01 cents) (31 December 2023 (0.015 cents)). Earnings per share from discontinued operations during the half year were (0.01 cents) (31 December 2023 (0.004 cents)).

Significant changes in the state of affairs

During the period, the conditions precedent of the SLC JV were met and actions taken to progress the joint venture agreement.

On 10 July 2024, MRG issued 186 million fully paid ordinary shares at $0.0045, with 1 for 1 free attaching options, raising $0.8 million.

On 23 October 2024, MRG issued 15 million fully paid ordinary shares at $0.004 in connection with the acquisition of the Australian Lithium Project.

Dividends

There were no dividends declared or paid during the half year.

Events arising since the end of the reporting period

On 7 January 2025, a mining concession was granted for Corridor Central, 11142C.

No other significant events have arisen since 31 December 2024.

Auditor’s independence declaration

A copy of the auditor’s independence declaration as required under s307C of the Corporations Act 2001 is set out immediately after this directors’ report.

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

Shane Turner
Director, Melbourne

Date: 14 March 2025

William Buck
ACCOUNTANTS & ADVISORS

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of MRG Metals Limited

As lead auditor for the review of MRG Metals Limited for the half-year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of MRG Metals Ltd and the entities it controlled during the period.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

J. C. Luckins
Director
Melbourne, 14 March 2025

Statement of Profit or Loss and Other Comprehensive Income

For the half-year ended 31 December 2024

	Notes	Consolidated	
		31 December 2024 $	31 December 2023 $
Interest income		4,238	4,872
Foreign exchange gain/(loss)		6,174	(13,280)
Employee benefits expense		(122,045)	(104,010)
Consultants expense		(5,161)	(14,508)
Exploration expenses		(77,916)	(81,206)
Administration expenses		(115,266)	(114,456)
Loss before tax from continuing operations		**(309,976)**	**(322,588)**
Income tax expense		-	-
Loss after income tax expense from continuing operations		**(309,976)**	**(322,588)**
Loss after income tax expense from discontinued operations	12	**(310,602)**	**(82,897)**
Loss after income tax expense for the half-year		**(620,578)**	**(405,485)**
Other comprehensive income, net of tax		-	-
Total comprehensive loss for the half-year attributable to the owners of MRG Metals Limited		**(620,578)**	**(405,485)**
		Cents	**Cents**
Loss per share attributable to the owners of MRG Metals Limited			
Basic loss per share / Diluted loss per share	4	(0.02)	(0.019)
Basic loss per share			
Loss from continuing operations	4	(0.01)	(0.015)
Loss from discontinued operations	4	(0.01)	(0.004)
Diluted loss per share			
Loss from continuing operations	4	(0.01)	(0.015)
Loss from discontinued operations	4	(0.01)	(0.004)

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 31 December 2024

		Consolidated	
Assets	**Notes**	**31 December 2024 $**	**30 June 2024 $**
Current			
Cash and cash equivalents		613,702	359,546
Other receivables		46,969	403,012
Non-current assets classified as held for sale	3, 12	6,286,528	-
Current assets		6,947,199	762,558
Non-current			
Plant & equipment		17,193	28,859
Exploration and evaluation	3	325,554	6,416,262
Non-current assets		342,747	6,445,121
Total assets		7,289,946	7,207,679
Liabilities			
Current			
Trade and other payables		81,996	223,536
Current liabilities		81,996	223,536
Total liabilities		81,996	223,536
Net assets		**7,207,950**	**6,984,143**
Equity			
Issued capital	6	30,561,860	29,722,256
Reserves		317,464	312,683
Accumulated losses		(23,671,374)	(23,050,796)
Total equity		**7,207,950**	**6,984,143**

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the half-year ended 31 December 2024

Consolidated	Issued capital	Reserves	Accumulated losses	Total equity
	$	$	$	$
Balance at 1 July 2023	28,638,645	312,683	(22,203,742)	6,747,586
Loss after income tax expense for half year	-	-	(405,485)	(405,485)
Total comprehensive loss for the period	-	-	(405,485)	(405,485)
Transactions with owners in their capacity as owners				
Contributions of equity, net of transaction costs	993,033	-	-	993,033
Balance at 31 December 2023	**29,631,678**	**312,683**	**(22,609,227)**	**7,335,134**
Balance at 1 July 2024	29,722,256	312,683	(23,050,796)	6,984,143
Loss after income tax expense for half year	-	-	(620,578)	(620,578)
Total comprehensive loss for the period	-	-	(620,578)	(620,578)
Transactions with owners in their capacity as owners				
Contributions of equity, net of transaction costs (note 6)	839,604	-	-	839,604
Share based payments	-	4,781	-	4,781
Balance at 31 December 2024	**30,561,860**	**317,464**	**(23,671,374)**	**7,207,950**

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the half-year ended 31 December 2024

	Consolidated	
	31 December 2024 $	**31 December 2023 $**
Operating activities		
Interest received	4,238	4,872
Management fees received	89,406	-
Payments to suppliers and employees	(423,196)	(305,588)
Expensed exploration costs	(77,916)	(81,206)
Net cash used in operating activities	(407,468)	(381,922)
Investing activities		
Payment for term deposit	-	23,096
Payment for exploration & evaluation	(187,143)	(267,764)
Net cash used in investing activities	(187,143)	(244,668)
Financing activities		
Proceeds from issue of capital (note 6)	801,000	1,000,000
Payment of transaction costs (note 6)	(26,196)	(28,023)
Utilisation of JV funds on trust	(74,974)	-
JV funds received	148,937	-
Net cash from financing activities	848,767	971,977
Net change in cash and cash equivalents	254,156	345,387
Cash and cash equivalents, beginning of period	359,546	575,046
Cash and cash equivalents, end of period	613,702	920,433

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

1 Nature of operations

During the period, the principal activities of entities within the Group were exploration for and development of Heavy Mineral Sands and Rare Earth Elements within Mozambique; a Carbonatite Complex in Zimbabwe and Lithium in Western Australia.

2 Material accounting policy information

(a) Statement of compliance

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half-year financial report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report and public announcements made in accordance with ASX continuous disclosure obligations.

(b) Basis of preparation

The condensed financial statements have been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets.

The same accounting policies and methods of computation are followed in the half-year financial report as compared with the Company's most recent annual financial report, for the financial year ended 30 June 2024, except as noted below.

New standards adopted as at 1 July 2024:

The Group 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. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group during the half-year ended 31 December 2024 and are not expected to have any significant impact for the full financial year ending 30 June 2025.

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

Going Concern

The financial report has been prepared on the going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Group recorded a loss after tax of $620,578 (which included an impairment charge against VAT receivable of $414,599) and net cash outflows from operating and investing activities were $594,611 for the half year ended 31 December 2024. The Group's financial position as at 31 December 2024 was as follows:

- The Group had available cash reserves of $613,702;
- The Group's current assets of $6,947,199 exceed current liabilities of $81,996 by $6,865,203;
- The Group's main activity is exploration and development and as such it does not presently have a source of operating income, rather it is reliant on equity raisings or funds from other external sources to fund its activities, except that it is expected to receive management fees from the Joint Venture during the next six months of USD$90,000.
- Under the Joint Venture entered into on 12 June 2024, MRG has been funded for in country costs for its HMS projects for USD$25,000 per month for six months. Now the Joint Venture is funding

all costs of the HMS projects. In addition, MRG has been paid management fees of USD$15,000 per month since 12 June 2024 and that continues for 12 months from that date.

Current forecasts indicate that cash on hand as at 31 December 2024 will not be sufficient to fully fund the planned exploration and operational activities during the next twelve months.

The Group's position as at 28 February 2025 was as follows:

- The Group had available cash reserves of $421,692;
- The Group continued to have a positive working capital position; and
- There have been no material changes to the Group's liabilities or non-cancellable commitments since 31 December 2024.

These factors indicate a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Directors are confident that the Group will be able to secure sufficient funds through an equity raise or reduce or defer expenditure to ensure that the Group can meet essential operational and expenditure commitments for at least the next twelve months.

Accordingly, the financial statements for the half year ended 31 December 2024 have been prepared on a going concern basis as, in the opinion of the Directors, the Group will be in a position to continue to meet its essential operating costs and pay its debts as and when they fall due for at least twelve months from the date of this report.

3 Exploration and evaluation assets and non current assets held for sale

	Consolidated 31 December 2024 $	Consolidated 30 June 2024 $
Mozambique:		
Opening balance	6,336,650	5,794,788
Other exploration costs	135,391	541,862
Transfer to non current assets held for resale	(6,286,528)	-
Closing balance	**185,513**	**6,336,650**
Australia:		
Opening balance	79,612	-
Acquisition costs	60,000	46,265
Other exploration costs	429	33,347
Closing balance	**140,041**	**79,612**
Total:	**325,554**	**6,416,262**
Non current assets held for sale	**6,286,528**	**-**

The conditions precedent of the Joint Venture Agreement are now complete and as a result the HMS tenements held in the respective Sofala entities are now presented as Held For Sale. Refer to Note 12 for further information on the discontinued operations and held for sale.

4 Earnings per share

The weighted average number of shares for the purposes of the calculation of diluted earnings per share can be reconciled to the weighted average number of ordinary shares used in the calculation of basic earnings per share as follows:

	Consolidated 6 months to 31 December 2024 $	Consolidated 6 months to 31 December 2023 $
Loss from continuing operations	(309,976)	(322,588)
Loss from discontinued operations	(310,602)	(82,897)
Loss after income tax attributable to ordinary equity holders of the company	(620,578)	(405,485)
Weighted average number of shares used in basic earnings per share	2,708,107,757	2,178,690,367
Weighted average number of shares used in diluted earnings per share	2,708,107,757	2,178,690,367
Earnings Per Share attributable to ordinary equity holders of the company	(0.02) cents	(0.019) cents
Diluted Earnings Per Share attributable to ordinary equity holders of the company	(0.02) cents	(0.019) cents
Earnings Per Share from continuing operations	(0.01) cents	(0.015) cents
Diluted Earnings Per Share from continuing operations (a)	(0.01) cents	(0.004) cents
Earnings Per Share from discontinued operations	(0.01) cents	(0.015) cents
Diluted Earnings Per Share from discontinued operations (a)	(0.01) cents	(0.004) cents

(a) The rights to options held by option holders have not been included in the weighted average number of ordinary shares for the purposes of calculating diluted EPS as they do not meet the requirements for the inclusion in AASB 133 "Earnings per Share". The rights to options are non-dilutive as the Group is loss generating. Diluted earnings per share is the same as basic earnings per share due to the loss for the period.

5 Dividends

There were no dividends declared or paid during the current or previous half year.

6 Equity

The share capital of MRG Metals Ltd consists of fully paid ordinary shares, the shares do not have a par value. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at the shareholders' meeting of MRG Metals Ltd.

	Consolidated			
	31 December 2024 Shares	1 July 2024 Shares	31 December 2024 $	1 July 2024 $
Ordinary shares – fully paid	2,726,518,626	2,525,118,628	30,561,860	29,722,256

Details	**Date**	**Shares**	**Issue Price Cents**	**$**
Balance	1 Jul 2024	**2,525,118,628**		**29,722,256**
Capital Raising - placement	10 Jul 2024	186,699,998	0.045	838,800
Issue of Ordinary Shares - Lithium	23 Oct 2024	15,000,000	0.04	60,000

Costs of shares issued	-	-	(59,196)
Balance	**2,726,518,626**		**30,561,860**

7 Operating segments

During the period, the Group was organised into two operating segments, which is the exploration for and development of Heavy Mineral Sands and Rare Earth Elements within Mozambique and the exploration of lithium in Australia. These operating segments are 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. Non current assets excluding financial instruments are located in Mozambique and Australia.

Consolidated – 31 December 2024	**Mozambique $**	**Australia $**	**Total $**
Continuing operations			
Segment result	-	(309,976)	(309,976)
Loss before income tax expense			(309,976)
Income tax expense			-
Loss after income tax expense			(309,976)

Consolidated - 31 December 2023	**Mozambique $**	**Australia $**	**Total $**
Continuing operations			
Segment result	-	(322,588)	(322,588)
Loss before income tax expense			(322,588)
Income tax expense			-
Loss after income tax expense			(322,588)

	Consolidated	
	31 Dec 2024 $	**30 June 2024 $**
Mozambique	214,729	6,756,508
Mozambique – held for sale	6,286,528	-
Australian	788,689	451,171
Total segment assets	7,289,946	7,207,679

	Consolidated	
	31 Dec 2024 $	**30 June 2024 $**
Mozambique	15,402	43,003
Mozambique – held for sale	-	-
Australia	66,594	180,533
Total segment liabilities	81,996	223,536

8 Commitments for expenditure

	Consolidated	
	31 December 2024	30 June 2024
	$	$
Exploration and evaluation:		
Within 12 months	135,210	172,011
After 12 months but not later than 5 years	-	688,044
Exploration and evaluation:		

In order to maintain current rights of tenure for exploration tenements, the Group is required to meet the minimum exploration requirements of the Mining Department.

As part of the Joint Venture agreement, all HMS Projects are to be kept in good standing by the Joint Venture; are no longer a commitment of MRG.

9 Related parties

The Parent entity is MRG Metals Ltd.

MRG Metals Ltd owns 100% of the shares of MRG Metals (Australia) Pty Ltd. (2023 100%)

MRG Metals Ltd owns 100% of the shares of MRG Metals (Exploration) Pty Ltd. (2023 100%)

MRG Metals Ltd owns 100% of the shares of Lake Hope Lithium Pty Ltd. (2023 100%)

MRG Metals Ltd owns 100% of the shares of Sofala Resources Pty Ltd. (2023 100%)

Sofala Resources Pty Ltd owns 99% of the shares of Sofala Mining & Exploration Lda. (2023 99%), Sofala Mining & Exploration I Lda, Sofala Mining & Exploration II Lda, Sofala Mining & Exploration III Lda, Sofala Mining & Exploration IV Lda, Sofala Mining & Exploration V Lda, Sofala Mining & Exploration VI Lda, Sofala Mining & Exploration VII Lda, Sofala Mining & Exploration VIII Lda, Sofala Mining & Exploration IX Lda and Sofala Mining & Exploration X Lda (Mozambique Companies).

Under Mozambique Mining Legislation a separate Company is required for each tenement licence or application.

MRG Metals (Australia) Pty Ltd, and MRG (Exploration) Pty Ltd have no Assets or Liabilities.

Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received.

The following transactions occurred with related parties:

Payment for goods and services:

The Group used the accounting services from Mr. Turner. The amounts billed were based on normal market rates and amounted to $14,000 for the six months (2023 $14,000).

Receivable from and payable to related parties

There were no trade receivable from or trade payables to related parties.

Loans to/from related parties

There were no loans to or from related parties at the reporting date.

Terms and conditions

All transactions are made on normal commercial terms and conditions and at market rates.

10 Contingent assets and contingent liabilities

There were no contingent assets or liabilities as at 31 December 2024 (30 June 2024: Nil).

11 Events after the reporting date

On 7 January 2025, a mining concession was granted for Corridor Central, 11142C.

No other significant events have arisen since 31 December 2024.

12 Discontinued operations and held for sale

A Joint Venture agreement was signed between MRG Metals Limited ("MRG") and Sinowin Lithium Co ("SLC") Limited. On 10 September 2024 the conditions precedent of the Joint Venture Agreement were satisfied and as a result the tenements held in the respective Sofala entities of the Joint Venture agreement are now presented as discontinued operations in the statement of profit and loss and other comprehensive income and as held for sale in the statement of financial position.

The transaction is awaiting tax assessment from the Mozambique Government, prior to the simultaneous transfer of the tenements from MRG and SLC's contribution of US$3 million, the first part of an initial US$6M injection into the JV Trust Account, being working capital.

	Consolidated	
	31 December 2024	**31 December 2023**
	$	**$**
Management fees received from Joint Venture	121,117	-
Consultants expense	(17,160)	(82,897)
Impairment of VAT receivable	(414,559)	-
Loss before income tax expense	**(310,612)**	**(82,897)**
Income tax expense	-	-
Loss after income tax expense from discontinued operation	**(310,612)**	**(82,897)**

Cash flow information

	Consolidated	
	31 December 2024	**31 December 2023**
	$	**$**
Net cash from operating activities	103,957	(82,897)
Net cash used in investing activities	-	-
Net cash used in financing activities	-	-
Net increase/(decrease) in cash and cash equivalents from discontinued operations	103,957	(82,897)

Carrying amounts of assets and liabilities held for sale

	Consolidated	
	31 December 2024	**31 December 2023**
	$	**$**
Exploration and evaluation	6,286,528	-

Directors' declaration

In the opinion of the directors of MRG Metals Limited:

- 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 2024 and of its performance for the half-year ended on that date; and

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

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

On behalf of the directors

Shane Turner
Director

Dated at Melbourne, the 14th day of March 2025.

William Buck
ACCOUNTANTS & ADVISORS

Independent auditor's review report to the members of MRG Metals Limited

Report on the half-year financial report

Our conclusion

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 MRG Metals Limited (the Company), and its subsidiaries (the Group) does not comply with the Corporations Act 2001, including:

- giving a true and fair view of the Group's financial position as at 31 December 2024 and of its financial performance for the half-year then ended; and
- complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001.*

What was reviewed?

We have reviewed the accompanying half-year financial report of the Group, which comprises:

- the consolidated statement of financial position as at 31 December 2024,
- the consolidated statement of profit or loss and other comprehensive income for the half-year then ended,
- the consolidated statement of changes in equity for the half-year then ended,
- the consolidated statement of cash flows for the half-year then ended,
- notes to the financial statements, including material accounting policy information, and
- the directors' declaration.

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 Group 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 our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

William Buck
ACCOUNTANTS & ADVISORS

Material uncertainty related to going concern

We draw attention to Note 2 in the half-year financial report, which indicates that the Group incurred a net loss after tax of $620,578 during the period ended 31 December 2024 and net cash outflows from operating and investing activities were $594,611 for the half year ended 31 December 2024. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Responsibilities of the directors for the half-year 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 responsibilities for the review of the half-year 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 Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

J. C. Luckins
Director
Melbourne, 14 March 2025