



FINANCIAL STATEMENTS

For the year ended 30 June 2023

ABN 12 143 890 671

CONTENTS

CORPORATE DIRECTORY.....	2
CHAIRMAN'S LETTER.....	3
REVIEW OF OPERATIONS.....	4
DIRECTORS' REPORT.....	9
AUDITOR'S INDEPENDENCE DECLARATION.....	31
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2023.....	32
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023.....	33
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023.....	34
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023.....	35
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023.....	36
DIRECTORS' DECLARATION.....	65
INDEPENDENT AUDITOR'S REPORT.....	66

CORPORATE DIRECTORY

DIRECTORS

Graham Ascough	Non-Executive Chairman
Robert Waugh	Managing Director
Mark Zeptner	Non-Executive Director
Tim Manners	Non-Executive Director
Alan Thom	Non-Executive Director

COMPANY SECRETARIES

Patricia (Trish) Farr
Richard Jones

REGISTERED OFFICE & PRINCIPAL PLACE OF BUSINESS

Ground Floor, 5 Ord Street
West Perth, WA 6005

Telephone: +61 (8) 9324 1061
Facsimile: +61 (8) 9324 1014
Email: info@musgraveminerals.com.au
Web: www.musgraveminerals.com.au

AUDITOR

BDO Audit (WA) Pty Ltd
Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth, WA 6000

LEGAL ADVISORS

Thomson Geer
Level 29, Central Park Tower,
152-158 St Georges Terrace
Perth, WA 6000

SHARE REGISTRY

Computershare Investor Services Pty Ltd
Level 11, 172 St Georges Terrace
Perth, WA 6000

Telephone: +61 (8) 9323 2000
Facsimile: +61 (8) 9323 2033

SECURITIES EXCHANGE LISTING

The Company is listed on the Australian Securities Exchange Ltd ("ASX")

Home Exchange: Perth, Western Australia
ASX Code: MGV

CHAIRMAN'S LETTER

On behalf of the Board of Directors, it is my pleasure to present the 2023 Annual Report for Musgrave Minerals Limited ("Musgrave" or "Company").

The Company's Cue Gold Project ("Cue") in the well-endowed, gold producing Murchison region of Western Australia, continues to deliver new discoveries and is the focus of the Company. The outstanding success of our exploration programs since acquiring an interest in Cue have grown the Mineral Resource base to 12.3Mt @ 2.3g/t Au for 927koz of contained gold. Significantly, the near surface high-grade Break of Day Trend is now estimated to host 982kt @ 10.4g/t Au for 327koz of contained gold.

In April of 2023, the Company released a Stage 1 PFS for the Cue Gold Project which indicates a financially attractive standalone project with an initial 5-year life of mine (LOM) demonstrating low cost, high margin gold production. On delivery of the PFS our focus turned to upgrading and expanding gold resources through infill and extensional drilling to extend and sustain mine life.

Exploration success continues at Cue and recent drilling in new prospect areas has returned several impressive gold intersections demonstrating the potential for additional resource growth.

Strong infill drilling results at Break of Day, White Heat, Lena, Big Sky and Leviticus are also encouraging for future resource conversion (Inferred to Indicated) and development plans. Grade control drilling was recently completed for the top 30m at Starlight on selected gold lodes at the Break of Day and White Heat deposits in preparation for future mining studies prior to development of the Cue Gold Project.

On 3 July 2023 Ramelius Resources Ltd announced an off-market takeover offer ("Ramelius Offer") for all the ordinary shares in Musgrave ("Ramelius Offer"). Under the terms of the Ramelius Offer, Musgrave shareholders will receive one (1) Ramelius share for every 4.21 Musgrave Shares held and \$0.04 (4 cents) in cash for every Musgrave Share held.

The Musgrave Directors considered the advantages and disadvantages of the Ramelius Offer and unanimously recommend that shareholders accept the Ramelius Offer, in the absence of a Superior Proposal. Musgrave Directors confirmed that they had accepted the Ramelius Offer for all the Musgrave Shares they own or control. On 28th August 2023 Ramelius declared the Takeover Offer for Musgrave unconditional. The Offer closed on 15th September 2023 and at that time Ramelius had a relevant interest in Musgrave of over 90%. On 19th September 2023 Ramelius announced the lodgement of a notice of compulsory acquisition of the remaining Musgrave shares and the Company's shares were suspended from quotation on 26th September 2023.

The Board of Musgrave believe that this is a sensible and complementary consolidation, given the Cue Gold Project is proximal to Ramelius' flagship Mt Magnet operations. Musgrave shareholders will have the ability to benefit from continued exposure to the upside potential of the high-grade Cue Gold Project and an enhanced Mt Magnet operation as a long life, strong cashflow generating production centre.

I would like to take this opportunity, on behalf of the Board, to thank all our Shareholders for their support over the years. I would also like to thank the staff, management, contractors and my fellow Directors for their ongoing efforts.

A handwritten signature in black ink, appearing to read "G. Ascough".

Graham Ascough
Chairman

REVIEW OF OPERATIONS

Musgrave Minerals Ltd (“Musgrave” or “the Company”) (ASX: MGV) is an Australian resources company with the aim of building a sustainable and profitable gold mining business driven by exploration and development success. Our main focus is gold exploration and development at the Cue Project in the Murchison Province of Western Australia.

Exploration activities for the financial year have been focused on gold exploration and prefeasibility level studies at Cue, aimed at de-risking and defining the financial viability of the project. In April 2023, the Company completed a Stage 1 prefeasibility study (“PFS”) at Cue which defined a financially robust standalone development opportunity.

Musgrave has an estimated 927koz of gold in resources on the Cue Project and completed more than 45,000m of drilling during the year. The total Indicated and Inferred JORC Mineral Resources on the project are 12.3Mt @ 2.3g/t Au for 927,000 ounces of gold (*see MGV ASX announcement 31 May 2022, “Cue Mineral Resource Increases to 927,000 Ounces”*). The Stage 1 PFS highlighted strong financial metrics for a standalone development at Cue:

- 5-year LOM undiscounted, pre-tax free cash flow of \$314M
- Pre-tax NPV₈ of \$235M, with an IRR of 95% (\$215M and 91% post-tax)
- Payback period of 9 months
- EBITDA of \$528M, with a C1 cost of A\$934/oz
- Average LOM AISC of A\$1,315/oz
- Stage 1 PFS gold production of 337,000oz (345,000oz mined) with the initial 3 years averaging 80,000oz/year

(See MGV ASX announcement dated 17 April 2023, “Stage 1 PFS demonstrates potential value of Cue Gold Project”)

Drilling also highlighted further exploration upside potential at the Amarillo, Waratah and Break of Day North prospects. At Amarillo new intersections include:

- 8m @ 4.6g/t Au from 34m (22MORC371)
- 6m @ 3.4g/t Au from 48m (22MORC363), and
- 5m @ 3.0g/t Au from 57m (22MORC363)

At Waratah new intersections include:

- 4m @ 29.9g/t Au from 17m (22MORC228)
- 3m @ 9.8g/t Au from 12m (22MORC231)
- 3m @ 8.4g/t Au from 43m (22MORC348)

At Break of Day North new intersections include:

- 3m @ 8.4g/t Au from 43m (22MORC348)
- 4m @ 8.2g/t Au from 50m (22MORC413)

(See MGV ASX announcements 19 September 2022 and 23 February 2023)

Strong infill drilling results at Break of Day, White Heat, Lena, Big Sky and Leviticus are also encouraging for future resource conversion (Inferred to Indicated) and development plans. Grade control drilling was completed at Starlight, Break of Day in preparation for future mining studies prior to development of the Cue Gold Project. Strong reverse circulation drilling results have confirmed the high gold endowment in the top 30m at Starlight.

On The Evolution joint venture, Evolution completed the \$18 million earn-in requirement to earn a 75% ownership interest in the project and the joint venture formed on 16 December 2022. On 20 July 2023, Evolution announced a maiden Inferred Mineral Resource Estimate at West Island. The West Island maiden Inferred Mineral Resource is estimated at 1.7Mt @ 2.6g/t gold for 142,000 ounces on a 100% basis (see *EVN ASX announcement dated 20 July 2023, "Ernest Henry Drill Results and Cue JV Update"*). Musgrave holds a 25% attributable interest.

Off-Market Takeover Offers

On 6 June 2023 the Company received an unsolicited off-market all script takeover offer from Westgold Resources Ltd ("Westgold Offer") for all the ordinary shares in Musgrave. The proposed offer consideration was one (1) Westgold share for every 5.37 Musgrave shares held. The Musgrave Board recommended shareholders reject the Westgold Offer. The Westgold Offer closed on 24 July 2023.

On 3 July 2023 Ramelius Resources Ltd announced an off-market takeover offer ("Ramelius Offer") all the ordinary shares in Musgrave ("Ramelius Offer"). Musgrave directors unanimously recommended that shareholders accept the Ramelius Offer, in the absence of a superior proposal (*See RMS and MGJV joint ASX announcement dated 3 July 2023, "Ramelius makes recommended takeover offer for Musgrave"*). Under the terms of the Ramelius Offer, Musgrave shareholders will receive one (1) Ramelius share for every 4.21 Musgrave Shares held and \$0.04 (4 cents) in cash for every Musgrave Share held. Musgrave Directors have confirmed that they have accepted the Ramelius Offer for all the Musgrave Shares they own or control.

The Ramelius Bidders' Statement was released on 11 July 2023 and the Company's Target's Statement was released on 13 July 2023 (supplemented by a supplementary target's statement on 17 July 2023) in response to the off-market takeover offer by Ramelius Resources Limited (through its wholly owned subsidiary, Mt Magnet Gold Pty Ltd) for all the issued ordinary shares in Musgrave (*see MGJV ASX announcements dated 13 July 2023, "Target's Statement" and 17 July 2023, "First Supplementary Target's Statement"*). On 15 September 2023 Ramelius announced that they had acquired a relevant interest in excess of 90% of Musgrave shares and on 19 September 2023 announced the lodgement of a notice of compulsory acquisition of the remaining Musgrave shares. The Ramelius Offer closed at 7pm (Sydney time) on 15 September 2023.

Environment-Social-Governance (ESG)

Musgrave is focused on ensuring its sustainability goals govern the way we act, now and into the future and have aligned our development studies with our ESG objectives. This involves engaging key stakeholders in the development of the project, assessing low carbon emission hybrid power options, and implementing site layout and infrastructure plans that minimise the impact to the environment. During the quarter the Company entered a sale and purchase agreement for the acquisition of Wanarie Pastoral Station which encompasses the Cue Gold Project. A sustainability review has identified key topics for our ongoing focus throughout the business. We will continue to safely and responsibly advance the Cue Gold Project to deliver our business goals with environmental, social and governance considerations integrated into our decision making.

TABLE 1: SUMMARY OF JORC RESOURCES FOR THE CUE PROJECT

Mineral Resources

Gold Mineral Resources

Deposit	Indicated Resources			Inferred Resources			TOTAL RESOURCES		
	Tonnes '000s	Au g/t	Ounces Au '000s	Tonnes '000s	Au g/t	Ounces Au '000s	Tonnes '000s	Au g/t	Ounces Au '000s
Moyagee – Break of Day High-Grade Trend									
Break of Day	451	12.1	176	346	7.7	86	797	10.2	262
White Heat-Mosaic	116	14.1	52	70	5.8	13	185	11.0	65
SUBTOTAL – Break of Day High Grade Trend	567	12.5	228	416	7.4	99	982	10.4	327
Moyagee Western Trend									
Lena	2,253	1.7	121	2,053	3.1	204	4,305	2.3	325
Big Sky	1,170	1.3	48	3,480	1.1	125	4,650	1.2	173
Leviticus	-	-	-	42	6.0	8	42	6.0	8
Numbers	438	1.4	19	378	1.3	16	817	1.3	35
SUBTOTAL – Western Trend	3,861	1.5	188	5,953	1.8	353	9,815	1.7	541
SUBTOTAL – Southern Area	4,427	2.9	417	6,369	2.2	452	10,797	2.5	868
Eelya									
*Hollandaire Cu-Au (Total)	2,179	0.3	21	605	0.4	8	2,784	0.3	29
*Hollandaire Cu-Au (MGV Attributable)	436	0.3	4	121	0.4	2	557	0.3	6
Hollandaire Gold Cap	197	1.3	9	62	1.2	2	260	1.3	11
Rapier South	-	-	-	258	1.7	14	258	1.7	14
SUBTOTAL - Eelya	633	0.6	13	441	1.3	18	1,075	0.9	31
Tuckabianna									
Jasper Queen	-	-	-	332	1.7	19	332	1.7	19
Gilt Edge	69	2.6	6	34	3.6	4	102	2.9	10
SUBTOTAL - Tuckabianna	69	2.6	6	365	1.9	23	434	2.0	28
SUBTOTAL – Northern Area	702	0.8	18	806	1.6	41	1,509	1.2	59
Evolution Cue JV (MGV 25%)									
**West Island MRE – Refer Table below									
GRAND TOTAL	5,129	2.6	435	7,175	2.1	492	12,306	2.3	927

(see MGV ASX announcement 31 May 2022, “Cue Mineral Resource Increases to 927,000 Ounces” for full details)

* Note 1: The Hollandaire Cu-Au Resource Estimate is on a 100% basis (MGV has a 20% attributable interest in the Hollandaire Cu-Au deposit, free carried to completion of DFS). Totals and sub-totals are on an attributable interest basis. Gold mineralisation not associated with the copper resource at Hollandaire, is 100% attributable to MGV (Hollandaire Gold Cap) and is also reported in compliance with JORC 2012.

Note: Due to the effects of rounding, the totals may not represent the sum of all components

Deposit	Indicated Resources			Inferred Resources			TOTAL RESOURCES		
	Tonnes '000s	Au g/t	Ounces Au '000s	Tonnes '000s	Au g/t	Ounces Au '000s	Tonnes '000s	Au g/t	Ounces Au '000s
**West Island – Total 100% Basis				1,700	2.6	142	1,700	2.6	142
**West Island – (MGV 25% attributable interest)				420	2.6	35.5	420	2.6	35.5

(See EVN ASX announcement dated 20 July 2023, “Ernest Henry Drill Results and Cue JV Update” for full details)

Musgrave Minerals Ltd has a 25% attributable interest under the Cue Joint Venture with Evolution Mining limited.

****Note 2:** Data is reported to significant figures to reflect appropriate precision and may not sum precisely due to rounding.

The Mineral Resource Estimate is reported above a 0.73g/t Au cut-off grade and within an optimised pit shell, developed by Evolution Mining using mining, cost, geotechnical and metallurgical assumptions aligned with their current operations. Modifying factors applied to pit optimization include; Gold price, = A\$2,500; Mining cost = A\$3/t (oxide), \$5/t (fresh); Depth variable cost = A\$0.006/t; Mining dilution = 5%; Processing cost = A\$40/t; Metallurgical recovery = 92%; Geotech pit angle = 45°.

The Competent Person for West Island Mineral Resource is Phil Micale, a full-time employee of Evolution Mining Limited.

Copper Mineral Resources ⁽¹⁾

Deposit	Indicated Resources			Inferred Resources			TOTAL RESOURCES		
	Tonnes '000s	Grade %	Tonnes Cu '000s	Tonnes '000s	Grade %	Tonnes Cu '000s	Tonnes '000s	Grade %	Tonnes Cu '000s
Hollandaire Copper (100%)	2,179	2.0	42.2	605	1.6	9.3	2,784	1.9	51.5
*MGV 20% attributable interest	436	2.0	8.7	121	1.6	1.9	557	1.9	10.3

Silver Mineral Resources ⁽¹⁾

Deposit	Indicated Resources			Inferred Resources			TOTAL RESOURCES		
	Tonnes '000s	Grade g/t	Ounces Ag '000s	Tonnes '000s	Grade g/t	Ounces Ag '000s	Tonnes '000s	Grade g/t	Ounces Ag '000s
Hollandaire Silver (100%)	2,179	6.4	450	605	6.4	124	2,784	6.4	574
*MGV 20% attributable interest	436	2.0	90	121	1.6	25	557	1.9	115

* Due to effects of rounding, the total may not represent the sum of all components.

⁽¹⁾ On 1 May 2020, Musgrave entered into a joint venture with Cyprium Australia Pty Ltd ("Cyprium") on the non-gold rights over the northern Cue tenure including the Hollandaire copper deposit. Cyprium (ASX: CYM) has earned an 80% interest in the non-gold rights over the area with Musgrave retaining 20% and is free carried to a definitive feasibility study. Musgrave also retains 100% of the rights to any gold dominant mineralisation.

COMPETENT PERSON'S STATEMENT

Mineral Resources

The information in this report that relates to Mineral Resources for the Break of Day, Lena, White Heat-Mosaic, Big Sky, Numbers, Leviticus, Jasper Queen, Gilt Edge, Rapier South and the Hollandaire Gold Cap deposits is based on information compiled by Mr Paul Payne, a Competent Person who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Payne is a full-time employee of Payne Geological Services. Mr Payne has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being 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 Payne consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources for the Hollandaire Copper-Gold deposit is an accurate representation of the available data and is based on information compiled by external consultants and Mr Peter van Luyt a competent person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" who is a member of the Australian Institute of Geoscientists (2582). Mr van Luyt is the Chief Geologist of Cyprium Metals Limited. Mr van Luyt has sufficient experience that is relevant to the style of mineralisation and

type of deposit under consideration and the activity which he is undertaking to qualify as a Competent Person (CP). Mr van Luyt consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to the Mineral Resource as at 30 June 2023 reported for the West Island deposit at the Cue Joint Venture is based on information compiled by Phil Micale who is a full-time employee of Evolution Mining Limited. Mr Micale is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has 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 Micale consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The Company confirms that it is not aware of any further new information or data that materially affects the information included in the original market announcements by Musgrave Minerals Ltd (MGV) entitled "Lena Mineral Resource more than doubles and gold grade increases" released on 17 February 2020 and "Break of Day High-Grade Mineral Resource Estimate" released on 11 November 2020 and "Cue Mineral Resource Increases to 927,000 ounces" released on 31 May 2022 or by Evolution Mining Ltd on 20 July 2023, "Ernest Henry Drill Results and Cue JV Update" or by Cyprum Metals Limited (CYM) entitled "Hollandaire Copper-Gold Mineral Resource Estimate" released on 29 September 2020 and in the case of estimates of Minerals Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. To the extent disclosed above, the Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Exploration Results

The information in this report that relates to Exploration Targets and Exploration Results is based on information compiled and/or thoroughly reviewed by Mr Robert Waugh, a Competent Person who is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM) and a Member of the Australian Institute of Geoscientists (AIG). Mr Waugh is Managing Director and a full-time employee of Musgrave Minerals Ltd. Mr Waugh has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being 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 Waugh consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward Looking Statements

This document may contain certain forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Musgrave Minerals Limited's (Musgrave's) current expectations, estimates and projections about the industry in which Musgrave operates, and beliefs and assumptions regarding Musgrave's future performance. When used in this document, words such as "anticipate", "could", "plan", "estimate", "expects", "seeks", "intends", "may", "potential", "should", and similar expressions are forward-looking statements. Although Musgrave believes that its expectations reflected in these forward-looking statements are reasonable, such statements are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the control of Musgrave and no assurance can be given that actual results will be consistent with these forward-looking statements.

Cautionary Statements

This The production inventory and forecast financial information referred to in the Stage 1 PFS comprise Indicated Mineral Resources (approximately 77%) and Inferred Mineral Resources (approximately 23%). The Inferred material has been scheduled such that less than 7% tonnage and less than 1.7% ounces of the Inferred material is mined in the first year during the payback period with the remainder mined through to the end of the mine life. The Inferred material does not have a material effect on the technical and economic viability of the Cue Gold Project. There is a lower level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target itself will be realised.

DIRECTORS' REPORT

Your Directors present their report on the consolidated entity consisting of Musgrave Minerals Limited ("the Company") and its subsidiary ("the Group" or "the Consolidated Entity") at the end of the year ended 30 June 2023.

DIRECTORS

The following persons were Directors of the Company during the whole of the financial year and up to the date of this report:

- Mr Graham Ascough, Non-Executive Chairman
- Mr Robert Waugh, Managing Director
- Mr Mark Zeptner (appointed 4 September 2023)
- Mr Tim Manners (appointed 4 September 2023)
- Mr Alan Thom (appointed 4 September 2023)
- Ms Kelly Ross, Non-Executive Director (resigned 4 September 2023)
- Mr John Percival, Non-Executive Director (resigned 4 September 2023)
- Mr Brett Lambert, Non-Executive Director (resigned 4 September 2023)

PRINCIPAL ACTIVITIES

During the year, the principal continuing activities of the Group consisted of:

- exploration of mineral tenements, both on a joint venture basis and by the Group in its own right, with the intent to progress to development in the near to mid-term;
- development and production studies on existing resources;
- continuing to seek extensions of areas held and to seek out new areas with mineral potential; and
- evaluating results received through surface sampling, geophysical surveys and drilling activities carried out during the year.

FINANCIAL RESULTS

The loss of the Group after providing for income tax for the year ended 30 June 2023 was \$2,382,558 (2022: loss of \$1,582,727). This included a share-based payment expense of \$1,046,077 (2022: \$561,486).

As at 30 June 2023, the Group had net assets of \$55,099,288 (2022: \$46,666,222) including cash and cash equivalents of \$8,760,747 (2022: \$10,636,210).

DIVIDENDS

No dividends have been paid or declared since the start of the financial year. No recommendation for the payment of a dividend has been made by the Directors.

OPERATIONS AND FINANCIAL REVIEW

Information on the operations of the Group and its prospects is set out in the "Review of Operations" section of this Report.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Significant changes in the state of affairs of the Group during the financial year were as follows:

Exploration activities for the financial year have been focused on gold exploration and activities to deliver the Stage 1 prefeasibility study for the Cue Gold Project.

On The Evolution joint venture, Evolution completed the \$18 million earn-in requirement to earn a 75% ownership interest in the project and the joint venture formed on 16 December 2022.

On 25 November 2022, the Company completed a placement ("Placement") to corporate, institutional, professional and sophisticated investors of 40 million new fully paid ordinary shares at an issue price of \$0.20 cents per share raising \$8 million before costs.

Aligned with the Placement the Company also completed a Share Purchase Plan ("SPP") in December 2022 at an issue price of \$0.20 per share. The SPP was well supported and raised \$2,117,000 through the issue of 10,585,000 new fully paid ordinary shares.

At Mainland, within the broader Cue project area, the Company paid the final milestone payment in March 2023 to acquire 100% of the property.

On 6 June 2023 the Company received an unsolicited off-market, all script, takeover offer from Westgold Resources Ltd ("Westgold Offer") for all the ordinary shares in Musgrave. The proposed offer consideration was one Westgold share for every 5.37 Musgrave shares held. The Musgrave Board recommended shareholders reject the Westgold Offer. The Westgold Offer closed on 24 July 2023.

There were no other significant changes in the state of affairs of the Group during the financial year.

EVENTS SINCE THE END OF THE FINANCIAL YEAR

On 3 July 2023 Ramelius Resources Ltd announced an off-market takeover offer ("Ramelius Offer") for all the ordinary shares in Musgrave ("Ramelius Offer") Musgrave directors unanimously recommended that shareholders accept the Ramelius Offer, in the absence of a superior proposal (*See RMS and MGV joint ASX announcement dated 3 July 2023, "Ramelius makes recommended takeover offer for Musgrave"*). Under the terms of the Ramelius Offer, Musgrave shareholders will receive one (1) Ramelius share for every 4.21 Musgrave Shares held and \$0.04 (4 cents) in cash for every Musgrave Share held. Musgrave Directors have confirmed that they have accepted the Ramelius Offer for all the Musgrave Shares they own or control.

The Ramelius Bidders' Statement was released on 11 July 2023 and the Company's Target's Statement was released on 13 July 2023 (supplemented by a supplementary target's statement on 17 July 2023) in response to the off-market takeover offer by Ramelius Resources Limited (through its wholly owned subsidiary, Mt Magnet Gold Pty Ltd) for all the issued ordinary shares in Musgrave (*see MGV ASX announcements dated 13 July 2023, "Target's Statement" and 17 July 2023, "First Supplementary Target's Statement"*).

On 15 September 2023 Ramelius announced that they had acquired a relevant interest in excess of 90% of Musgrave shares and on 19 September 2023 announced the lodgement of a notice of compulsory acquisition of the remaining Musgrave shares. The Ramelius Offer closed at 7pm (Sydney time) on 15 September 2023 and the Company's shares were suspended from quotation on 26 September 2023.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to significantly affect the operations, the results of those operations, or the state of affairs of the Group in future financial years that has not been disclosed.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The Directors are not aware of any developments that might have a significant effect on the operations of the Group in subsequent financial years not already disclosed in this report.

ENVIRONMENTAL REGULATION

The Group is subject to significant environmental regulation in respect of its exploration activities. Tenements in Western Australia and South Australia are granted subject to adherence to environmental conditions with strict controls on clearing, including a prohibition on the use of mechanised equipment or development without the approval of the relevant Government agencies, and with rehabilitation required on completion of exploration activities. These regulations are controlled by the Department of Mines, Industry Regulation and Safety (*Western Australia*) and the Department for Energy and Mining (*South Australia*).

Musgrave Minerals Limited conducts its exploration activities in an environmentally sensitive manner and the Group is not aware of any breach of statutory conditions or obligations.

GREENHOUSE GAS AND ENERGY DATA REPORTING REQUIREMENTS

The Directors have considered compliance with the *National Greenhouse and Energy Reporting Act 2007* which requires entities to report annual greenhouse gas emissions and energy use. The Directors have assessed that there are no current reporting requirements for the year ended 30 June 2023. However, reporting requirements may change in the future.

INFORMATION ON DIRECTORS

The following information is current as at the date of this report.

Graham Ascough BSc, PGeo, MAusIMM (Non-Executive Chairman), Director since 26 May 2010		
Experience and expertise	<p>Graham Ascough is a senior resources executive with more than 30 years of industry experience evaluating mineral projects and resources in Australia and overseas. He has had broad industry involvement ranging from playing a leading role in setting the strategic direction for significant country-wide exploration programs to working directly with mining and exploration companies.</p> <p>Mr Ascough is a geophysicist and was the Managing Director of ASX listed Mithril Resources Ltd from October 2006 until June 2012. Prior to joining Mithril in 2006, Mr Ascough was the Australian Manager of Nickel and PGM Exploration at the major Canadian resources house, Falconbridge Ltd (acquired by Xtrata Plc in 2006). He is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM) and is a Professional Geoscientist of Ontario, Canada.</p>	
Other current directorships	<p>PNX Metals Ltd (appointed 10 December 2012) Sunstone Metals Ltd (appointed 29 November 2013) Black Canyon Ltd (appointed 2 September 2013)</p>	
Former directorships in last three years	<p>None</p>	
Special responsibilities	<p>Chair of the Board Member of the Audit Committee</p>	
Interests in shares and options	<p>Ordinary shares – Musgrave Minerals Limited *</p> <p>Unlisted options – Musgrave Minerals Limited</p> <p>* Note: 3,491,172 fully paid ordinary shares were accepted into the conditional off-market takeover offer made by Ramelius Resources Limited which went unconditional on 28 August 2023.</p>	<p>Nil</p> <p>Nil</p>

Mr Robert Waugh MSc, BSc, FAusIMM, MAIG (Managing Director), Director since 6 March 2011

Experience and expertise	<p>Robert Waugh has over 30 years of experience in the resources sector and has been involved in new mineral discoveries across multiple commodities over his career including the Nebo-Babel nickel-copper discoveries in the West Musgrave, uranium discoveries in Queensland, gold at Norseman and more recently the new gold discoveries on the Cue Gold Project in Western Australia.</p> <p>Mr Waugh has held senior exploration management roles in a number of companies including Western Mining Corporation (WMC Resources Ltd) and BHP Billiton Exploration Ltd and has extensive exploration experience across a range of commodities including gold, nickel, copper, uranium and PGM's.</p> <p>Mr Waugh holds a Bachelor of Science degree majoring in geology from the University of Western Australia and a Master of Science in Mineral Economics from Curtin University and the Western Australian School of Mines. Mr Waugh is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM) and a Member of the Australian Institute of Geoscientists (AIG).</p>	
Other current directorships	None	
Former directorships in last three years	None	
Special responsibilities	Managing Director	
Interests in shares and options	<p>Ordinary shares – Musgrave Minerals Limited *</p> <p>Unlisted options – Musgrave Minerals Limited</p> <p>* Note: 8,300,000 fully paid ordinary shares were accepted into the conditional off-market takeover offer made by Ramelius Resources Limited which went unconditional on 28 August 2023.</p>	<p>Nil</p> <p>Nil</p>

Mr Mark Zeptner BEng (Hons) Mining, MAusIMM, MAICD (Non-Executive Director), appointed 4 September 2023

Experience and expertise	<p>Mark Zeptner is a mining engineer and is the Managing Director of Ramelius Resources Ltd.</p> <p>Mr Zeptner was educated at the Western Australian School of Mines in Kalgoorlie and has more than 30 years' experience including senior operational and management positions with WMC and Gold Fields Limited at their gold and nickel assets in Australia and offshore.</p> <p>Mr Zeptner joined Ramelius as Chief Operating Officer in March 2012, took up the reins as Chief Executive Officer in June 2014 and was appointed Managing Director in July 2015.</p>	
Other current directorships	Ramelius Resources Limited (appointed 1 July 2015)	
Former directorships in last three years	<p>Breaker Resources NL (5 May 2023 to 1 June 2023)</p> <p>Apollo Consolidated Limited (19 November 2021 to 16 December 2021)</p> <p>Spectrum Metals Limited (19 March 2020 to 23 June 2020)</p>	
Special responsibilities	Member of the Audit Committee	
Interests in shares and options	<p>Ordinary shares – Musgrave Minerals Limited</p> <p>Unlisted options – Musgrave Minerals Limited</p>	<p>Nil</p> <p>Nil</p>

Mr Tim Manners BBus (Accounting), FCA, AGIA, MAICD (Non-Executive Director), appointed 4 September 2023

Experience and expertise	<p>Tim Manners is a finance professional with over 25 years' experience in accounting, corporate finance and financial management functions in the resources industry. Mr Manners has been involved in exploration, developing and producing companies both in Australia and overseas.</p> <p>Mr Manners has held the senior financial positions in companies within the precious, base and bulk commodities sectors, including Gold Road Resources Ltd, Phoenix Gold Ltd, Bathurst Resources Ltd and Perilya Ltd.</p> <p>Mr Manners joined Ramelius Resources Limited in July 2017 and is a Fellow of the Institute of Chartered Accountants in Australia and New Zealand.</p>	
Other current directorships	Delta Lithium Limited (appointed 28 February 2022)	
Former directorships in last three years	<p>Breaker Resources NL (5 May 2023 to 1 June 2023)</p> <p>Apollo Consolidated Limited (19 November 2021 to 16 December 2021)</p> <p>Spectrum Metals Limited (19 March 2020 to 23 June 2020)</p>	
Special responsibilities	Chair of the Audit Committee	
Interests in shares and options	<p>Ordinary shares – Musgrave Minerals Limited</p> <p>Unlisted options – Musgrave Minerals Limited</p>	<p>Nil</p> <p>Nil</p>

Mr Alan Thom BEng(Hons)(Mining), GDipAppFin, GradDipBus, MAusIMM, FFin, GAICD (Non-Executive Director), appointed 4 September 2023

Experience and expertise	<p>Alan Thom is a mining engineer with over 25 years of experience as a mining engineer, senior manager, executive and director of resource projects from concept through to bankable feasibility, development and operation. He has extensive experience as a director of resource companies on both the ASX and AIM exchanges gaining valuable experience in acquisitions, operations, business development and financing.</p> <p>Mr Thom holds a Bachelor of Engineering (Hons)(Mining) from the WA School of Mines, a WA First Class Mine Mangers Certificate and additional postgraduate qualifications in Finance and Business. He is also a Member of AusIMM and a Fellow of FINSIA and is a Graduate of the AICD.</p>	
Other current directorships	None	
Former directorships in last three years	Breaker Resources NL (5 May 2023 to 1 June 2023)	
Special responsibilities	Member of the Audit Committee	
Interests in shares and options	<p>Ordinary shares – Musgrave Minerals Limited</p> <p>Unlisted options – Musgrave Minerals Limited</p>	<p>Nil</p> <p>Nil</p>

Mrs Kelly Ross BBus, CPA, ACG (CS, CGP) (Non-Executive Director), appointed 26 May 2010, resigned 4 September 2023

Experience and expertise	<p>Kelly Ross is a qualified accountant holding a Bachelor of Business (Accounting) and has the designation CPA from the Australian Society of Certified Practising Accountants. Ms Ross is a Chartered Secretary with over 30 years' experience in accounting and administration in the mining industry.</p> <p>Ms Ross was part of the team that floated Independence Group NL (ASX:IGO). IGO listed on the ASX in 2002 and Ms Ross was Company Secretary and CFO for 10 years. Ms Ross was a Director of IGO for 12 years from 2002 to 2014. Ms Ross retired from the Board of IGO on 24 December 2014.</p> <p>Prior to IGO, Ms Ross was a senior accountant at Resolute Ltd from 1987 to 2000 during which time Resolute became a gold producer in Ghana, Tanzania and at several mines in Western Australia.</p>	
Other current directorships	None	
Former directorships in last three years	Yandal Resources Ltd (6 April 2018 to 17 February 2021)	
Special responsibilities	Chair of the Audit Committee	
Interests in shares and options	<p>Ordinary shares – Musgrave Minerals Limited *</p> <p>Unlisted options – Musgrave Minerals Limited</p> <p>* Note: 1,581,492 fully paid ordinary shares were accepted into the conditional off-market takeover offer made by Ramelius Resources Limited which went unconditional on 28 August 2023.</p>	<p>Nil</p> <p>Nil</p>

Mr John Percival (Non-Executive Director), appointed 26 May 2010, resigned 4 September 2023

Experience and expertise	<p>John Percival has been involved in investment and merchant banking for over 25 years including 15 years as Investment Manager of Barclays Bank New Zealand Ltd. In addition, he has extensive experience in stockbroking, corporate finance and investment management. In 1995 Mr Percival was appointed to the Board of Goldsearch Limited and was an Executive Director from 2000 to 2014.</p>	
Other current directorships	None	
Former directorships in last three years	None	
Special responsibilities	Member of the Audit Committee	
Interests in shares and options	<p>Ordinary shares – Musgrave Minerals Limited*</p> <p>Unlisted options – Musgrave Minerals Limited</p> <p>* Note: 1,000,000 fully paid ordinary shares were accepted into the conditional off-market takeover offer made by Ramelius Resources Limited which went unconditional on 28 August 2023.</p>	<p>Nil</p> <p>Nil</p>

Mr Brett Lambert (Non-Executive Director), appointed 4 February 2021, resigned 4 September 2023

Experience and expertise	<p>Brett Lambert is a mining engineer and experienced company director. He has over 40 years involvement in the Australian and international resources industry encompassing mining operations, project development, business development and corporate administration.</p> <p>Mr Lambert is a graduate of the Western Australian School of Mines and commenced his professional career with Western Mining Corporation (WMC) in 1983. He was a member of the senior management team at WMC's Mt Magnet gold operations that initiated the transition to large scale open pit mining and construction of the current Checker processing plant.</p> <p>Post WMC, Mr Lambert held executive roles with a number of junior and mid-tier resource companies where his responsibilities included overseeing several resource projects through feasibility study, development and commissioning.</p> <p>Mr Lambert has served as a director of companies listed on the Australian Securities Exchange, London's AIM market, the Toronto Stock Exchange and the Stock Exchange of Thailand.</p>	
Other current directorships	<p>Metal Hawk Limited (appointed 3 July 2019) Saturn Metals Limited (appointed 9 April 2020)</p>	
Former directorships in last three years	<p>Mincor Resources Limited NL (1 January 2017 to 6 July 2023) Australian Potash Ltd (11 May 2017 to 27 June 2023) Metals X Limited (24 October 2019 to 10 July 2020)</p>	
Special responsibilities	<p>Member of the Audit Committee</p>	
Interests in shares and options	<p>Ordinary shares – Musgrave Minerals Limited Unlisted options – Musgrave Minerals Limited</p>	<p>Nil Nil</p>

COMPANY SECRETARIES

Ms Patricia (Trish) Farr, GradCertProfAcc, GradDipACG, GAICD FGIA FCG (CS, CGP), appointed 30 June 2015

Trish Farr is an experienced Chartered Secretary with over 20 years' experience in the exploration and mining industry in the areas of corporate governance, compliance and administration. Ms Farr provides company secretarial services to several ASX listed and unlisted companies predominately in the resources and health sectors.

Ms Farr is a fellow member of Chartered Secretaries & Administrators and the Governance Institute of Australia (formerly Chartered Secretaries Australia) and a graduate member of the Australian Institute of Company Directors.

Mr Richard Jones, LLB, FINSIA (Grad Dip), BA (Hons) Pol Sci/Econs, appointed 4 September 2023

Richard Jones joined Ramelius in October 2018. He has more than 20 years' experience as a corporate commercial lawyer in both private and in-house capacities and across various industries. He has also served as company secretary for ASX listed and unlisted companies in the mining sector.

MEETINGS OF DIRECTORS

The numbers of meetings of the Company's Board of Directors and of each Board committee held during the year ended 30 June 2023, and the numbers of meetings attended by each Director were:

	Board of Directors		Audit Committee	
	A	B	A	B
Graham Ascough	14	14	2	2
Robert Waugh	14	14	n/a	n/a
Kelly Ross	14	14	2	2
John Percival	14	14	2	2
Brett Lambert	14	14	2	2

A = Number of meetings attended.

B = Number of meetings held during the time the Director held office or was a member of the committee during the year.

RETIREMENT, ELECTION AND CONTINUATION IN OFFICE OF DIRECTORS

Mr Graham Ascough, being the Director retiring by rotation who, being eligible, will offer himself for re-election at the 2023 Annual General Meeting.

Messrs Zeptner, Manners and Thom were all appointed to the Board on 4 September 2023 and by virtue of the Company's Constitution and ASX Listing Rule 14.4 will all stand for re-election at the 2023 Annual General Meeting.

REMUNERATION REPORT (AUDITED)

The Directors present the Musgrave Minerals Limited 2023 Remuneration Report, outlining key aspects of the Company’s remuneration policy and framework, and remuneration awarded this year.

The report contains the following sections:

- a) Key management personnel covered in this report
- b) Remuneration governance and the use of remuneration consultants
- c) Executive remuneration policy and framework
- d) Relationship between remuneration and performance
- e) Non-executive director remuneration policy
- f) Voting and comments made at the Company’s last Annual General Meeting
- g) Details of remuneration
- h) Service agreements
- i) Details of share-based compensation and bonuses
- j) Equity instruments held by key management personnel
- k) Loans to key management personnel
- l) Other transactions with key management personnel.

a) Key management personnel covered in this report

Non-Executive and Executive Directors (see pages 12 to 16 for details about each director)

Name	Position
Graham Ascough	Non-Executive Chairman
Robert Waugh	Managing Director
Mark Zeptner	Non-Executive Director (appointed 4 September 2023)
Tim Manners	Non-Executive Director (appointed 4 September 2023)
Alan Thom	Non-Executive Director (appointed 4 September 2023)
Kelly Ross	Non-Executive Director (resigned 4 September 2023)
John Percival	Non-Executive Director (resigned 4 September 2023)
Brett Lambert	Non-Executive Director (resigned 4 September 2023)

b) Remuneration governance and the use of remuneration consultants

The Company does not have a Remuneration Committee. Remuneration matters are handled by the full Board of the Company. In this respect the Board is responsible for:

- the over-arching executive remuneration framework;
- the operation of the incentive plans which apply to executive directors and senior executives (the executive team), including key performance indicators and performance hurdles;
- remuneration levels of executives; and
- non-executive director fees.

The objective of the Board is to ensure that remuneration policies and structures are fair and competitive and aligned with the long-term interests of the Company.

In addition, all matters of remuneration are handled in accordance with the *Corporations Act 2001* requirements, especially with regard to related party transactions. That is, none of the Directors participate in any deliberations regarding their own remuneration or related issues.

Independent external advice is sought from remuneration consultants when required, however no advice was sought during the year ended 30 June 2023.

c) Executive remuneration policy and framework

In determining executive remuneration, the Board aims to ensure that remuneration practices are:

- competitive and reasonable, enabling the Company to attract and retain key talent;
- aligned to the Company's strategic and business objectives and the creation of shareholder value;
- transparent and easily understood; and
- acceptable to shareholders.

All executives receive consulting fees or a salary, part of which may be taken as superannuation. Executives may also participate in both long and short-term incentive schemes. Long-term incentives consist of options which may be offered to executives at the discretion of the Board and with shareholder approval from time to time. The Company's Short-Term Incentive Plan is based on key performance criteria including discovery, resource growth, production and share price performance and is contingent on satisfactory work health and safety targets. The Board reviews executive packages annually by reference to the executive's performance and comparable information from industry sectors and other listed companies in similar industries.

All remuneration paid to specified executives is valued at the cost to the Group and expensed. Options are valued using a Black-Scholes option pricing model.

d) Relationship between remuneration and performance

Emoluments of Directors are set by reference to payments made by other companies of similar size and industry, and by reference to the skills and experience of Directors. Fees paid to Non-Executive Directors are not linked to the performance of the Group. This policy may change once the exploration phase is complete and the Group is generating revenue. At present the existing remuneration policy is not impacted by the Group's performance including earnings and changes in shareholder wealth (e.g. changes in share price).

The Board has not set short term performance indicators, such as movements in the Company's share price, for the determination of Non-Executive Director emoluments as the Board believes this may encourage performance which is not in the long-term interests of the Company and its shareholders. The Board has structured its remuneration arrangements in such a way it believes is in the best interests of building shareholder wealth. The Board believes participation in the Company's Employee Share Option Plan motivates and aligns key management and executives with the long-term interests of shareholders.

e) Non-executive director remuneration policy

On appointment to the Board, all Non-Executive Directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the Board policies and terms, including remuneration relevant to the office of Director.

The Board policy is to remunerate Non-Executive Directors at commercial market rates for comparable companies for their time, commitment, and responsibilities. Non-Executive Directors receive a Board fee but do not receive fees for chairing or participating on Board committees. Board members are allocated superannuation guarantee contributions as required by law, and do

not receive any other retirement benefits. From time to time, some individuals may choose to sacrifice their salary or consulting fees to increase payments towards superannuation.

The maximum annual aggregate Non-Executive Directors' fee pool limit is \$400,000 as approved by Shareholders at the Company's 2020 Annual General Meeting held on 19 November 2020.

Fees for Non-Executive Directors are not linked to the performance of the Group. Non-Executive Directors' remuneration may also include an incentive portion consisting of options, subject to approval by shareholders.

f) Voting and comments made at the Company's last Annual General Meeting

Musgrave Minerals Limited received more than 94% of "yes" votes on its remuneration report for the 2022 financial year. The Company did not receive any specific feedback at the Annual General Meeting or throughout the year on its remuneration practices.

g) Details of remuneration

The following table shows details of the remuneration received by the Group's key management personnel for the current and previous financial year.

	Short-term employment benefits			Post-employment benefits	Equity Settled Share-based payments	Total \$	Options %	Perf. Related %
	Salary & fees \$	Bonus \$	Non-monetary Benefit \$	Superannuation \$	Options \$			
2023								
<i>Directors</i>								
G Ascough	75,643	-	-	-	98,437	174,080	56.5	-
R Waugh	303,837	60,276 ⁽¹⁾	-	38,232	196,872	599,217	32.9	10.1
K Ross ⁽²⁾	51,894	-	-	5,449	70,275	127,618	55.1	-
J Percival ⁽²⁾	51,894	-	-	5,449	70,275	127,618	55.1	-
B Lambert ⁽²⁾	51,894	-	-	5,449	70,275	127,618	55.1	-
TOTALS	535,162	60,276	-	54,579	506,134	1,156,151	-	-
2022								
<i>Directors</i>								
G Ascough	71,647	-	-	-	67,706	139,353	48.6	-
R Waugh	289,093	57,059 ⁽³⁾	-	34,615	135,413	516,180	26.2	11.1
K Ross	49,376	-	-	4,938	45,138	99,452	45.4	-
J Percival	49,376	-	-	4,938	45,138	99,452	45.4	-
B Lambert	49,376	-	-	4,938	45,138	99,452	45.4	-
TOTALS	508,868	57,059	-	49,429	338,533	953,889	-	-

- (1) Bonus for meeting the Company's Short Term Incentive Plan objectives in relation to the Completion of PFS Bonus following the completion of a Stage 1 PFS at the Cue Project.
- (2) Resigned 4 September 2023.
- (3) Bonus for meeting the Company's Short Term Incentive Plan objectives in relation to the Discovery Bonus following the drilling results at the Big Sky Prospect.

h) Service agreements

On appointment to the Board, all Non-Executive Directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the Board policies and terms of appointment, including compensation relevant to the office of Director. Remuneration and other terms of employment for other members of key management personnel are formalised in service agreements as summarised below.

R Waugh, Managing Director

Mr Waugh is remunerated pursuant to an Executive Services Agreement. Under the agreement the Company agrees to employ Mr Waugh as Managing Director of the Company with a base salary of \$303,837 plus statutory superannuation, as amended on 1 July 2022. Either party may terminate the employment contract without cause by providing six months written notice or by making payment in lieu of notice (in the case of the Company), based on the annual salary component. Termination payments are generally not payable on resignation or dismissal for serious misconduct. In the instance of serious misconduct, the Company can terminate employment at any time. Mr Waugh also participated in the Completion of PFS Bonus following the completion of a Stage 1 PFS at the Cue Project.

i) Details of share-based compensation and bonuses

Options

Options over ordinary shares in Musgrave Minerals Limited are granted under the Employee Share Option Plan ("ESOP"). Participation in the ESOP and any vesting criteria are at the Board's discretion and no individual has a contractual right to participate in the scheme or to receive any guaranteed benefits. Any options issued to Directors of the Company are subject to shareholder approval. The 5,250,000 options issued to Mr Ascough, Mr Waugh, Ms Ross, Mr Percival and Mr Lambert (Option Series AC) were approved by shareholders at the 8 November 2022 Annual General Meeting.

The terms and conditions of each grant of options during the period affecting the remuneration of key management personnel in the current or future reporting periods are set out below. The options vest on 13 November 2023.

Option series	Grant date	Vesting and exercise date	Expiry date	Exercise price	Value per option at grant date	% Vested
AB	6 July 2022	6 July 2023	19 June 2025	\$0.450	\$0.1063	-
AC	14 Nov 2022	13 Nov 2023	5 Nov 2025	\$0.335	\$0.1403	-
AD	14 Nov 2022	13 Nov 2023	5 Nov 2025	\$0.335	\$0.1403	-

The fair value of options at grant date are determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. The fair value of options is determined at grant date and is expensed over the vesting period for those options. There is a service condition attached to the options issued, being continuous service for 12 months from grant date. Further information on the fair value of share options and assumptions is set out in Note 23 to the financial statements.

Short-term incentive plan

The Company has a Short-Term Incentive Plan (“STIP”) comprising four elements namely, a Discovery Bonus, a Completion of PFS Bonus, a Share Price Performance Bonus and a Resource Growth Bonus. A bonus payment under the STIP may be up to 25% of base salary subject to meeting the relevant criteria, a minimum standard of performance and meeting the Company’s workplace health and safety targets. Eligibility, timing and the amount of any payment is at the absolute discretion of the Board. Only one bonus is payable in any twelve-month period.

Discovery Bonus: A discovery being defined as two drill holes spaced a minimum of 75m apart with ore-grade mineralisation over potentially mineable widths with a deposit showing the likelihood to host more than 80k to 150koz Au with a grade and depth dependency. This must be a new discovery and have the potential to make a material impact for the Company. The Board has absolute discretion as to what constitutes a discovery.

Completion of PFS Bonus: Completion of a PFS to ASX standard that delivers a positive economic outcome for the Company. The Board has absolute discretion as to what constitutes a suitable standard.

Share Price Performance Bonus: Defined as at least a 100% increase in the Company’s share price based on the 12-month volume weighted share price (“VWAP”) as at 30 June as compared to the 12 month VWAP of the previous 30 June.

Resource Growth Bonus: Defined as increasing the existing gold ounces in JORC compliant Mineral Resources at the Cue Project to over 1.1M oz (combined Indicated & Inferred) at a minimum grade cut-off of 0.5g/t Au.

During the year ended 30 June 2023, Robert Waugh was eligible for the STIP - Completion of PFS Bonus and \$60,276 was paid.

STIP Bonus	Total Opportunity	Awarded %	Forfeited %
R Waugh	\$75,345	80	20

j) Equity instruments held by key management personnel

The following tables detail the number of fully paid ordinary shares and options over ordinary shares in the Company that were held during the financial year by key management personnel of the Group, including their close family members and entities related to them.

Options

	Opening balance at 1 July	Granted as remuneration	Options exercised	Fair value of options exercised \$ ⁽¹⁾	Balance at 30 June	Vested and exercisable	Vested during the year
2023							
<i>Directors</i>							
G Ascough	2,250,000	1,000,000	-	-	3,250,000	2,250,000	750,000
R Waugh	6,000,000	2,000,000	(3,000,000)	\$61,110	5,000,000	3,000,000	1,500,000
K Ross	1,500,000	750,000	-	-	2,250,000	1,500,000	500,000
J Percival	1,300,000	750,000	-	-	2,050,000	1,300,000	500,000
B Lambert	1,500,000	750,000	-	-	2,250,000	1,500,000	500,000
TOTAL	12,550,000	5,250,000	(3,000,000)	\$61,110	14,800,000	9,550,000	3,750,000

(1) During the year, 3,000,000 ordinary shares in the Company were provided to key management personnel as a result of the exercise of remuneration options. The consideration paid by key management personnel for the exercise of these options was \$313,500. No amounts were unpaid at 30 June 2023 on these options by key management personnel.

The value at the exercise date of options that were granted as part of remuneration and were exercised during the year has been determined as the intrinsic value of the options at that date.

Shareholdings

	Opening balance at 1 July	Granted as remuneration	Options exercised	Net change (other)	Balance at 30 June
2023					
<i>Directors</i>					
G Ascough	3,341,172	-	-	150,000	3,491,172
R Waugh	5,300,000	-	3,000,000	-	8,300,000
K Ross	1,581,492	-	-	-	1,581,492
J Percival	1,100,000	-	-	(100,000)	1,000,000
TOTAL	11,322,664	-	3,000,000	50,000	14,372,664

k) Loans to key management personnel

There were no loans to individuals or any key management personnel during the financial year or the previous financial year.

l) Other transactions with key management personnel

There were no other transactions with key management personnel during the financial year or the previous financial year.

END OF REMUNERATION REPORT (AUDITED)

RISK MANAGEMENT

The Board of Directors regularly review the key risks associated with conducting exploration and evaluation activities in Australia and steps to manage those risks. The key material risks faced by the Group include:

Exploration and development

The business of mineral exploration, development and production is subject to risk by its nature. Musgrave Shareholders should understand that mineral exploration, development and mining are high-risk enterprises, only occasionally providing high rewards (with no guarantee of ever becoming producing assets).

The success of Musgrave depends, among other things, on successful exploration, feasibility of projects, securing and maintaining title to tenements and consents, successful design, construction, commissioning and operating of mining and processing facilities, successful development and production in accordance with forecasts and successful management of the operations. Exploration and mining activities may also be hampered by force majeure circumstances, land claims and unforeseen mining problems.

There is no assurance that exploration and development of the mineral tenement interests currently owned by Musgrave, or any other projects that may be acquired in the future, will result in the discovery of mineral deposits which are capable of being exploited economically. Even if an apparently viable deposit is identified, there is no guarantee that it can be profitably exploited. If such commercial viability is never attained, Musgrave may seek to transfer its property interests or otherwise realise value, or Musgrave may even be required to abandon its business and fail as a "going concern".

Whether a mineral deposit will be commercially viable depends on a number of factors, which include, without limitation, the particular attributes of the deposit, such as size, grade and proximity to infrastructure, metal prices, which fluctuate widely, and government regulations, including, without limitation, regulations relating to prices, taxes, royalties, land tenure, land use, exporting of minerals and environmental protection. The combination of these factors may result in Musgrave expending significant resources (financial and otherwise) on tenements without receiving a return. There is no certainty that expenditures made by Musgrave towards the search and evaluation of mineral deposits will result in discoveries of an economically viable mineral deposit.

Musgrave has relied on and may continue to rely on consultants and others for mineral exploration and exploitation expertise. Musgrave believes that those consultants and others are competent and that they have carried out their work in accordance with internationally recognised industry standards. However, if the work conducted by those consultants or others is ultimately found to be incorrect or inadequate in any material respect, Musgrave may experience delays or increased costs in exploring or developing its tenements.

Possible future development of a mining operation at any of Musgrave's projects is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, and contracting risk from third parties providing essential services and commodity prices.

There can be no guarantee the development studies will be completed on time, on budget, or support an economic development of the Cue Gold Project. Musgrave's operations may be disrupted by a variety of risks and hazards which are beyond its control, including environmental hazards, flooding and extended interruptions due to inclement of hazardous weather conditions and fires, explosions or accidents or force majeure, hostilities (such as the war in Ukraine) or terrorism, pandemics, climate change, industrial accidents, technical failures, labour disputes, unusual or unexpected rock formations. No assurance can be given that Musgrave will achieve commercial viability through the development or mining of its projects.

Development of a commercial mining operation is also dependent on Musgrave's ability to obtain and retain necessary titles and governmental and other regulatory and third-party approvals. Even if Musgrave successfully develops its projects, there is a risk Musgrave will not achieve a commercial return. The risks associated with the development of a mine will be considered in full should the projects reach that stage and will be managed with ongoing consideration of stakeholder interests. The risk also includes that Musgrave may not be able to obtain adequate insurance at an appropriate price, or at all.

Metallurgical recovery

The economic viability of mineralisation depends on a number of factors, such as metal distribution, mineralogical association and an economic process route for metal recovery, which may or may not ultimately be successful. The recovery of gold ores in Western Australia utilises a commonly used process although changes in mineralogy that are currently not known, may result in inconsistent metal recovery. The blending of ores and the processing of ores through existing processing infrastructure, designed for different mineralised sources can also affect metal recoveries.

Mineral Resource estimation

Mineral Resources estimates are expressions of judgment based on knowledge, experience and resource modelling. As such, Mineral Resource estimates are inherently imprecise and rely to some extent on interpretations made. Additionally, Mineral Resource estimates may change overtime as new information becomes available. Should Musgrave encounter mineralisation or geological formations different from those predicted by past drilling, sampling and interpretations, resource estimates may need to be altered in a way that could adversely affect Musgrave's operations or result in the inability to satisfy objectives of the Cue Gold Project. There is no guarantee Mineral Resources can be converted to ore reserves or economically mined.

Subject to the results of exploration and testing programs to be undertaken, the Company is planning to undertake further studies at the Cue Gold Project and may (subject to (among other things) the Musgrave Board's discretion and the availability of funding). These studies are proposed to be completed within parameters designed to determine the economic feasibility of the Cue Gold Project within certain limits. There can be no guarantee that any of the studies will confirm the economic viability of the Cue Gold Project. Even if a study confirms the economic viability of the Cue Gold Project (which may not occur), there can be no guarantee that the Cue Gold Project will be successfully brought into production as assumed, or within the estimated parameters in the study (e.g. operational costs and commodity prices) once production commences. There is no guarantee production will reflect the resource model. Further, the ability of Musgrave to complete future studies may be dependent on Musgrave's ability to access further funds.

Access

It is also possible that, in relation to tenements which Musgrave has an interest in or will in the future acquire such an interest, there may be areas over which legitimate rights of Traditional owners or surface

rights holders exist. In this case, the ability of Musgrave to gain access to tenements (through obtaining consent of any relevant traditional owner, body, group or landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected. Musgrave's mineral titles may also be subject to access by third parties including, but not limited to Traditional owners. This access could potentially impact Musgrave's activities and/or may involve payment of compensation to parties whose existing access to the land may be affected by Musgrave's activities.

Musgrave is respectful of Aboriginal culture and preservation of significant Aboriginal sites. In relation to tenements which Musgrave has an interest in or will in the future acquire such an interest, there may be areas or objects of Aboriginal heritage. If Aboriginal heritage sites or objects exist, these areas may need to be avoided or Musgrave may need to enter into agreements with the Traditional owners of the sites. The ability of Musgrave to implement its work program may be adversely affected in access, time and cost.

Economic conditions

Factors such as (but not limited to) political movements, stock market fluctuations, interest rates, inflation levels, commodity prices, foreign exchange rates, industrial disruption, taxation changes and legislative or regulatory changes, may all have an adverse impact on operating costs, the value of the Group's projects, the profit margins from any potential development and the Company's share price.

Personnel and labour

The responsibility of overseeing the day-to-day operations and the strategic management of Musgrave depends substantially on its senior management and its key personnel. Key personnel are important to attaining the business goals of Musgrave. Musgrave believes that it has, in general, good relations with its employees and contractors. There can be no assurance given that there will be no short-term detrimental impact on Musgrave if one or more of these key employees cease their employment or if one or more Musgrave Directors leave the Musgrave Board.

Critical functions of Musgrave's operations may be affected in the short to medium term as replacement key personnel are sought, which can incur additional costs or cause loss of productivity during the recruitment and onboarding phases. Musgrave is also exposed to a general resources industry risk of not being able to appoint operational personnel on reasonable terms if labour costs in the resources industry increase. In these circumstances Musgrave's operating and financial performance may be adversely affected.

There can also be no assurance that Musgrave's operations or those of its contractors will not be affected by labour related problems in the future, such as disputes relating to wages or requests for increased benefits. There are risks associated with staff including attracting and retaining key personnel and, no matter where located, staff acting out of their permitted authority and with contractors not acting in accordance with Musgrave's policies.

Future funding risk

In the future, Musgrave may require additional funds (whether by way of debt and/or equity), so as to, without limitation:

- carry out additional exploration activities at its projects;
- complete future feasibility studies on its projects;
- undertake the future development of a mining operation subject to the results of the feasibility studies; and
- fund corporate, administrative and working capital needs.

The ability of Musgrave to meet these future funding requirements, when they arise, will be dependent upon its continued capacity to access capital market funding sources and/or financing facilities. Funding via additional equity issues may be dilutive to existing Musgrave Shareholders and, if available, debt financing may be subject to Musgrave agreeing to certain debt covenants and encumbering Musgrave's assets.

If Musgrave is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations, delay, suspend and/or scale back its exploration programs and business strategies, as the case may be. There is however no guarantee that Musgrave will be able to secure any additional funding as and when required on terms favourable to Musgrave or at all. The failure of which would thus have a material adverse effect on Musgrave's activities, its solvency and its reputation.

Unforeseen expenditure risk

Exploration and evaluation expenditures and development expenditures may increase significantly above existing projected costs. Although the Group is not currently aware of any such additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of the Group and its proposed business plans.

Environmental, weather & climate change

The operations and proposed activities of Musgrave are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, Musgrave's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceed. It is Musgrave's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws. For example, the flora and fauna surrounding the Cue Gold Project may require certain adjustments to the project planning.

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on Musgrave's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on Musgrave for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or noncompliance with environmental laws or regulations. The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation.

There is a risk that environmental laws and regulations become more onerous, making Musgrave's operations more expensive. Approvals are required for mining, land clearing and for all ground disturbing activities. Delays in obtaining such approvals can result in the delay of anticipated exploration programs or development or mining activities.

Climate change is a risk that Musgrave has considered. The climate change risks particularly attributable to Musgrave include the emergence of new or expanded regulations associated with the transitioning to a lower

carbon economy and market changes related to climate change mitigation. Musgrave may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. Climate change may cause certain physical and environmental risks that cannot be predicted by Musgrave, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which Musgrave operates. Health, safety and security.

Mining activities have inherent hazards and risks. Musgrave is committed to providing a safe and healthy workplace and environment for its personnel, contractors and visitors including inductions on commencement. Musgrave provides appropriate instructions, equipment, preventative measures, first aid information, and training to all employees through its health and safety management system.

A serious site health and safety incident may result in significant interruptions and delays in Musgrave's projects and may also expose Musgrave to significant penalties and/or compensation liability. These liabilities may not be covered by Musgrave's insurance policies or, if they are covered, may exceed Musgrave's policy limits or be subject to significant deductibles. Also, any claim under Musgrave's insurance policies could increase Musgrave's future costs of insurance. Accordingly, any liabilities for workplace accidents could have a material adverse impact on Musgrave's liquidity and financial results and reputation. In addition, it is not possible to anticipate the effect on Musgrave's business of any changes to workplace health and safety legislation or directions necessitated by concern for the health of the workforce. Musgrave has also taken out and maintains what it considers to be an adequate level of workers compensation insurance. Musgrave has in place a group health and safety management system to ensure significant risks have robust sustainable safety controls. If the health and safety management system is not implemented or complied with adequately, there is a risk that a serious health and safety incident may occur.

Cyber Security and IT

The Group relies on IT infrastructure and systems and the efficient and uninterrupted operation of core technologies. Systems and operations could be exposed to damage or interruption from system failures, computer viruses, cyber-attacks, power or telecommunication provider's failure or human error.

Third parties and supply chains

Musgrave, although it has no material litigation on foot, is exposed to the risks of litigation and disputes. Musgrave is and may in the future become a party to further joint venture agreements governing the exploration and development of its projects. There is a risk that one of Musgrave's joint venture partners or other contractors may default in their joint venture obligations (or that Musgrave may default in its obligations and become liable) or not act in the best interests of the joint venture. There is a risk of insolvency or managerial failure by any of the contractors or other suppliers used by Musgrave in any of its activities, or that any of those agreements are terminated in accordance with their terms. There is also a risk of legal or other disputes between Musgrave and co-venturers or contractors or other suppliers. This may have an adverse effect on the interests and prospects of Musgrave.

Musgrave's ability to progress its business depends upon robust global supply chains and the ability to source adequate staff. The tightening market and growing inflation may affect the general economic conditions, both domestic and global, and may affect the performance of Musgrave.

While Musgrave's Directors and management monitor domestic and global events, it is difficult to state with certainty what the impacts will be on the demand for gold, and Musgrave's ability to develop its projects and generate revenue from them in the short to medium term.

The operations of Musgrave will require the involvement of a range of third parties, including suppliers, contractors and consultants. With respect to these third parties, and despite applying pre-contracting due diligence, Musgrave is unable to avoid the risk of financial failure, performance failure or default by a contractor or customer or a delay in services, equipment or supplies.

SHARES UNDER OPTION

There were no unissued ordinary shares of the Company under option at the date of this report.

SHARES ISSUED ON THE EXERCISE OF OPTIONS

During the year the Company issued a total of 3,450,000 ordinary shares upon the exercise of 3,450,000 options having an exercise price of \$0.1045 and expiring on 21 November 2022.

CORPORATE GOVERNANCE STATEMENT

The Company's 2023 Corporate Governance Statement has been released as a separate document and is located on the Company's website at <http://www.musgraveminerals.com.au/corporate-governance>.

PROCEEDINGS ON BEHALF OF THE GROUP

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the financial year, the Company paid a premium to insure the Directors and Officers of the consolidated entity against any liability incurred as a Director or Officer to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits the disclosure of the nature of the liabilities covered or the amount of the premium paid.

The Group has not entered into any agreement with its current auditors indemnifying them against claims by a third party arising from their position as auditor.

NON-AUDIT SERVICES

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important.

Details of the amounts paid or payable to the auditors BDO Audit (WA) Pty Ltd for audit and non-audit services provided during the year are set out in Note 18. During the year ended 30 June 2023 no fees were paid or were payable for non-audit services provided by the auditors of the consolidated entity (2022: \$Nil).

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on the following page.

Signed in accordance with a resolution of the Directors.



Graham Ascough
Chairman

Perth, 28 September 2023

DECLARATION OF INDEPENDENCE BY ASHLEIGH WOODLEY TO THE DIRECTORS OF MUSGRAVE MINERALS LIMITED

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

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

This declaration is in respect of Musgrave Minerals Limited and the entity it controlled during the period.



Ashleigh Woodley
Director

BDO Audit (WA) Pty Ltd
Perth, 28 September 2023

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2023

		2023	2022
		\$	\$
Revenue from continuing operations	3(a)	314,434	57,407
Other income	3(a)	-	323,442
Employee benefits expense	3(b)	(1,854,068)	(1,216,465)
Depreciation expense		(182,626)	(163,642)
Finance costs		(5,733)	(10,420)
Other expenses	3(c)	(654,565)	(573,049)
Profit / (loss) from continuing operations before income tax		(2,382,558)	(1,582,727)
Income tax benefit	5	-	-
Profit / (loss) after income tax for the year attributable to the owners of Musgrave Minerals Limited		(2,382,558)	(1,582,727)
Other comprehensive income / (loss)			
<i>Items that will not be reclassified to profit or loss</i>			
Change in fair value of financial assets at fair value through OCI	9	(87,500)	(833,225)
Other comprehensive income / (loss) for the year (net of tax)		(87,500)	(833,225)
Total comprehensive profit / (loss) for the year attributable to the owners of Musgrave Minerals Limited		(2,470,058)	(2,415,952)
		Cents per share	Cents per share
Profit / (loss) per share attributable to the owners of Musgrave Minerals Limited			
Basic profit / (loss) per share	17	(0.42)	(0.30)
Diluted profit / (loss) per share	17	(0.42)	(0.30)

The Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

		2023	2022
		\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	6	8,760,747	10,636,210
Trade and other receivables	7	328,223	337,157
Other current assets	8	102,809	16,649
Total Current Assets		9,191,779	10,990,016
Non-Current Assets			
Financial assets	9	656,463	743,963
Property, plant and equipment		734,675	565,382
Right of use assets		52,998	69,726
Exploration and evaluation	10	45,901,113	36,538,037
Total Non-Current Assets		47,345,249	37,917,108
TOTAL ASSETS		56,537,028	48,907,124
LIABILITIES			
Current Liabilities			
Trade and other payables	11	1,132,552	1,913,459
Provisions	12	256,940	254,204
Lease liabilities	13	48,248	62,489
Total Current Liabilities		1,437,740	2,230,152
Non-Current Liabilities			
Lease liabilities	13	-	10,750
Total Non-Current Liabilities		-	10,750
TOTAL LIABILITIES		1,437,740	2,240,902
NET ASSETS		55,099,288	46,666,222
EQUITY			
Contributed equity	14	83,365,570	73,438,246
Reserves	15	2,630,155	1,866,390
Accumulated losses	16	(30,896,437)	(28,638,414)
TOTAL EQUITY		55,099,288	46,666,222

The Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

	ATTRIBUTABLE TO EQUITY HOLDERS OF THE ENTITY				
	Contributed Equity \$	Options Reserve \$	Financial Asset Reserve \$	Accumulated Losses \$	Total Equity \$
At 1 July 2021	72,739,946	2,256,747	324,591	(27,299,085)	48,022,199
Total comprehensive loss for the year	-	-	-	(1,582,727)	(1,582,727)
Other comprehensive loss	-	-	(833,225)	-	(833,225)
Total comprehensive loss for the year (net of tax)	-	-	(833,225)	(1,582,727)	(2,415,952)
Transactions with owners in their capacity as owners:					
Issue of shares	503,625	-	-	-	503,625
Transaction costs of issuing shares	(5,136)	-	-	-	(5,136)
Issue of options (Note 23)	-	561,486	-	-	561,486
Transfer from share option reserve:					
- Due to exercise of options	199,811	(199,811)	-	-	-
- Due to expiry / lapse of options	-	(243,398)	-	243,398	-
At 30 June 2022	73,438,246	2,375,024	(508,634)	(28,638,414)	46,666,222
At 1 July 2022	73,438,246	2,375,024	(508,634)	(28,638,414)	46,666,222
Total comprehensive loss for the year	-	-	-	(2,382,558)	(2,382,558)
Other comprehensive loss	-	-	(87,500)	-	(87,500)
Total comprehensive loss for the year (net of tax)	-	-	(87,500)	(2,382,558)	(2,470,058)
Transactions with owners in their capacity as owners:					
Issue of shares	10,477,525	-	-	-	10,477,525
Transaction costs of issuing shares	(620,478)	-	-	-	(620,478)
Issue of options (Note 23)	-	1,046,077	-	-	1,046,077
Transfer from share option reserve:					
- Due to exercise of options	70,277	(70,277)	-	-	-
- Due to expiry / lapse of options	-	(124,535)	-	124,535	-
At 30 June 2023	83,365,570	3,226,289	(596,134)	(30,896,437)	55,099,288

The Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023

		2023 \$	2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Joint venture management fees	3(a)	-	320,442
Payments to suppliers and employees		(1,584,487)	(1,557,549)
Interest received		230,074	55,709
Interest paid		(5,733)	(10,420)
Net advances from joint venture partner		(24,604)	(29,767)
NET CASH FLOWS USED IN OPERATING ACTIVITIES	24	(1,384,750)	(1,221,585)
CASH FLOWS USED IN INVESTING ACTIVITIES			
Payments for property, plant and equipment		(261,407)	(274,340)
Payments for tenements		-	(100,000)
Payments for exploration activities		(9,994,363)	(9,096,329)
NET CASH FLOWS USED IN INVESTING ACTIVITIES		(10,255,770)	(9,470,669)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares	14(b)	10,117,000	-
Proceeds from exercise of options		360,525	503,625
Share issue costs	14(b)	(620,478)	(5,136)
Lease principal repayments		(91,990)	(80,961)
NET CASH FLOWS FROM FINANCING ACTIVITIES		9,765,057	417,528
Net increase/(decrease) in cash and cash equivalents		(1,875,463)	(10,274,726)
Cash and cash equivalents at beginning of the year		10,636,210	20,910,936
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	6	8,760,747	10,636,210

The Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: CORPORATE INFORMATION

The financial report of Musgrave Minerals Limited (“the Company”) and controlled entity (“the Group”), for the year ended 30 June 2023 was authorised for issue in accordance with a resolution of the Directors on 28 September 2023.

Musgrave Minerals Limited is a for profit company incorporated in Australia and limited by shares which are publicly traded on the Australian Securities Exchange. The nature of the operation and principal activities of the consolidated entity are described in the attached Directors’ Report.

The principal accounting policies adopted in the preparation of these financial statements are set out below and have been applied consistently to all periods presented in the financial statements and by all entities in the consolidated entity.

NOTE 2: STATEMENT OF COMPLIANCE

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the *Corporations Act 2001*.

Compliance with IFRS

The financial statements of Musgrave Minerals Limited also comply with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

New and amended accounting standards and interpretations adopted by the Group

No new standards or interpretations relevant to the operations of the Group have come into effect for the reporting period.

New accounting standards and interpretations

There are no new or amended accounting standards and interpretations relevant to the operations of the Group that come into effect in subsequent reporting periods at this time.

a) Basis of measurement**Historical cost convention**

These financial statements have been prepared under the historical cost convention, except where stated.

b) Going concern

These financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

Management have provided a 12-month cash flow budget which includes the requirement for additional funding due to the increased exploration activity planned. Management believe the going concern assumption is appropriate as funding will be available from Ramelius Resources Ltd following the off-market takeover (Refer Note 20).

c) Principles of consolidation**Subsidiaries**

The financial statements incorporate the assets and liabilities of the Company's subsidiary at 30 June 2023 and the results of its subsidiary for the year then ended. The Company and its subsidiary together are referred to in this financial report as the Group or the Consolidated Entity.

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its investment with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

The acquisition method of accounting is used to account for business combinations by the Group.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position and the Statement of Changes in Equity respectively.

d) Critical accounting judgements and key sources of estimation uncertainty

The application of accounting policies requires the use of judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

e) Functional and presentation currency

The financial statements are presented in Australian dollars, which is the Group's functional and presentation currency.

f) Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss as incurred over the period of the lease.

Leases in which a significant portion of the risks and rewards of ownership are transferred to the Group as lessee are classified as finance leases. At the commencement date of a lease, the Group recognises a liability to make lease payments (i.e. the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e. the right-of-use asset). The Group separately recognises the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

g) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

NOTE 3: REVENUE AND EXPENSES**a) Revenue and other income**

	2023 \$	2022 \$
Revenue from continuing operations		
Interest revenue	314,434	57,407
Other Income		
Joint venture management fees	-	320,442
Other income	-	3,000
Total other income	-	323,442
Total revenue and other income	314,434	380,849

Revenue is recognised at an amount that reflects the consideration to which the Group expects to be entitled to in exchange for transferring services to a customer. Revenue and expenses are recognised on an accrual's basis.

Interest income is recognised on a time proportion basis using the effective interest method.

b) Employee benefits expense

	2023 \$	2022 \$
Wages, salaries, directors' fees and other remuneration expenses	2,745,203	2,199,685
Superannuation contributions	276,593	212,804
Transfer to / (from) annual leave provision	(8,510)	74,800
Transfer to / (from) long service leave provision	11,246	(23,186)
Share-based payments expense (Note 23)	1,046,077	561,486
Transfer to capitalised exploration expenditure	(2,216,541)	(1,809,124)
Total employee benefits expense	1,854,068	1,216,465

NOTE 3: REVENUE AND EXPENSES (Continued)**c) Other expenses**

	2023 \$	2022 \$
ASX / ASIC	81,532	83,473
Employer related on-costs	142,405	109,752
Occupancy costs	14,509	21,688
Promotion, advertising and sponsorship	143,652	230,087
Secretarial, professional and consultancy costs	144,551	145,290
Share register maintenance	42,461	50,821
Other expenses	481,197	273,989
Transfer to capitalised exploration expenditure	(395,742)	(342,051)
Total other expenses	654,565	573,049

NOTE 4: SEGMENT INFORMATION

The Group operates in one geographical segment, being Australia and in one operating category, being mineral exploration. Therefore, information reported to the chief operating decision maker (the Board of Musgrave Minerals Limited) for the purposes of resource allocation and performance assessment is focused on mineral exploration within Australia. The Board has considered the requirements of AASB 8: *Operating Segments* and the internal reports that are reviewed by the chief operation decision maker in allocating resources and have concluded at this time that there are no separately identifiable segments.

NOTE 5: INCOME TAX

	2023 \$	2022 \$
Statement of Profit or Loss and Other Comprehensive Income		
<i>Current income tax:</i>		
- Current income tax benefit at a rate of 30% (2022: 25%)	-	-
<i>Deferred income tax:</i>		
- Relating to origination and reversal of temporary differences	-	-
- Deferred tax liability offset by deferred tax asset losses	-	-
- Temporary difference not recognised in the current period	-	-
Income tax expense / (benefit) reported in the Statement of Profit or Loss and Other Comprehensive Income	-	-
A reconciliation of income tax expense / (benefit) applicable to accounting profit / (loss) before income tax at the statutory income tax rate to income tax expense / (benefit) at the Company's effective income tax is as follows:		
Accounting profit / (loss) from continuing operations before income tax	(2,382,558)	(1,582,727)
At the statutory income tax rate of 30% (2022: 25%)	(714,767)	(395,682)
<i>Add:</i>		
- Share based payments	313,823	140,372
- Expenditures not allowable / income assessable	2,488	1,978
- Other deductible items	(9,738)	(1,284)
- Income tax not recognised	408,194	254,616
	-	-

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

NOTE 5: INCOME TAX (Continued)

	2023 \$	2022 \$
Deferred income tax		
Recognised on the Statement of Financial Position, deferred income tax at the end of the reporting period relates to the following: (30%, 2022: 25%)		
<i>Deferred income tax liabilities:</i>		
- Capitalised expenditure deductible for tax purposes	13,356,233	8,833,403
- Trade and other receivables	66,751	16,649
- Financial assets at fair value through other comprehensive income	(19,602)	5,540
	13,403,382	8,855,592
<i>Deferred income tax assets:</i>		
- Trade and other payables	(6,852)	(5,200)
- Employee benefits	(77,082)	(63,551)
- Capital raising costs	(326,845)	(202,498)
- Net lease liability	1,425	(878)
- Tax losses available to offset deferred tax liability	(12,994,028)	(8,583,465)
Net deferred tax asset / (liability)	-	-

The Company and its 100% owned controlled entity have formed a tax consolidated group. The head entity of the tax consolidated group is Musgrave Minerals Limited. The tax consolidated group has potential revenue tax losses of \$65,009,091 (2022: \$53,993,354).

Musgrave Minerals Limited is considered a base rate entity for income tax purposes and is therefore subject to income tax at a rate of 30% (2022: 25%).

The deductible temporary differences and tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise benefits.

The utilisation of tax losses is dependent on the Group satisfying the continuity of ownership test or the same business test at the time the tax losses are applied against taxable income.

NOTE 6: CASH AND CASH EQUIVALENTS

	2023 \$	2022 \$
Cash at bank and on hand	1,664,422	3,059,885
Short-term deposits	7,096,325	7,576,325
	8,760,747	10,636,210

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, and other short-term, highly liquid investments with maturities of three months or less.

The weighted average interest rate for the year was 3.06% (2022: 0.34%).

The Group's exposure to interest rate risk is set out in Note 22. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of cash and cash equivalents mentioned above.

NOTE 7: TRADE AND OTHER RECEIVABLES

	2023 \$	2022 \$
<i>Current</i>		
GST receivable	192,830	285,007
Other	135,393	52,150
	328,223	337,157

Trade and other receivables are generally due for settlement within 30 days. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

Trade and other receivables are recognised at amortised cost using the effective interest rate method, less any allowance for expected credit losses.

The Group assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. For trade and other receivables, the Group applies the simplified approach permitted by AASB 9: *Financial Instruments* to determine any allowances for expected credit losses, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience. The amounts held in trade and other receivables do not contain impaired assets and are not past due. Based on the credit history of these trade and other receivables, it is expected that the amounts will be received when due.

The Group's financial risk management objectives and policies are set out in Note 22.

Due to the short-term nature of these receivables their carrying value is assumed to approximate their fair value.

NOTE 8: OTHER CURRENT ASSETS

	2023 \$	2022 \$
Accrued interest	99,009	14,649
Other	3,800	2,000
	102,809	16,649

NOTE 9: FINANCIAL ASSETS**Financial assets at fair value through other comprehensive income**

	2023 \$	2022 \$
<i>Non-Current</i>		
Opening balance	743,963	1,577,188
Change in fair value	(87,500)	(833,225)
Closing balance	656,463	743,963

The Group holds 12,500,000 shares in Legend Mining Limited (ASX:LEG) and 1,308,750 shares in Cyprium Metals Limited (ASX:CYM).

Financial assets are recognised and derecognised on settlement date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned. They are initially measured at fair value, net of transaction costs, except for those financial assets classified as fair value through profit or loss, which are initially measured at fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

The Group classifies its financial assets as either financial assets at fair value through profit or loss ("FVPL"), fair value through other comprehensive income ("FVOCI") or at amortised cost. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For investments in equity instruments, the classification depends on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVPL or FVOCI.

Financial assets at FVOCI

For assets measured at FVOCI, gains and losses will be recorded in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value. The Group has elected to measure its listed equities at FVOCI.

Assets in this category are subsequently measured at fair value. The fair values of quoted investments are based on current bid prices in an active market. Refer to Note 22 for additional details.

NOTE 10: EXPLORATION AND EVALUATION

	2023 \$	2022 \$
Opening balance	36,538,037	26,009,600
Exploration expenditure incurred during the year	9,363,076	10,528,437
Closing balance	45,901,113	36,538,037

Exploration and evaluation expenditure, including the costs of acquiring licences and permits, are capitalised as exploration and evaluation assets on an area of interest basis. Costs incurred before the Company has obtained the legal rights to explore an area are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

Exploration and evaluation assets are only recognised if the rights to the area of interest are current and either:

- a) the expenditures are expected to be recouped through successful development and exploitation or from sale of the area of interest; or
- b) activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are assessed for impairment if sufficient data exists to determine technical feasibility and commercial viability, and facts and circumstances suggest that the carrying amount exceeds the recoverable amount. For the purposes of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates. The cash generating unit shall not be larger than the area of interest.

Once the technical feasibility and commercial viability of the extraction of minerals in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mineral property and development assets within property, plant and equipment.

When an area of interest is abandoned or the Directors decide that it is not commercial, any accumulated costs in respect of that area are written off in the financial period the decision is made.

Significant estimate and judgement

There is some subjectivity involved in the carry forward of capitalised exploration and evaluation expenditure or, where appropriate, the write off to the Statement of Profit or Loss and Other Comprehensive Income, however management give due consideration to areas of interest on a regular basis and are confident that decisions to either write off or carry forward such expenditure fairly reflect the prevailing situation.

The recoverability of the capitalised exploration and evaluation expenditure assets are dependent on the successful development and commercial exploration, or alternatively sale, of the respective areas of interest.

NOTE 11: TRADE AND OTHER PAYABLES

	2023 \$	2022 \$
Trade creditors and accruals	1,132,552	1,888,855
Amounts due to joint venture partner	-	24,604
	1,132,552	1,913,459

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Trade creditors are unsecured, non-interest bearing and are normally settled on 30-day terms. The Group's financial risk management objectives and policies are set out in Note 22. Due to the short-term nature of these payables their carrying value is assumed to approximate their fair value.

NOTE 12: PROVISIONS

	2023 \$	2022 \$
Short-term		
Annual leave	143,330	151,840
Long service leave	113,610	102,364
	256,940	254,204

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months, are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

The obligations are presented as current liabilities in the Statement of Financial Position of the Group.

Long-term obligations

The liability for long service leave and annual leave which is not expected to be settled within 12 months after the end of the period in which the employees render the related service is recognised as a non-current provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period.

NOTE 13: LEASE LIABILITIES

	2023 \$	2022 \$
<i>Current</i>		
Lease liabilities	48,248	62,489
	48,248	62,489
<i>Non-current</i>		
Lease liabilities	-	10,750
	-	10,750
	48,248	73,239

The Company leases its corporate office and IT equipment. The Company has elected not to recognise a lease liability for 'low-value' and short-term leases.

Future minimum lease payments as at 30 June 2023 were as follows:

	Within one year \$	One to two years \$	Two to five years \$	Total \$
30 June 2023				
Lease payments	49,286	-	-	49,286
Finance charges	(1,038)	-	-	(1,038)
Net present values	48,248	-	-	48,248
30 June 2022				
Lease payments	65,910	11,000	-	76,910
Finance charges	(3,421)	(250)	-	(3,671)
Net present values	62,489	10,750	-	73,239

NOTE 14: CONTRIBUTED EQUITY**a) Share capital**

	2023 \$	2022 \$
Ordinary shares fully paid	83,365,570	73,438,246

b) Movements in ordinary shares on issue

	Number	\$
Balance at 30 June 2021	533,222,949	72,739,946
Options exercised - various	3,950,000	703,436
Share issue costs	-	(5,136)
Balance at 30 June 2022	537,172,949	73,438,246
Options exercised – various	3,450,000	430,802
Placement – 2 December 2022	40,000,000	8,000,000
Share purchase plan – 29 December 2022	10,585,000	2,117,000
Share issue costs	-	(620,478)
Balance at 30 June 2023	591,207,949	83,365,570

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Ordinary shares have the right to receive dividends as declared, and in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

c) Movements in options on issue

	2023 Number	2022 Number
Opening balance	17,200,000	16,080,000
Options granted	12,150,000	6,070,000
Options exercised (Note 14(b))	(3,450,000)	(3,950,000)
Options expired / lapsed	(950,000)	(1,000,000)
Balance at the end of the financial year	24,950,000	17,200,000

NOTE 15: RESERVES**Share option reserve**

Opening balance

Issue of director and employee options (Note 23)

Exercise of director and employee options

Expiry / lapse of options (Note 16)

Balance at the end of the financial year

	2023 \$	2022 \$
Opening balance	2,375,024	2,256,747
Issue of director and employee options (Note 23)	1,046,077	561,486
Exercise of director and employee options	(70,277)	(199,811)
Expiry / lapse of options (Note 16)	(124,535)	(243,398)
Balance at the end of the financial year	3,226,289	2,375,024

The option reserve is used to recognise the fair value of options issued to Directors, employees and contractors.

Financial asset reserve

Opening balance

Financial assets at fair value through other comprehensive income (Note 9)

Balance at the end of the financial year

	2023 \$	2022 \$
Opening balance	(508,634)	324,591
Financial assets at fair value through other comprehensive income (Note 9)	(87,500)	(833,225)
Balance at the end of the financial year	(596,134)	(508,634)
Total Reserves	2,630,155	1,866,390

The financial asset reserve is used to recognise the fair value movement on financial assets at fair value through other comprehensive income.

NOTE 16: ACCUMULATED LOSSES

Opening balance

Net profit / (loss) attributable to members

Transfer from share option reserve (Note 15)

Balance at the end of the financial year

	2023 \$	2022 \$
Opening balance	(28,638,414)	(27,299,085)
Net profit / (loss) attributable to members	(2,382,558)	(1,582,727)
Transfer from share option reserve (Note 15)	124,535	243,398
Balance at the end of the financial year	(30,896,437)	(28,638,414)

NOTE 17: EARNINGS PER SHARE

	2023 Cents	2022 Cents
Basic profit / (loss) loss per share	(0.42)	(0.30)
Diluted profit / (loss) loss per share	(0.42)	(0.30)

The following reflects the profit/(loss) and share data used in the calculations of basic and diluted loss per share:

	2023 \$	2022 \$
Profit / (loss) used in calculating basic and diluted earnings per share	(2,382,558)	(1,582,727)

	2023 Number	2022 Number
Weighted average number of ordinary shares used in calculating basic and diluted profit / (loss) per share	568,088,032	535,982,538
Weighted average number of ordinary shares used in calculating basic and diluted profit / (loss) per share	568,088,032	535,982,538

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Group, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the "after income" tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

NOTE 18: AUDITOR'S REMUNERATION

	2023 \$	2022 \$
Audit services		
BDO Audit (WA) Pty Ltd		
- Audit and review of the financial reports	40,574	33,000
Total remuneration	40,574	33,000

NOTE 19: CONTINGENT ASSETS AND LIABILITIES

Contingent liabilities

The Group had contingent liabilities in respect of:

Future royalty payments

Musgrave holds a 100% interest in the key tenure hosting gold resources on the Cue Gold Project including the Break of Day/Starlight, White Heat-Mosaic, Big Sky, Lena, Leviticus and Numbers deposits and other gold prospects. The Cue Gold Project is in Western Australia and as such, subject to the standard state government gold royalty which equates to 2.5% of the value of gold metal produced. The majority of the deposits are subject to third-party royalties that date back to the 1990s: 1.575% gold royalty to Franco Nevada and a \$2.50/oz gold royalty to Molopo.

Future consideration and royalty payments

In March 2019, the Company entered into an Option Agreement ("Mainland Agreement") to acquire the non-alluvial gold rights to the Mainland Project which is located within the boundaries of the Company's Cue Gold Project. Musgrave paid \$125,000 to execute the option to acquire 100% interest in the tenements (excluding the vendors' interest in alluvial gold). A further \$100,000 was paid in August 2020 and an additional \$300,000 was paid in March 2023 as final payment to acquire 100% of the project. The vendor is entitled to a 1% gross royalty on any non-alluvial gold produced by the Company from the Mainland tenements.

In March 2022 the Company, via its wholly owned subsidiary Musgrave Exploration Pty Ltd, entered into a Sale and Purchase Agreement with an unrelated proprietary company, Eastern Goldfields Exploration Pty Ltd ("Eastern") to acquire a 100% interest in a number of tenements that comprise the Mt Magnet South Project.

Eastern will sell its 100% interest in the Mt Magnet South Project to the Company for the following consideration (a) \$100,000 payable on Completion (this has been paid); (b) on the second anniversary of Completion the Company must pay either \$150,000 in cash or shares, at Musgrave's election, to Eastern; (c) on the third anniversary of Completion the Company must pay either \$125,000 in cash or shares, at Musgrave's election, to Eastern; and (d) On the fourth anniversary of Completion the Company must pay either \$125,000 in cash or shares, at Musgrave's election, to Eastern.

Following Completion Eastern will be entitled to receive a 1.0% NSR royalty in respect of any gold and rare earth elements produced from the Mt Magnet South Project.

Contingent assets

The Group had contingent assets in respect of:

Future royalty payments

In January 2014, the Group entered into a Mining Farm-in and Joint Venture Agreement ("Agreement") with Menninnie Metals Pty Ltd on the Menninnie Dam Project. In August 2015, the parties agreed to terminate the Agreement ("Termination Agreement"). As part of the Termination Agreement the Group retains a 1% Net Smelter Return Royalty on all ores, concentrates or other primary, intermediate or final product of any minerals produced from the Menninnie Dam Project

NOTE 19: CONTINGENT ASSETS AND LIABILITIES (Continued)

Deferred consideration

Cyprium Australia Pty Ltd ("Cyprium") has earned an 80% interest in the non-gold rights over the northern tenements ("Tenements") of the Company's Cue Project. Musgrave retains 20% of the non-gold rights and is free carried to the completion of a definitive feasibility study and retains 100% of the rights to gold dominant deposits. Should Cyprium delineate 80,000 tonnes of contained copper over the Tenements, \$200,000 in cash or the equivalent value of Cyprium shares (at Cyprium's election) will be due to the Company. Upon a Decision to Mine, \$300,000 in cash or the equivalent value of Cyprium shares (at Cyprium's election) will be due to the Company.

On The Evolution joint venture, Evolution completed the \$18 million earn-in requirement to earn a 75% ownership interest in the project and the joint venture formed on 16 December 2022. Musgrave holds a 25% attributable interest in the joint venture.

There are no other material contingent assets or liabilities as at 30 June 2023.

NOTE 20: EVENTS OCCURRING AFTER THE REPORTING PERIOD

On 3 July 2023 Ramelius Resources Ltd announced an off-market takeover offer ("Ramelius Offer") for all the ordinary shares in Musgrave ("Ramelius Offer") Musgrave directors unanimously recommended that shareholders accept the Ramelius Offer, in the absence of a superior proposal (*See RMS and MGJV joint ASX announcement dated 3 July 2023, "Ramelius makes recommended takeover offer for Musgrave"*). Under the terms of the Ramelius Offer, Musgrave shareholders will receive one (1) Ramelius share for every 4.21 Musgrave Shares held and \$0.04 (4 cents) in cash for every Musgrave Share held. Musgrave Directors have confirmed that they have accepted the Ramelius Offer for all the Musgrave Shares they own or control.

The Ramelius Bidders' Statement was released on 11 July 2023 and the Company's Target's Statement was released on 13 July 2023 (supplemented by a supplementary target's statement on 17 July 2023) in response to the off-market takeover offer by Ramelius Resources Limited (through its wholly owned subsidiary, Mt Magnet Gold Pty Ltd) for all the issued ordinary shares in Musgrave (*see MGJV ASX announcements dated 13 July 2023, "Target's Statement" and 17 July 2023, "First Supplementary Target's Statement"*).

On 15 September 2023 Ramelius announced that they had acquired a relevant interest, in excess of 90% of Musgrave shares and on 19 September 2023 announced the lodgement of a notice of compulsory acquisition of the remaining Musgrave shares. The Ramelius Offer closed at 7pm (Sydney time) on 15 September 2023 and the Company's shares were suspended from quotation on 26 September 2023.

There have been no other events subsequent to reporting date which are sufficiently material to warrant disclosure.

NOTE 21: COMMITMENTS

In order to maintain an interest in the exploration tenements in which the Group is involved, the Group is committed to meeting the conditions under which the tenements were granted. The timing and amount of exploration expenditure commitments and obligations of the Group are subject to the minimum expenditure commitments required as per the *Mining Act 1978* (Western Australia) and the *Mining Act 1971* (South Australia) and may vary significantly from the forecast based upon the results of the work performed which will determine the prospectivity of the relevant area of interest. Currently, the minimum expenditure commitments for the granted tenements is \$1,209,534 (2022: \$1,194,534) per annum. Of this amount \$941,134 is to be met by the Group's joint venture partners as part of their earn-in obligations (2022: \$920,800).

NOTE 22: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial risk management

Overview

The Group has exposure to the following risks from their use of financial instruments:

- Interest rate risk
- Credit risk
- Foreign currency risk
- Commodity risk
- Liquidity risk
- Market risk
- Tax law and application risk

Accounting standards risk.

This note presents information about the Group's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital. The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework.

Risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

NOTE 22: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

The Group's principal financial instruments are tabled below.

	2023 \$	2022 \$
Financial assets		
<i>Current</i>		
Cash and cash equivalents (at amortised cost)	8,760,747	10,636,210
Trade and other receivables (at amortised cost)	328,223	337,157
	9,088,970	10,973,367
<i>Non-Current</i>		
Financial assets at fair value through other comprehensive income ("FVOCI")	656,463	743,963
	656,463	743,963
Financial liabilities		
<i>Current</i>		
Trade and other payables (at amortised cost)	1,132,552	1,913,459
Lease liabilities (at amortised cost)	48,249	62,489
	1,180,801	1,975,948
<i>Non-Current</i>		
Lease liabilities (at amortised cost)	-	10,750
	-	10,750

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Interest rate risk arises from fluctuations in interest bearing financial assets and liabilities that the Group uses.

Interest bearing assets comprise cash and cash equivalents which are considered to be short-term liquid assets. It is the Group's policy to settle trade payables within the credit terms allowed and therefore not incur interest on overdue balances.

NOTE 22: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

The following table sets out the carrying amount, by maturity, of the financial instruments that are exposed to interest rate risk:

	Floating interest rate \$	Fixed interest rate maturing in			Non-interest bearing \$	Total \$
		1 year or less \$	Over 1 to 5 years \$	More than 5 years \$		
2023						
Financial assets						
Cash and cash equivalents	-	7,096,325	-	-	1,664,422	8,760,747
Trade and other receivables	-	-	-	-	328,223	328,223
	-	7,096,325	-	-	1,992,645	9,088,970
Weighted average interest rate	-	2.95%	-	-	-	-
Financial liabilities						
Trade and other payables	-	-	-	-	1,132,552	1,132,552
Lease liabilities	-	48,248	-	-	-	48,248
	-	48,248	-	-	1,132,552	1,180,800
Weighted average interest rate	-	10%	-	-	-	-
2022						
Financial assets						
Cash and cash equivalents	-	7,576,325	-	-	3,059,885	10,636,210
Trade and other receivables	-	-	-	-	337,157	337,157
	-	7,576,325	-	-	3,397,042	10,973,367
Weighted average interest rate	-	0.41%	-	-	-	-
Financial liabilities						
Trade and other payables	-	-	-	-	1,913,459	1,913,459
Lease liabilities	-	62,489	10,750	-	-	73,239
	-	62,489	10,750	-	1,913,459	1,986,698
Weighted average interest rate	-	10%	10%	-	-	-

Sensitivity analysis for interest rate exposure

A change of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below:

	2023 \$	2022 \$
Impact on profit / (loss) and equity		
Increase of 100 basis points	102,889	169,771
Decrease of 100 basis points	(102,889)	(169,771)

NOTE 22: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers and investment securities. The Group trades only with recognised, creditworthy third parties. It is the Group policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. The maximum exposure to credit risk is the carrying value of the receivable, net of any provision for expected credit loss.

With respect to credit risk arising from the other financial assets of the Group, which comprise cash and cash equivalents, the Group's exposure to credit risk arises from default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. This risk is minimised by reviewing term deposit accounts from time to time with approved banks of a sufficient credit rating which is -AA and above.

Exposure to credit risk

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk is tabled below.

	2023 \$	2022 \$
Cash and cash equivalents	8,760,747	10,636,210
Trade and other receivables	328,223	337,157
	9,088,970	10,973,367

Foreign currency risk

Musgrave's performance and the value of Musgrave Shares may be affected by fluctuations in exchange rates, such as the AUD/USD exchange rate. Financial performance can be highly dependent on the prevailing commodity prices, capital costs, operating costs and exchange rates. These prices along with other inputs to capital and operating costs can fluctuate rapidly and widely and are affected by numerous factors beyond the control of Musgrave including, among others, expectations regarding inflation, the financial impact of movements in interest rates, global economic trends and confidence and conditions.

Commodity price risk

Musgrave's performance and the value of Musgrave Shares may be affected by fluctuations in commodity prices and exchange rates, such as the USD and AUD denominated gold prices. Financial performance will be highly dependent on the prevailing commodity prices, capital costs, operating costs and exchange rates. These prices along with other inputs to capital and operating costs can fluctuate rapidly and widely and are affected by numerous factors beyond the control of Musgrave.

The above factors may have an adverse effect on Musgrave's exploration activities and the potential for future development and production activities, as well as the ability to source adequate staff and fund those activities. In particular, if activities cannot be funded, there is a risk that tenements may have to be surrendered or not renewed.

NOTE 22: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)
Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's objective is to maintain a balance between continuity of funding and flexibility. The following are the contractual maturities of financial liabilities:

	Less than 6 months \$	Total Contractual cash flows \$	Carrying amount \$
2023			
Trade and other payables	1,132,552	1,132,552	1,132,552
Lease liabilities	48,248	48,248	48,248
	1,180,800	1,180,800	1,180,800
2022			
Trade and other payables	1,913,459	1,913,459	1,913,459
Lease liabilities	50,356	73,239	73,239
	1,963,815	1,986,698	1,986,698

Market risk
Price risk

The Group's exposure to equity securities price risk arises from investments held by the Group and classified in the Statement of Financial Position as financial assets at FVOCI.

Sensitivity analysis for price risk

A change of 10% in the price of securities held at reporting date on the Group's equity and/or profit or loss by is shown below:

	2023 \$	2022 \$
Impact on profit / (loss) and equity		
Increase of 10%	65,646	74,396
Decrease of 10%	(65,646)	(74,396)

Fair value of financial assets and liabilities

The fair value of cash and cash equivalents and non-interest-bearing financial assets and financial liabilities of the Group is equal to their carrying value.

NOTE 22: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)**Fair value measurement of financial instruments**

Financial assets and financial liabilities measured at fair value in the Statement of Financial Position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: unobservable inputs for the asset or liability.

Tax Law and application risk

The application of and changes in relevant tax laws (such as income tax, goods and services tax (or equivalent) and stamp duty), rules relating to deductible liabilities, or changes in the way those tax laws are interpreted, will or may impact the tax liabilities of Musgrave or the tax treatment of a Musgrave Shareholder's investment. An interpretation or application of tax laws or regulations by a relevant tax authority that is contrary to Musgrave's view of those laws may change the amount of tax paid or payable by Musgrave.

Both the level and basis of tax may change. Any changes to the current rates of taxes and/or any changes in tax rules and tax arrangements may change the amount of tax paid or payable by Musgrave and may also impact Musgrave Shareholders.

NOTE 22: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

The following table shows the levels within the hierarchy of financial assets and liabilities measured at fair value on a recurring basis at 30 June 2023 and 30 June 2022:

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
30 June 2023				
Financial assets at FVOCI	656,463	-	-	656,463
	656,463	-	-	656,463
30 June 2022				
Financial assets at FVOCI	743,963	-	-	743,963
	743,963	-	-	743,963

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The management of the Group's capital is performed by the Board.

The capital structure of the Group consists of net debt (trade and other payables, provisions and lease liabilities detailed in Notes 11, 12 and 13 offset by cash and bank balances) and equity of the Group (comprising contributed equity and reserves, offset by accumulated losses detailed in Notes 14, 15 and 16).

The Group is not subject to any externally imposed capital requirements. None of the Group's entities are subject to externally imposed capital requirements.

NOTE 23: SHARE-BASED PAYMENTS
Employee Share Option Plan

The Group has an Employee Share Option Plan ("ESOP") for executives and employees of the Group. In accordance with the provisions of the ESOP, as approved by shareholders at a previous Annual General Meeting, executives and employees may be granted options at the discretion of the Directors.

Each share option converts into one ordinary share of Musgrave Minerals Limited on exercise. No amounts are paid or are payable by the recipient on receipt of the option. The options carry neither rights of dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

Options issued to Directors are subject to approval by shareholders.

NOTE 23: SHARE-BASED PAYMENTS (Continued)

The following share-based payment arrangements were in existence during the reporting period:

Option series	Number	Issue date	Expiry date	Vesting date	Exercise price	Fair value at grant date
U ⁽¹⁾	3,450,000	21 Nov 2019	21 Nov 2022	Immediate	\$0.1045	\$0.0203
V	5,900,000	20 Aug 2020	20 Aug 2023	Immediate	\$0.932	\$0.2369
W ⁽²⁾	780,000	28 Aug 2020	20 Aug 2023	Immediate	\$0.932	\$0.2434
X	1,000,000	29 Jun 2021	24 Jun 2024	Immediate	\$0.56	\$0.1557
Y	500,000	31 Aug 2021	27 Aug 2024	Immediate	\$0.47	\$0.1590
Z ⁽³⁾	1,820,000	23 Sep 2021	23 Sep 2024	1 Oct 2022	\$0.45	\$0.1050
AA	3,750,000	18 Nov 2021	18 Nov 2024	18 Nov 2022	\$0.59	\$0.1471
AB	1,250,000	6 Jul 2022	19 Jun 2025	6 Jul 2023	\$0.45	\$0.1063
AB	1,250,000	6 Jul 2022	19 Jun 2025	6 Jan 2024	\$0.45	\$0.1063
AC	5,250,000	14 Nov 2022	5 Nov 2025	13 Nov 2023	\$0.335	\$0.0885
AD ⁽⁴⁾	4,400,000	14 Nov 2022	5 Nov 2025	13 Nov 2023	\$0.335	\$0.1050

(1) These options were exercised during the financial year.

(2) 350,000 of these options lapsed during the financial year.

(3) 350,000 of these options lapsed during the financial year.

(4) 250,000 of these options lapsed during the financial year.

Fair value of share options granted during the year

The fair value of share options at grant date is determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the share price at grant date, the expected price volatility of the underlying share and the risk-free rate for the term of the option. The fair value of options is determined at grant date and is expensed over the vesting period for those options.

A total of 12,150,000 Director or employee options were issued during the reporting period. The fair value of share options expensed during the year was \$1,046,077 of which \$506,134 relate to key management personnel (2022: \$561,486 and \$338,533 respectively).

The model inputs for options granted during the year ended 30 June 2023 are as follows:

Inputs	Issue AB	Issue AC	Issue AD
Number	2,500,000	5,250,000	4,400,000
Exercise price	\$0.45	\$0.335	\$0.335
Issue date	6 Jul 2022	8 Nov 2022	14 Nov 2022
Expiry date	19 Jun 2025	5 Nov 2025	5 Nov 2025
Vesting date	1,250,00 on 6 Jul 2023 1,250,00 on 6 Jan 2024	13 Nov 2023	13 Nov 2023
Share price at grant date	\$0.25	\$0.22	\$0.245
Expected price volatility	86.0%	75.0%	75.0%
Risk-free interest rate	2.51%	3.5%	3.5%
Expected dividend yield	0%	0%	0%

NOTE 23: SHARE-BASED PAYMENTS (Continued)

Movements in share options during the year

Movement in the number of share options held by Directors, employees and consultants:

	2023		2022	
	Number of options	Weighted average exercise price \$	Number of options	Weighted average exercise price \$
Outstanding at the beginning of the year	17,200,000	0.605	16,080,000	0.534
Granted and vested during the year	-	-	500,000	0.470
Granted but not vested during the year	12,150,000	0.359	5,570,000	0.544
Exercised during the year	(3,450,000)	0.105	(3,950,000)	0.128
Expired / lapsed during the year	(950,000)	0.597	(1,000,000)	0.932
Outstanding at the end of the year	24,950,000	0.555	17,200,000	0.605
Exercisable at the end of the year	13,050,000	0.904	11,630,000	0.635

The weighted average remaining contractual life of share options outstanding at the end of the year was 1.46 years (2022: 1.46 years).

Share options outstanding at the end of the year

Share options issued and outstanding at the end of the year have the following exercise prices:

Expiry date	Exercise price \$	2023 Number	2022 Number
21 November 2022	0.1045	-	3,450,000
20 August 2023	0.9320	6,330,000	6,680,000
24 June 2024	0.5600	1,000,000	1,000,000
27 August 2024	0.4700	500,000	500,000
23 September 2024	0.4500	1,470,000	1,820,000
18 November 2024	0.5900	3,750,000	3,750,000
19 June 2025	0.4500	2,500,000	-
5 November 2025	0.3350	9,400,000	-
Totals		24,950,000	17,200,000

Significant estimates and judgement

The Group measures the cost of equity-settled transactions with Directors, employees and consultants by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using a Black-Scholes option pricing model.

NOTE 24: RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

	2023 \$	2022 \$
Cash flows from operating activities		
Profit / (loss) for the year	(2,382,558)	(1,582,727)
Non-cash flows in profit / (loss):		
- Depreciation	182,626	163,642
- Share based remuneration	1,046,077	561,486
Changes in assets and liabilities		
- Decrease / (Increase) in trade and other receivables	(89,828)	(14,455)
- Decrease / (Increase) in other current assets	(86,160)	(3,698)
- Increase / (Decrease) in trade and other payables	(57,643)	(397,447)
- Increase / (Decrease) in employee entitlements	2,736	51,614
Net cash used in operating activities	(1,384,750)	(1,221,585)

NOTE 25: RELATED PARTY DISCLOSURE

a) Parent entity

	Class	Country of incorporation	Investment at cost	
			2023	2022
			\$	\$
Musgrave Minerals Limited	Ordinary	Australia	-	-

b) Subsidiaries

	Class	Country of incorporation	Investment at cost	
			2023	2022
			\$	\$
Musgrave Exploration Pty Ltd	Ordinary	Australia	100	100

c) Key management personnel compensation

	2023	2022
	\$	\$
Short-term employee benefits	535,162	508,868
Post-employment benefits	54,579	49,429
Bonus payments	60,276	57,059
Share-based payments	506,134	338,533
	1,156,151	953,889

Detailed remuneration disclosures are provided in the Remuneration Report.

NOTE 26: SUBSIDIARIES

Details of the Company's subsidiary are as follows:

Subsidiary	Principal activity	Country of incorporation	Proportion of ownership	
			2023	2022
Musgrave Exploration Pty Ltd	Exploration	Australia	100%	100%

NOTE 27: PARENT ENTITY DISCLOSURE

	2023 \$	2022 \$
Financial Performance		
Profit / (loss) for the year	(2,382,558)	(1,582,727)
Other comprehensive income	(87,500)	(833,225)
Total comprehensive profit / (loss)	(2,470,058)	(2,415,952)
Financial Position		
ASSETS		
Current assets	9,191,779	10,990,016
Non-Current assets	47,345,249	37,917,108
TOTAL ASSETS	56,537,028	48,907,124
LIABILITIES		
Current liabilities	1,437,740	2,230,152
Non-Current liabilities	-	10,750
TOTAL LIABILITIES	1,437,740	2,240,902
NET ASSETS	55,099,288	46,666,222
EQUITY		
Contributed equity	83,365,570	73,438,246
Reserves	2,630,155	1,866,390
Accumulated losses	(30,896,437)	(28,638,414)
TOTAL EQUITY	55,099,288	46,666,222

No guarantees have been entered into by Musgrave Minerals Limited in relation to the debts of its subsidiary.

Musgrave Minerals Limited had no expenditure commitments as at 30 June 2023 other than the commitments as disclosed in Note 21.

DIRECTORS' DECLARATION

The Directors of Musgrave Minerals Limited declare that:

- 1) in the Directors' opinion, the financial statements and notes set out on pages 32 to 64 and the Remuneration Report in the Director's Report are in accordance with the *Corporations Act 2001*, including:
 - a) giving a true and fair view of the Group's financial position as at 30 June 2023 and of its performance, for the financial year ended on that date; and
 - b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations), *Corporations Regulations 2001* and mandatory professional reporting requirements.
- 2) the financial statements also comply with International Financial Reporting Standards as disclosed in Note 2; and
- 3) there are reasonable grounds to believe that the consolidated entity will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations required by Section 295A of the *Corporations Act 2001* by the Managing Director and Chief Financial Officer for the financial year ended 30 June 2023.

Signed in accordance with a resolution of the Directors.

A handwritten signature in black ink, appearing to read "G. Ascough", written in a cursive style.

Mr Graham Ascough
Chairman

Perth, Western Australia

28 September 2023

INDEPENDENT AUDITOR'S REPORT

To the members of Musgrave Minerals Limited

Report on the Audit of the Financial Report

Opinion

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

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

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Carrying value of exploration and evaluation expenditure

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>As disclosed in Note 10 to the Financial Report, the carrying value of capitalised exploration and evaluation expenditure represents a significant asset of the Group.</p> <p>Refer to Note 10 of the Financial Report for a description of the accounting policy and significant judgements applied to capitalised exploration and evaluation expenditure.</p> <p>In accordance with AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i> (AASB 6), the recoverability of exploration and evaluation expenditure requires significant judgment by management in determining whether there are any facts or circumstances that exist to suggest that the carrying amount of this asset may exceed its recoverable amount. As a result, this is considered a key audit matter.</p>	<p>Our procedures included, but were not limited to:</p> <ul style="list-style-type: none"> • Obtaining a schedule of the areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date; • Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group’s exploration budgets, ASX announcements and directors’ minutes; • Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Considering whether any facts or circumstances existed to suggest impairment testing was required; • Considered any accounting implications from Ramelius’ takeover offer; and • Assessing the adequacy of the related disclosures in Note 10 to the Financial Report.



Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2023, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

Responsibilities of the directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.



Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 18 to 23 of the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Musgrave Minerals Limited, for the year ended 30 June 2023, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit (WA) Pty Ltd

A handwritten signature in black ink, appearing to read 'Ashleigh Woodley'. Above the signature, the letters 'BDO' are written in a simple, blocky font.

Ashleigh Woodley

Director

Perth, 28 September 2023