

MLG Oz Limited - ACN 102 642 366

ANNUAL FINANCIAL REPORT

Year ended 30 June 2024



MLG

www.mlgoz.com.au

1. Company details

Name of entity:	MLG OZ Ltd
ACN:	102 642 366
Reporting period:	For the year ended 30 June 2024
Previous period:	For the year ended 30 June 2023

2. Results for announcement to the market

			\$'000
Revenues from ordinary activities	up	23.7% to	474,849
Profit from ordinary activities after tax attributable to the owners of MLG OZ Ltd	up	1,253.5% to	10,959

Commentary

Group Revenue of \$474.8m up \$91.0m (up 23.7%) on the prior corresponding period (pcp) of \$383.8m. Net profit after tax increased from \$0.8m to \$11.0m. (up 1,253.5%) The material improvement in profitability as compared to the pcp has been achieved through strong organic growth within existing projects, new projects established through the year and the improvement in margins experienced through FY2024. We note that the profitability in FY2023 (pcp) was heavily impacted by the loss on sale of the high-capacity crushing plants and the write-off of ancillary equipment and inventories related to these plants.

Higher revenues have resulted from a combination of factors. We continue to revise rates in line with contracted rise and fall provisions, our clients have also provided further organic growth through demand for new services, changes to haulage routes and their need for new civil construction projects. In addition, the group has been successful in winning new crushing campaigns and in expanding the numbers of integrated services projects such as the Granny Smith (Gold Fields), operation, and Genesis awards which commenced in the second half of the financial year.

The materially stronger profitability was achieved through improvements in our overall productivity across our operational sites, a large focus on optimising our portfolio of projects and a broad improvement in cost control. The implementation of a variety of management systems through the year has assisted the management teams to monitor, analyse and respond to their respective areas of responsibility. Our employee retention and recruitment initiatives, combined with a significant investment through the year in training programs, has been an important element in managing this growth. Our workforce has continued to grow and forms a key aspect in sustaining our growth.

Further information on the operational performance can be found in our ASX announcement and Investor Presentation.

3. Dividends

The Company has determined not to pay a final dividend for 30 June 2024.

4. Net tangible assets

	Reporting period	Previous period
	\$	\$
Net tangible assets per ordinary security	<u>1.00</u>	<u>0.89</u>

5. Details of associates and joint venture entities

Associates

NA

Joint Venture

NA

6. Details of entities in which control has been gained or lost

Associates

NA

Joint Venture

NA

7. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements have been audited and an unqualified opinion has been issued.

8. Signed



Signed **Philip Mirams**
Company Secretary

Date: 21 August 2024

Contents

Corporate Information..... 4

Directors’ Report..... 5

Auditor's independence declaration..... 24

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 30 June 2024 25

Statement of Financial Position as at 30 June 2024..... 26

Consolidated Statement of Changes in Equity for the year ended 30 June 2024 27

Consolidated Statement of Cash Flows for the Year Ended 30 June 2024..... 28

Notes to the Financial Statements..... 29

Consolidated Entity Disclosure Statement for the Year Ended 30 June 2024..... 57

Directors’ Declaration 58

Independent Auditor’s Report 59

Corporate Information

DIRECTORS

Garret Dixon
Murray Leahy
Anna Neuling

COMPANY SECRETARY

Philip Mirams

REGISTERED OFFICE

10 Yindi Way
Kalgoorlie WA 6430
(08) 9022 7746

PRINCIPAL PLACE OF BUSINESS

10 Yindi Way
Kalgoorlie WA 6430
(08) 9022 7746

SHARE REGISTER

MUFG Corporate Markets

BANKERS

Westpac Banking Corporation

AUDITORS

HLB Mann Judd (WA Partnership)
Level 4, 130 Stirling Street
Perth WA 6000
(08) 9227 7500

STOCK EXCHANGE LISTING

MLG Oz Limited are listed on the ASX (code: MLG)

WEBSITE

www.mlgoz.com.au

Directors' Report

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity' or 'the Group') consisting of MLG Oz Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2024.

Directors

The following persons were directors of MLG Oz Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Director	Role	Date of Appointment
Garret Dixon	Independent Non Executive Director	23 March 2021
Murray Leahy	Managing Director and Chief Executive Officer	28 October 2002
Anna Neuling	Chair and Independent Non Executive Director	23 March 2021 / 21 April 2023 (Chair)

Principal activities

During the financial year the principal continuing activities of the consolidated entity consisted of:

- Bulk haulage
- Crushing and screening
- Site Services and civil works
- Export logistics
- Sale of construction materials

Dividends

Dividends declared during the financial year were as follows:

	30 June 2023 \$'000	30 June 2024 \$'000
Interim ordinary dividend	\$-	\$-
Final ordinary dividend	\$-	\$-

Both Interim and final dividend were fully franked to 100%

The Company has determined not to pay a final fully franked dividend for 30 June 2024.

Results

The net profit of the Group for the financial year, after providing for income tax was \$10,958,613 (2023: \$809,665)

Operating and Financial Review

Statutory Financial Results

Group Revenue of \$474.8m up \$91.0m (up 23.7%) on the prior corresponding period (pcp) of \$383.8m. Net profit after tax increased from \$0.8m to \$11.0m. (up 1,253.5%) The material improvement in profitability as compared to the pcp has been achieved through strong organic growth within existing projects, new projects established through the year and the improvement in margins experienced through FY2024. We note that the profitability in FY2023 (pcp) was heavily impacted by the loss on sale of the high-capacity crushing plants and the write-off of ancillary equipment and inventories related to these plants.

Higher revenues have resulted from a combination of factors. We continue to revise rates in line with contracted rise and fall provisions, our clients have also provided further organic growth through demand for new services, changes to haulage routes and their need for new civil construction projects. In addition, the group has been successful in winning new crushing campaigns and in expanding the numbers of integrated services projects such as the Granny Smith (Gold Fields), operation, and Genesis awards which commenced in the second half of the financial year.

The materially stronger profitability was achieved through improvements in our overall productivity across our operational sites, a large focus on optimising our portfolio of projects and a broad improvement in cost control. The implementation of a variety of management systems through the year has assisted the management teams to monitor, analyse and respond to their respective areas of responsibility. Our employee retention and recruitment initiatives, combined with a significant investment through the year in training programs, has been an important element in managing this growth. Our workforce has continued to grow and forms a key aspect in sustaining our growth.

Mine site services and bulk haulage

Revenue grew strongly up 25.1% to \$412.9m (\$329.9m in FY2023). This increase in revenue has been driven by a number of factors with client demand for higher volume and the commencement of new projects contributing to additional haulage routes, greater demand for construction materials and higher volumes of site services across the portfolio. Billing rates are now more frequently adjusted in accordance with rise and fall mechanisms embedded within our client contract. The underlying labour market has remained constrained across the industry, which in turn is keeping labour rates high. The addition of the Granny Smith (Gold Fields) operation in February this year was another contributor to the higher revenue, and to a lesser extent start of the Genesis expansion which commenced in the second half but is expected to ramp up more fully into FY2025.

Productivity across our portfolio has been a clear focus with efforts to maximise the utilisation of our equipment and control costs more effectively. These actions have helped improve profit margins throughout the year. Margins were significantly up across the first half of the financial year as a result of higher rates, and changes to the structural mix of many contracts where we negotiated a higher portion of fixed cost recovery and had minimal impact from weather events. The expectation for the second half of the financial year was for a lower margin given the anticipated mobilisation of several projects which occurred in the third quarter. This increased costs for a short period while we mobilised and established these projects. In addition, high rain events through the autumn and into winter months contributed to challenging operational impacts particularly in March and June.

Crushing and screening

Revenue contribution from crushing and screening services has materially increased again in FY2024 up \$15.4m to \$55.5m (up 38.4%). Our first half revenues were particularly strong with a number of large projects all fully operational for the whole of the period. The large project for Lithco's Bald Hill operation completed in February 2024 with the teams and equipment transitioning into two new projects for Gold Fields and Northern Star. Our Koolan Island and Christmas Creek projects continued through the year albeit the scope of works reduced in the second half. Overall, this was a strong performance across our crushing services demonstrating strong demand from clients and illustrating our capability to provide crushing and screening solutions across multiple client projects and different ore types.

Export Logistics

Revenues from export logistics have largely completed with a small contribution this year of \$0.2m, down 95.6% on \$5.2m in FY2023.

Consolidated Financial Performance

The Company delivered a net profit after tax of \$11.0m up \$10.2m on FY2023 (\$0.8m).

Business Risks

Exposure to labour market – The business is a large employer across the Goldfields region relying on a broad range of skills from equipment operators, road train drivers and mechanics. The current labour market is experiencing a high degree of turnover and labour rates within the mining industry have been negatively impacted by labour inflation. The group does have exposure to rising costs of labour which are a large portion of its total cost base. It mitigates this risk by investing heavily in training and development programs, providing tailored remuneration benefits and maintaining a dedicated recruitment team.

Inflation – The general procurement of parts and equipment is a key operational expense of the group and we remain exposed to price inflation across these input cost both in terms of our internal maintenance programs and in the procurement of new capital equipment. MLG is actively implementing strategic procurement initiatives to source and price parts and equipment as economically as possible.

Fuel price – A core aspect of the operational requirement is the availability of diesel and oil to fuel and service our trucks and equipment. It therefore assumes risk associated with the volatility in the price of fuel. The groups exposure to this is mitigated through clients who supply MLG with fuel or agreeing a maximum price and by way of rise and fall mechanisms in our contracts to adjust rates to reflect changes in fuel price.

Material weather events – MLG operates predominantly on off-road mining sites which can be adversely impacted by major weather events where roads and conditions stop the ability to operate heavy equipment. This can materially reduce production in the short term and defer revenue generation into the future.

Business development – MLG has a large portion of its revenue generation capacity within existing contracts but must still continue to win new work particularly in its crushing and civil construction activities where the duration of those projects is shorter in length. As such the Group does have the risk of not winning new work or having delays in relacing work and therefore experiencing reductions in revenue.

Explanation of non-IFRS measures

The MLG Group uses certain measures to manage and report on its business that are not recognised under accounting standards. These measures are collectively referred to as 'non-IFRS measures' under Regulatory Guide 230 'Disclosing non-IFRS financial information' published by ASIC.

The Directors believe that these measures provide useful information about financial position, financial performance and cashflows, they should be considered as supplements to the statement of financial position, income statement and cash flow measures that have been presented in accordance with the AAS and IFRS and not as a replacement for them. Because these non-IFRS financial measures are not based on Australian Accounting Standards (AAS) or International Financial Reporting Standards (IFRS), they do not have standard definitions, and the way these measures are calculated may differ from similarly titled measures used by other companies. Undue reliance should not be placed on these non-IFRS financial measures.

The principal non-IFRS financial measures are as follows:

EBITDA – which is earnings before interest on debt, net of interest income as well as the interest on the lease liability recognised under AASB 16, income tax expense, depreciation (including depreciation of the right of use assets recognised under AASB 16), amortisation and profit / loss on disposal of assets;

EBITDA margin – which is EBITDA as a percentage of revenue;

EBIT – which is earnings before interest on debt, interest on the lease liability recognised under AASB 16 and income tax expense;

EBIT margin – which is EBIT as a percentage of revenue;

The following table outlines our statutory result as compared to the pro forma financial information.

		Statutory		Pro Forma	
		Actuals		Actuals	
\$'000	Notes	FY2023	FY2024	FY2023	FY2024
Revenue					
Mine Site Services (including civil works) and Bulk Haulage		329,943	412,911	329,943	412,911
Crushing and Screening		40,096	55,477	40,096	55,477
Export Logistics		5,171	230	5,171	230
Fuel Tax Credits		8,290	5,465	-	-
Other Income		345	766	-	-
Total revenue	¹	383,845	474,849	375,210	468,618
Costs of sales	^{1, 2}	(329,388)	(396,710)	(320,753)	(390,479)
Gross profit		54,457	78,139	54,457	78,139
General and administration	²	(19,424)	(22,846)	(19,424)	(22,846)
EBITDA		35,033	55,293	35,033	55,293
Depreciation		(23,373)	(34,188)	(23,373)	(34,188)
Loss on disposal	³	(6,963)	(943)	(6,963)	(943)
EBIT		4,697	20,162	4,697	20,162

Notes: ¹ Pro Forma offsets fuel tax credit revenue and other income against Costs of sales

² Costs of Work Health and Safety, long service leave and site administration have been included in cost of sales rather than as general and administrative costs. Previously disclosed financial reports reflected these as general and administrative costs.

³ Includes sale of the high-capacity crushing plants in FY2023 Statutory Actual and Pro Forma Actual

Balance Sheet and Capital Management

Total assets increased to \$293.4m up \$47.2m on FY2023 (\$246.2m).

Total liabilities as at 30 June 2024 were \$162.6m up \$34.6m on FY2023 which were \$128.0m. The company's net assets have increased by \$12.7m to \$130.8m as at 30 June 2024.

Total capital expenditure resulted in \$49.7m of additions to property, plant and equipment. The total written down value of these assets has increased to \$194.4m as at 30 June 2024, after depreciation and disposals resulting in an increase of \$16.9m on FY2023 (\$177.5m).

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the consolidated entity during the financial year.

Significant events after balance date

There have been no significant events after the balance date to the date of this report.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations

Information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

Environmental regulation

The Group has conducted minimal activities on mineral tenements. The right to conduct these activities is granted subject to environmental conditions and requirements. The Group aims to ensure a high standard of environmental care is achieved and, as a minimum, to comply with relevant environmental regulations. There have been no known breaches of any of the environmental conditions.

Information on directors

Name:	Garret Dixon
Title:	Independent Non-Executive Director
Qualifications:	Bachelor of Engineering, Civil (Hons) Master of Business Administration (MBA) Member of the Australian Institute of Company Directors.
Experience and expertise:	Garret is a Non-Executive Director of MLG. Garret has extensive experience in the resources and mining contracting sectors in Australia and overseas. His work in both private and ASX-listed companies spans more than three decades, having worked in senior executive roles for major mine owners, mine operators and contractors. Until recently, Garret held the position of Executive Vice President and President Bauxite at NYSE-listed Alcoa Corporation, where he was responsible for Alcoa's global bauxite mining business. Garret's previous roles have also included Executive General Manager of Henry Walker Eltin Group Limited and Managing Director of ASX-listed Gindalbie Metals Ltd.
Special Responsibilities	Chair of Remuneration and Nomination Committee Chair of Health, Safety, Environment and Community Committee Member of Audit and Risk Committee
Interest in Shares	100,000
Other Directorships held in the 3 years to 30 June 2024	BCI Minerals Limited (ASX listed) – Independent Non-Executive Director Dynamic Group Holdings Limited (ASX Listed) – Independent Non-Executive Chairman Chalice Mining Limited (ASX Listed) – Independent Non-Executive Director
Name:	Murray Leahy
Title:	Managing Director and Chief Executive Officer
Qualifications:	
Experience and expertise:	Murray is the founder of MLG and its Managing Director and Chief Executive Officer. Starting initially as a small contractor providing silica mining and haulage services for BHP, Murray has grown and developed MLG into a significant Western Australian business. Murray has over 20 years of experience in the mining industry, establishing and developing MLG's mine site operations and working with multiple clients to support their operations. Murray has grown MLG which now has 29 locations across Western Australia and the Northern Territory and employs more than 600 people. In 2019, following the success of MLG being awarded the business of the year in the Goldfields Business Awards, Murray was awarded the Goldfields businessman of the year. Murray is a director of MLG Cement & Lime Pty Ltd and MLG Connect Pty Ltd.
Special Responsibilities	Member of, Health, Safety, Environment and Community Committee
Interest in Shares	72,969,163
Other rights	3,697,936 performance rights
Other Directorships held in the 3 years to 30 June 2024	None

Name:	Anna Neuling
Title:	Chair and Independent Non-Executive Director
Qualifications:	Fellow of the Institute of Chartered Accountants in England and Wales, Graduate of the Australian Institute of Company Directors, Degree in mathematics from the University of Newcastle (UK).
Experience and expertise:	<p>Anna is a Non-Executive Director of MLG.</p> <p>Anna has 20 years of experience in financial and corporate roles in the resources industry with ASX listed companies including Lionore Mining International Limited, Antipa Minerals Ltd and Avoca Resources Ltd. Prior to that, Anna worked at Deloitte in London and Perth.</p> <p>Anna is a Non-Executive Director of ASX-listed S2 Resources Ltd. Prior to moving to Non-Executive Director in August 2022, Anna was Executive Director of S2 Resources Ltd since it was demerged from Sirius Resources Limited as part of its merger with IGO in 2015. Anna has held various roles at Sirius since its inception and was Executive Director – Corporate and Commercial at the time of the \$2.7 billion merger.</p> <p>Anna is also Non-Executive Chair of Tombador Iron Limited, an ASX-listed company</p>
Special Responsibilities	<p>Chair of Board of Directors (appointed 21 April 2023)</p> <p>Chair of Audit and Risk Committee</p> <p>Member of, Health, Safety, Environment and Community Committee</p> <p>Member of Remuneration and Nomination Committee</p>
Interest in Shares	50,000
Other Directorships held in the 3 years to 30 June 2024	<p>Tombador Iron Ltd (ASX Listed) – Independent Non-Executive Chair</p> <p>S2 Resources Ltd (ASX Listed) – Non-Executive Director (Previously Executive Director until August 2022)</p> <p>CZR Resources Ltd (ASX Listed) – Independent Non-Executive Director (appointed November 2020, resigned September 2021)</p>

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2024, and the number of meetings attended by each director were:

	Board		Audit and Risk Committee		Health, Safety, Environment and Community Committee		Remuneration and Nomination Committee	
	Attended	Held	Attended	Held	Attended	Held	Attended	Held
Garret Dixon	13	13	3	4	3	3	2	2
Murray Leahy	13	13	4	4	3	3	2	2
Anna Neuling	13	13	4	4	3	3	2	2

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

Audited Remuneration Report

Remuneration report contents

- 1. Key Management Personnel (KMP)
- 2. Remuneration governance
- 3. Remuneration strategy
- 4. Remuneration framework
- 5. Remuneration outcomes for FY2024
- 6. Key Changes to Remuneration for FY2025
- 7. Summary of KMP employment conditions
- 8. KMP statutory remuneration schedules
- 9. Equity instruments held by KMP

1. Key Management Personnel (KMP)

Key Management Personnel (KMP) comprise those persons that have responsibility, authority and accountability for planning, directing and controlling the activities of the entity, directly or indirectly, including any director of that entity. In this report, a reference to an "Executive" or "Executives" is a reference to a KMP executive, including the Managing Director. The following table outlines the KMP of the Group during the whole of FY2024 and up to the date of this report, unless otherwise stated:

Executive KMP

Murray Leahy	Managing Director and Chief Executive Officer
Phil Mirams	Chief Financial Officer
Mark Hatfield	Chief Operating Officer

Non-Executive KMP

Garret Dixon	Non-Executive Director
Anna Neuling	Non-Executive Chair (appointed 21 April 2023, previously Non-Executive Director)

2. Remuneration Governance

2.1 Remuneration and Nomination Committee Independence

The Remuneration and Nomination Committee is comprised solely of independent Non-Executive Directors:

- Garret Dixon, Committee Chair
- Anna Neuling, Committee Member

The Board is satisfied that the Remuneration and Nomination Committee is independent and has sufficient expertise to undertake its mandate.

Role of the Remuneration and Nomination Committee

The Remuneration and Nomination Committee advises the Board on KMP remuneration by performing the following functions:

- a) making recommendations to the Board on remuneration structure, practices, policy and quantum for CEO, KMP, and NEDs
- b) determining the eligibility and vesting of long-term incentive (LTI) awards; and
- c) providing oversight of company diversity and gender pay equity and recommendations to the board on appropriate targets.
- d) provide support to the Board for the recruitment of Directors and Executives

The Remuneration Committee held 2 formal committee meetings during FY2024.

2.2 External and independent advice

No remuneration consultants were utilised or remuneration recommendations received as defined in Section 9B of the Corporations Act 2001 during FY2024.

3. Remuneration Strategy

3.1 The context in which we set our remuneration strategy

The remuneration framework has now been formally established to align with the achievement of the Company's vision to be recognised as a great Australian company that:

- is a leading provider of innovative and sustainable mining services;
- is recognised for the quality and reliability of service to our clients;
- operates with a culture of ownership and pride; and
- delivers a safety and client led culture, empowering employees to work as one team with the client.

The difficulty of attracting and retaining executives of the necessary calibre to realise the above vision and strategy varies depending on the current phase of Australia's resources industry. Presently, industry demand for executive talent is strong. This requires the Company to have adequate and effective retention mechanisms in place to ensure we maintain experienced and competent employees who are capable of innovating to promote growth that leads to attractive long-term rates of return. The Company has established a remuneration framework which delivers a significant portion of remuneration in equity, or equity-based remuneration to align the senior leadership team's interest with shareholders' interests.

3.2 Remuneration principles

The following principles guide the Company's KMP remuneration decisions:

- Fairness and impartiality
- Transparency
- Alignment of reward with performance
- Promoting attraction and retention of key personnel over the long term
- Aligning the employee to shareholder and client interests
- Incentivising behaviours aligned to our longer-term strategies
- Promote behaviours that align to our core values

3.3 Market position for remuneration

The Company will review its remuneration for KMP in relation to common practice within comparable businesses, external advice and input from investors and their advisors. In determining the amount and mix of remuneration to offer, the Board will consider remuneration on offer in a broad group of ASX-listed companies of a comparable size in terms of relative measures such as enterprise value, revenue, services etc with a particular focus on those in the construction and mining sectors (Comparator Businesses).

4. Remuneration Framework

The remuneration packages for MLG's senior management have been structured with the aim of retaining and incentivising those employees, and (insofar as is appropriate) aligning their interests with those of MLG's shareholders. Their remuneration packages comprise:

- **Total Fixed Remuneration (TFR):** This is the fixed amount of the remuneration package and includes base salary and superannuation contributions, as well as motor vehicles and other non-cash items. Total fixed remuneration is typically set by reference to the present value or market rate for the relevant role having regard to the relevant employee's particular skills and experience.
- **Total Variable Remuneration (TVR):** This ensures an executives remuneration is aligned to MLG's performance. TVR is considered at risk and is comprised of:
 - **Short Term Incentive (STI):** This component of the remuneration package is intended to incentivise the achievement of annual objectives that are a priority for MLG over the applicable financial year.
 - **Long Term Incentive (LTI):** This component of the remuneration package is intended to incentivise the achievement of market and non-market related objectives aimed at achieving longer term shareholder returns and sustained business value.

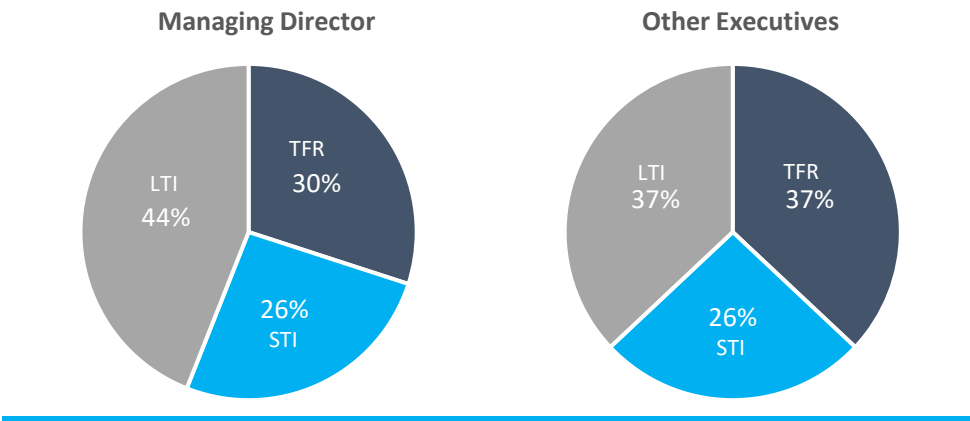
Past Financial Performance of MLG	2020	2021	2022	2023	2024
Revenue (\$k)	205,136	254,016	289,775	383,845	474,849
Net profit (\$k)	5,692	12,457	4,814	810	10,959
Share price at year end (\$)	N/A	0.940	0.480	0.615	0.780
Dividends paid (cents per share)	nil	nil	1.71	nil	nil

Remuneration Component	Mechanism	Purpose	Link to Performance
Total Fixed Remuneration (TFR)	Includes base salary and superannuation contributions, as well as motor vehicles and other non-cash items.	To provide competitive base salary set with reference to Company size, achievements, role, market and experience.	Changes to an executive's scope of responsibilities are considered during the annual remuneration review and, along with performance, drive remuneration changes.
Short Term Incentive (STI)	Paid in cash annually following assessment of the annual performance for that year.	Rewards executives for their contribution to achievement of Company key performance indicators (KPIs) during the financial year.	MLG health and safety (total recordable injury frequency rate (TRIFR)), operating earnings before interest, and tax, (Operating EBIT) and employee-specific operational targets are the key performance measures in which determine if any short-term component is payable.
Long Term Incentive (LTI)	Issued as performance rights (to MLG Ordinary shares) after the assessment of performance over the vesting period.	Rewards executives for growth of total shareholder return over a two-year performance period. Exercisable performance rights will convert into shares after vesting at the end of a three-year period (subject to any earlier vesting as set out below) directly aligning executive interests with shareholder value over the period.	The incentive's value is ultimately dependent on the total shareholder return after the two-year performance period, so drives executives to maximise shareholder return.

TOTAL REMUNERATION

How is overall remuneration and mix determined?	The Company aims to reward executives with a level and mix (proportion of fixed remuneration, short term incentives and long-term incentives) of remuneration appropriate to their position, responsibilities and performance within the Company and that which is aligned with targeted market comparators.
---	--

The chart below summarises the Managing Director and other executives' overall remuneration mix (assuming maximum award) for fixed remuneration, short term incentives and long-term incentives. The target mix is considered appropriate for MLG based on the Company's short term and long-term objectives.



FIXED REMUNERATION

How is fixed remuneration paid?	Fixed remuneration is paid in cash and benefits and includes base salary, superannuation contributions, as well as motor vehicles and other non-cash items. Total fixed remuneration is typically set by reference to the present value or market rate for the relevant role having regard to the relevant employee's particular skills and experience.
---------------------------------	---

VARIABLE REMUNERATION

How is overall remuneration and mix determined?	The Company aims to reward executives with a level and mix (proportion of fixed remuneration, short term incentives and long-term incentives) of remuneration appropriate to their position, responsibilities and performance within the Company and that which is aligned with targeted market comparators.
---	--

How much variable remuneration can executives earn?	The below table sets out the maximum incentive opportunity for each executive under the STI and LTI plans, expressed as a percentage of total fixed remuneration (TFR).
---	---

Executive	Position	Maximum STI as % of TFR	Maximum LTI as % of TFR	Maximum Total as % of TFR
M Leahy	Managing Director and Chief Executive Officer	90%	150%	240%
M Hatfield	Chief Operating Officer	70%	100%	170%
P Mirams	Chief Financial Officer and Company Secretary	70%	100%	170%

How is variable remuneration delivered?	STI	Paid in cash annually following assessment of the annual performance for that year.
	LTI	Issued as performance rights (to MLG Ordinary shares) after the assessment of performance over the vesting period.
When is performance measured?	STI	Annually
	LTI	<p>The quantum of the LTI shall be calculated each August.</p> <p>The LTI assessment represents a 3 year vesting period (comprised of a 2 year assessment period and a 1 year lock period). The applicable performance rights are exercisable in accordance with the Employee Securities Incentive Plan and in accordance with the Company's share trading policy.</p> <p>Performance rights are measured every two years from award.</p>

Performance against key performance metrics are assessed annually with weighting allocated to each key metric as outlined below:

SAFETY	TARGET	MD	Other Executives
TRIFR - MLG	< Previous FY	10%	10%
LTIFR - MLG	< Previous FY	10%	10%
Maximum % of Opportunity		20%	20%

Subject to a fatality gateway – no payment if a work-related fatality occurs in the FY

STI	FINANCIAL	TARGET	MD	Other Executives
	NPAT - MLG	>% of agreed budget	30%	30%
	Earnings Per Share	≥ previous FY	30%	30%
	Maximum % of Opportunity		60%	60%

Subject to a threshold gateway – Minimum EBITDA 90% of budget

PROFESSIONAL	TARGET	MD	Other Executives
Values & Behaviours	As set by MD/Board	10%	10%
Targeted Objectives	As set by MD/Board	10%	10%
Maximum % of Opportunity		20%	20%

How are awards determined?

The measurement is based on the movement in the total shareholder return (TSR) between award and vesting date. The 10 day VWAP period commences 1 calendar day after the release of the Company's full year financial results. Performance rights will vest based on achievement of the following growth targets:

The achievement required to trigger a vesting of rights is determined based on the following:

	TARGET	PER ANNUM MEASUREMENT	OPPORTUNITY
LTI		0 – 4.99%	0%
	Compound Annual Growth Rate (CAGR)	5 – 7.49%	20%
	Total Shareholder Return	7.5% - 9.99%	50%
		≥ 10%	100%
	Maximum Opportunity		100%

TSR is calculated on the movement of the 10 day Volume Weighted Average Price (VWAP) of the Company's Share Price including dividends paid in the Financial Year to vesting date being two years following the release of the Company's full year financial results and the calculation of the VWAP for that award.

What happens if an executive leaves?	The Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with if there are extenuating circumstances to a person leaving MLG, however typically a leaver will forfeit all rights to their LTI except in situations where the terms of the invitation letter supersedes the employee equity plan rules for board discretion.
What happens if there is a change in control?	The Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the Change of Control Event.

5. Remuneration Outcomes

\$1.0m of STI awards were provided in FY2024.

\$0.9m of LTI performance rights were provided in FY2024.

LTI Performance rights were issued to the Key Management personnel as follows

LTI Award	Position	Number to be issued	Date measured for vesting*	Vesting & Exercise Date	Expiry Date	Value per performance right	Vested %	Number Vested
M Hatfield	Chief Operations Officer	154,383	31/08/2023	01/07/2024	31/07/2027	0.040	0%	-
		816,702	31/08/2024	01/07/2025	18/10/2027	0.348	0%	-
		722,067	31/08/2025	01/07/2026	20/11/2028	0.336	0%	-
M Leahy	Managing Director and Chief Executive Officer	812,739	31/08/2023	01/07/2024	02/11/2027	0.044	0%	-
		1,531,320	31/08/2024	01/07/2025	02/11/2027	0.285	0%	-
		1,353,877	31/08/2025	01/07/2026	20/11/2028	0.308	0%	-
P Mirams	Chief Financial Officer	417,206	31/08/2023	01/07/2024	31/07/2027	0.040	0%	-
		786,077	31/08/2024	01/07/2025	18/10/2027	0.348	0%	-
		694,992	31/08/2025	01/07/2026	20/11/2028	0.336	0%	-

*The calendar day and month mentioned is indicative as the actual measurement date is a 10 day period from 1 calendar day after the release of the Company's full year financial results each year.

Retention Award (Issued 29/08/2022)	Position	Number issued	Date measured for vesting	Vesting & Exercise Date	Expiry Date	Value per performance right	Vested %	Number Vested
P Mirams	Chief Financial Officer	825,000	01/07/2023	01/07/2023	01/07/2025	0.460	100%	825,000
		825,000	01/07/2024	01/07/2024	01/07/2026	0.460	0%	-

6. Key changes to remuneration for FY2025

At the time of preparing this report, there are no changes planned for remuneration of KMP in FY2025.

7. Summary of KMP employment Conditions

7.1 Executives

KMP	Term of Agreement	Fixed Annual Remuneration	Notice Period	Termination Entitlements
Mark Hatfield	Full time – permanent	\$403,636	3 Months	Notice period per contract
Murray Leahy	Full time – permanent	\$504,545	12 Months	Notice period per contract
Phil Mirams	Full time – permanent	\$388,501	3 Months	Notice period per contract

7.2 Non-Executive Directors

Under the Constitution, the Board may decide the total amount paid by the Company to each Director as remuneration for their services as a Director. However, under the Constitution and the ASX Listing Rules, the total amount of fees paid to all Non-Executive Directors in any financial year must not exceed the aggregate amount of fees approved by the Company in general meeting.

This amount has currently been fixed by the Company at \$600,000 per annum.

The Company has agreed to pay the following base annual directors' fees to its Non-Executive Directors;

- The Chair will be paid a base annual fee of \$115,000,
- Each of the other Non-Executive Directors will be paid a base annual fee of \$75,000.

Non-Executive Directors will also be paid a Board Committee fee of \$10,000 per year for each Board Committee of which they are a Chair. Directors will not receive a fee for being a member of a Board Committee.

All Non-Executive Directors' fees are exclusive of statutory superannuation contributions.

8. KMP Statutory remuneration schedules

The following table details the statutory remuneration disclosures prepared in accordance with Australian Accounting Standards. These tables differ from the remuneration outcomes tables in section 5.5, due to the accounting treatment of share-based payments.

Year ended 30 June 2024		Short-Term Benefits				Post Employment Benefits	Share-Based Payments	TOTAL	Performance Related
		Cash Salaries and Fees	Other	STI Cash Value	Non-Monetary	Super-annuation	Performance Rights**		
Non-Executive Directors									
Garret Dixon	2024	\$95,000	-	-	-	\$10,450	-	\$105,450	-
	2023	\$85,000	-	-	-	\$8,925	-	\$93,925	-
Anna Neuling	2024	\$125,000	-	-	-	\$13,750	-	\$138,750	-
	2023	\$90,539	-	-	-	\$9,506	-	\$100,045	-
Jim Walker*	2024	-	-	-	-	-	-	-	-
	2023	\$103,366	-	-	-	\$10,853	-	\$114,219	-
Executive Directors									
Murray Leahy	2024	\$477,045	-	\$455,680	-	\$27,500	\$295,125	\$1,255,350	60%
	2023	\$474,774	-	\$272,511 [^]	-	\$27,500	\$121,899	\$896,684	44%
Other Executives									
Mark Hatfield	2024	\$376,136	-	\$283,534	-	\$27,500	\$202,810	\$889,980	55%
	2023	\$363,637	-	\$218,008	-	\$38,182	\$76,371	\$696,198	42%
Phil Mirams	2024	\$361,001	-	\$272,902	-	\$27,500	\$401,897	\$1,063,300	63%
	2023	\$359,249	-	\$209,833	-	\$27,500	\$629,130	\$1,225,712	68%
Total	2024	\$1,434,182	-	\$1,012,116	-	\$106,700	\$899,832	\$3,452,830	55%
	2023	\$1,476,565	-	\$700,352	-	\$122,466	\$827,400	\$3,126,783	49%

*Resigned 21 April 2023

**Shown at fair value of rights

[^]Murray Leahy voluntarily reduced his maximum 2023 STI as % of TFR to align with all other executives

9. Equity instruments held by KMP

9.1 Rights awarded under incentive plans

KMP	Instrument	Balance at start of year	Additions	Expired / Other	Balance at end of the year
Non-Executive Directors					
Anna Neuling	Rights	-	-	-	-
Garret Dixon	Rights	-	-	-	-
Executive Director					
Murray Leahy	Rights	2,344,059	1,353,877	-	3,697,936
Other KMP					
Mark Hatfield	Rights	971,085	722,067	-	1,693,152
Phil Mirams	Rights	2,853,283	694,992	(825,000)	2,723,275

9.2 KMP Shareholdings

KMP	Instrument	Balance at start of year	Other Additions	Disposals/ Other	Balance at end of the year
Non-Executive Directors					
Anna Neuling	Shares	50,000	-	-	50,000
Garret Dixon	Shares	100,000	-	-	100,000
Executive Director					
Murray Leahy	Shares	73,934,163	-	-	73,934,163
Other KMP					
Mark Hatfield	Shares	-	-	-	-
Phil Mirams	Shares	925,000	825,000	(275,000)	1,475,000

10. Related party transactions

The following table presents the total amount of transactions that were entered into with parties related to Murray Leahy for the relevant financial period

Related Party	Activity	2024 \$	2023 \$
Kimberley Granite Quarries Pty Ltd	Mining of material for sale [^]	643,713	-
Leahy Aviation Pty Ltd	Hire of 3 prime movers	327,456	110,000
Leahy Aviation Pty Ltd	Rent of aircraft*	1,174,800	-
Leahy Aviation Pty Ltd	Rent of aircraft hangar	86,416	91,475
M&M Leahy	Rent of laydown yard	141,032	126,999
M&M Leahy Investments Pty Ltd	Mining village accommodation	30,020	-
Panorama	Mining village accommodation	35,768	35,475
TJ & IM Leahy Family Trust	Rent of workshop	139,815	120,000
		2,579,022	483,949

[^]MLG delivered a contract with Fitzroy Bride Alliance to supply construction materials which were sourced from Kimberley Granites Quarries Pty Ltd, part owned by Murray Leahy. Pricing was negotiated at arm's length.

*Leahy Aviation Pty Ltd purchased the plane, historically MLG leased the plane directly from the manufacturer. New lease terms are at arm's length pricing.

End of Audited Remuneration Report

Indemnity and insurance of officers

The Group has agreed to indemnify the company officers of the Group for any liabilities to another person (other than the Group or related body corporate) that may arise from their position as an officer of the Group, except where the liability arises out of conduct involving a lack of good faith.

Proceedings on behalf of the company

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.

Auditor's independence declaration

The lead Auditor's Independence Declaration for the year ended 30 June 2024 has been received and immediately follows the Director's Report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Anna Neuling
Chair
Perth, 20 August 2024

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of MLG Oz Limited for the year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) any applicable code of professional conduct in relation to the audit.



Perth, Western Australia
20 August 2024

B G McVeigh
Partner

hlb.com.au

HLB Mann Judd ABN 22 193 232 714

A Western Australian Partnership

Level 4, 130 Stirling Street, Perth WA 6000 / PO Box 8124 Perth BC WA 6849

T: +61 (0)8 9227 7500 **E:** mailbox@hlbwa.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd is a member of HLB International, the global advisory and accounting network.

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 30 June 2024

		2024	2023
	Notes	\$	\$
Revenue	5	474,849,239	383,844,587
Changes in inventories of finished goods and work in progress		996,118	(159,824)
Employee benefits expense		(168,977,993)	(134,061,156)
Other employee expenses		(20,449,187)	(15,424,256)
Operational repairs and maintenance expense		(55,502,416)	(49,014,113)
Equipment and labour hire expenses		(77,369,914)	(56,798,973)
Fuel expenses		(34,043,924)	(37,618,602)
Subcontractor charges		(35,051,181)	(31,422,301)
Licences, registrations, permits & insurance expenses		(11,301,151)	(8,108,445)
Freight expenses		(6,995,945)	(6,542,285)
Occupancy expense		(2,146,330)	(2,336,351)
Royalties expense		(1,980,589)	(486,851)
Other expenses		(6,733,523)	(6,837,816)
Interest and finance expense	6	(3,862,391)	(3,342,975)
Depreciation and amortisation expense	6	(34,188,498)	(23,372,685)
Loss on disposal		(943,013)	(6,963,463)
Profit before income tax expense		16,299,302	1,354,491
Income tax expense	7	(5,340,689)	(544,826)
Profit after income tax		10,958,613	809,665
Other comprehensive income		-	-
Total comprehensive income		10,958,613	809,665
<i>Profit per share attributable to ordinary equity holders</i>			
Basic earnings per share (\$ per share)	27	0.07	0.01
Diluted earnings per share (\$ per share)	27	0.06	0.01

The accompanying notes form part of these financial statements

Statement of Financial Position as at 30 June 2024

	Notes	2024 Company \$	2023 Consolidated \$
CURRENT ASSETS			
Cash and cash equivalents	9	5,860,934	143,734
Trade and other receivables	10	67,456,255	47,380,613
Inventories	11	18,586,453	14,550,618
Total current assets		91,903,642	62,074,965
NON-CURRENT ASSETS			
Property, plant and equipment	12	194,417,636	177,538,220
Deferred exploration and evaluation expenditure		-	59,911
Right to use assets	13	7,090,856	6,479,602
Intangible assets		-	1,047
Total non-current assets		201,508,492	184,078,780
Total assets		293,412,134	246,153,745
CURRENT LIABILITIES			
Trade and other payables	14	66,006,412	47,852,255
Financial liabilities	15	24,212,941	28,632,928
Lease liabilities	16	3,304,936	2,039,662
Provisions	17	4,968,661	600,419
Total current liabilities		98,492,950	79,125,264
NON-CURRENT LIABILITIES			
Financial liabilities	15	36,325,758	25,463,329
Lease liabilities	16	3,897,106	4,753,052
Provisions	17	938,377	1,314,344
Deferred tax liability	7	22,925,040	17,379,801
Total non-current liabilities		64,086,281	48,910,526
Total liabilities		162,579,231	128,035,790
Net assets		130,832,903	118,117,955
EQUITY			
Issued capital	18	47,311,188	46,999,923
Share based payment reserve	29	2,614,024	1,168,954
Retained earnings		80,907,691	69,949,078
Total equity		130,832,903	118,117,955

The accompanying notes form part of these financial statements

Consolidated Statement of Changes in Equity for the year ended 30 June 2024

	<i>Issued Capital</i>	<i>Retained Earnings</i>	<i>Share Based Payment Reserve</i>	<i>Total</i>
	\$	\$	\$	\$
Consolidated				
Balance at 1 July 2022	47,204,474	69,139,413	-	116,343,887
Net profit after tax for the period	-	809,665	-	809,665
Total comprehensive income for the year	-	809,665	-	809,665
Tax impact of capital raising costs	(204,551)	-	-	(204,551)
Share based payments	-	-	1,168,954	1,168,954
Balance at 30 June 2023	46,999,923	69,949,078	1,168,954	118,117,955
Consolidated				
Balance at 1 July 2023	46,999,923	69,949,078	1,168,954	118,117,955
Net profit after tax for the period	-	10,958,613	-	10,958,613
Total comprehensive income for the year	-	10,958,613	-	10,958,613
Tax impact of capital raising costs	(204,545)	-	-	(204,545)
Share based payments	-	-	1,960,880	1,960,880
Issued shares	515,810	-	(515,810)	-
Balance at 30 June 2024	47,311,188	80,907,691	2,614,024	130,832,903

The accompanying notes form part of these financial statements

Consolidated Statement of Cash Flows for the Year Ended 30 June 2024

		2024	2023
	Notes	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		497,965,743	413,064,425
Payments to suppliers and employees		(444,982,914)	(386,095,786)
Interest received		6,412	229
Finance costs		(875,162)	(1,630,987)
Fuel tax credits received		5,485,543	7,368,212
Net cash provided by operating activities	9	57,599,622	32,706,093
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(19,804,561)	(18,270,342)
Proceeds from sale of property, plant and equipment		1,072,219	18,624,869
Net cash provided by / (used in) investing activities		(18,732,342)	354,527
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from financial liabilities	9	6,000,000	1,083,327
Repayments of financial liabilities	9	(29,717,135)	(37,931,239)
Repayment of lease liabilities		(3,540,957)	(1,706,465)
Net cash provided (used in) financing activities		(27,258,092)	(38,554,377)
Net increase/(decrease) in cash held		11,609,188	(5,493,757)
Cash at the beginning of the financial period		(5,748,254)	(254,497)
Cash and cash equivalents at the end of the period	9	5,860,934	(5,748,254)

The accompanying notes form part of these financial statements

Notes to the Financial Statements

Note 1: Basis of Preparation

These financial statements are general purpose financial statements, which have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial statements comprise the consolidated financial statements for the Group. For the purposes of preparing the consolidated financial statements, the Group is a for-profit entity.

During the year the Company deregistered its subsidiaries and as such the Group represents the Company only at year end.

The accounting policies detailed below have been consistently applied to all of the years presented unless otherwise stated.

The financial statements have been prepared on a historical cost basis, except for selected non-current assets, financial assets and financial liabilities, which have been measured at fair value as explained in the relevant accounting policies. Historical cost is based on the fair values of the consideration given in exchange for goods and services.

The entity's principal activities are detailed in the Directors' Report.

(a) Statement of compliance

The financial report was authorised for issue on 20 August 2024.

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

(b) New, revised or amending Accounting Standards and Interpretations adopted

New, revised or amending Accounting Standards and Interpretations adopted

Standards and Interpretations applicable to 30 June 2024

The Group adopted AASB 2021-2 which amends AASB 7, AASB 101, AASB 108 and AASB 134 to require disclosure of "material accounting policy information" rather than significant accounting policies in an entity's financial statements. It also updates AASB Practice Statement 2 to provide guidance on the application of the concept of materiality to accounting policy disclosure.

The adoption of the amendment did not have a material impact on the financial statement. The Directors have reviewed all other Standards and Interpretations on issue not yet adopted for the period ended 30 June 2024. As a result of this review, the Directors have determined that there is no material impact of the Standards Interpretations on issue not yet adopted by the Company, and therefore no other change necessary to Group accounting policies and no other changes from new accounting standards have been adopted.

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

(c) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement in with the investee; and
- has the ability to its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements listed above.

When the Company has less than a majority of the voting rights if an investee, it has the power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties; rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholder meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Changes in the Group's ownership interest in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in subsidiaries. Any difference between the amount paid by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between:

- The aggregate of the fair value of the consideration received and the fair value of any retained interest; and
- The previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests.

All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by the applicable AASBs).

Note 2: Material Accounting Policies

(a) Revenue from Contracts with Customers

Revenue arises mainly from the provision of haulage, site services and crushing services and the sale of various commodities. The Group only generates revenue in Australia.

To determine whether to recognise revenue, the Group follows a 5-step process:

- 1 Identifying the contract with a customer
- 2 Identifying the performance obligations
- 3 Determining the transaction price
- 4 Allocating the transaction price to the performance obligations
- 5 Recognising revenue when/as performance obligation(s) are satisfied.

The revenue and profits recognised in any period are based on the delivery of performance obligations and an assessment of when control is transferred to the customer.

In determining the amount of revenue and profits to record, and related statement of financial position items (such as contract fulfilment assets, capitalisation of costs to obtain a contract, trade receivables, accrued income and deferred income) to recognise in the period, management is required to form a number of key judgements and assumptions. This includes an assessment of the costs the Group incurs to deliver the contractual commitments and whether such costs should be expensed as incurred or capitalised.

Revenue is recognised either when the performance obligation in the contract has been performed, so 'point in time' recognition or 'over time' as control of the performance obligation is transferred to the customer.

For contracts with multiple components to be delivered such as haulage, and site services management applies judgement to consider whether those promised goods and services are (i) distinct - to be accounted for as separate performance obligations; (ii) not distinct - to be combined with other promised goods or services until a bundle is identified that is distinct or (iii) part of a series of distinct goods and services that are substantially the same and have the same pattern of transfer to the customer.

The Group's main revenue streams are as follows:

- **Mine Site Services**
The Group performs haulage and site services including civil works on various mine sites. These activities are usually highly integrated with other activities and accordingly are accounted as multiple performance obligations. Whilst these contracts are usually long term, the performance obligations associated with them are completed on a short-term basis and the revenue is recognised when each performance obligation is completed. Consequently, the Group recognises revenue at a point in time. Payment terms are usually within 30 to 60 days.
- **Crushing Services**
The Group performs crushing services. These activities are highly integrated and accordingly where appropriate are accounted for as a single performance obligation. the performance obligations associated with them are completed on a short-term basis and the revenue is recognised when each performance obligation is completed. Consequently, the Group recognises revenue at a point in time. Payment terms are usually within 30 to 60 days.

- **Construction Materials**
Commodities are sold to various customers on a on-demand basis. These sales are completed on an individual basis and are completed when the control of the commodities sold are transferred to the customer.
- **Export Logistics**
The Group performs haulage works and facilitates export services via its Esperance hub. These activities are performance in line with Mine site service for various clients. Whilst these contracts can be long term, the performance obligations associated with them are completed on a short-term basis and the revenue is recognised when each performance obligation is completed. Consequently, the Group recognises revenue at a point in time. Payment terms are usually within 30 to 60 days.

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. Therefore, the Group does not adjust any of the transaction prices for the time value of money.

(b) Income Tax Expense

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 for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary difference 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 in the countries where the Company's subsidiaries and associates operate and generate taxable income. 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.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Deferred income tax is provided on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Tax consolidation legislation

MLG Oz Limited and its 100% owned Australian resident subsidiaries have implemented the tax consolidation legislation. Current and deferred tax amounts are accounted for in each individual entity as if each entity continued to act as a taxpayer on its own.

MLG Oz Limited recognises its own current and deferred tax amounts and those current tax liabilities, current tax assets and deferred tax assets arising from unused tax credits and unused tax losses which it has assumed from its controlled entities within the tax consolidated Group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts payable or receivable from or payable to other entities in the Group. Any difference between the amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) controlled entities in the Tax Consolidated Group.

(c) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(d) Trade and Other Receivables

Trade receivables are measured on initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method, less any allowance for impairment. Trade receivables are generally due for settlement within periods ranging from 30 days to 90 days.

The Group makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Group assess impairment of trade receivables on a collective basis as they possess shared credit risk characteristics they have been grouped based on the days past due.

The Group also maintains debtor insurance over clients that qualify.

(e) Financial Instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)
- equity instruments at fair value through other comprehensive income (FVOCI)
- debt instruments at fair value through other comprehensive income (FVOCI).

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

The classification is determined by both:

- the entity's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets to collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method.

Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments as well as listed bonds that were previously classified as held-to-maturity under IAS 39.

Classification and measurement of financial liabilities

The financial liabilities are measured at amortised cost using the effective interest method.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

(f) Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition is accounted for as follows:

Raw materials – based on the costs incurred in extracting and allocated based on the quantities on hand at period end.

Spares and parts - purchase cost on a first-in, first-out basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(g) Property, Plant and Equipment

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation.

Land and buildings are measured at cost less accumulated depreciation on buildings and less any impairment losses recognised after the date of the revaluation.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Freehold land and buildings	20 years
Earth moving equipment	5-25 years
Crushing and screening	5-25 years
Ancillary equipment	5-25 years
Fixtures & fittings	10 years
Light and service vehicles	4-10 years
Trucks and trailers	4-10 years
Computer software/hardware	3 years

Depreciation is temporarily paused on assets whilst undergoing significant capital rebuilds.

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

Impairment

The carrying values of plant and equipment are reviewed for impairment at each balance date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to approximate fair value.

An impairment exists when the carrying value of an asset or cash-generating unit exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount.

For plant and equipment, impairment losses are recognised in the statement of profit or loss and other comprehensive income in the cost of sales line item. However, because land and buildings are measured at revalued amounts, impairment losses on land and buildings are treated as a revaluation decrement.

(h) Parent Entity Disclosures

The financial information for the parent entity, MLG Oz Limited, has been prepared on the same basis as the consolidated financial statements.

Note 3: Significant Accounting Estimates and Assumptions

The application of accounting policies requires the use of judgements, 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.

(a) Inventories

Management estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices.

(b) Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

(c) Impairment

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

(d) Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences as management considers that it is probable that sufficient future tax profits will be available to utilise those temporary differences. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

(e) Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination

option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Group's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Group reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

(f) Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the consolidated entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

(g) Share-based payment transactions

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity. Refer to note 28 for further information.

(h) Supply chain finance

In assessing the classification of supply chain finance arrangements, the Group assesses whether the liability has a similar nature and function to that of trade payables. This includes determining if there is any additional security provided as part of the arrangement and the extent to which the terms of the supply chain finance facility arrangement differs from the terms of the Group's existing trade payables that are not part of the arrangement.

Note 4: Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of MLG Oz Limited.

The Board has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The entity does not have any operational segments with discrete financial information.

The Board of Directors' review internal management reports on a monthly basis that are consistent with the information provided in the statement of profit or loss and other comprehensive income, statement of financial position and statement of cash flows.

The Company has no individual customer sites where the revenue from that customer was in excess of 10% of the Company's revenue (2023: none).

Note 5: Revenue

	2024	2023
	\$	\$
Revenue from contracts with customers	468,618,186	375,209,593
Fuel tax credits	5,464,781	8,290,280
Other revenue	766,272	344,714
	474,849,239	383,844,587

Disaggregation of revenue

The Group derives its revenue from the sale of goods and the provision of services at a point in time and over time in the following categories.

	2024	2023
	\$	\$
At a point in time		
Mine site services	365,488,492	313,693,824
Crushing and screening	55,477,258	40,096,350
Export logistics	229,974	5,170,655
Over time		
Civil Works	47,422,462	16,248,764
Total revenue from contracts with customers	468,618,186	375,209,593

Note 6: Expenses

	2023	2023
	\$	\$
Interest and finance expense		
• Hire purchase charges	2,479,769	2,231,837
• Bank interest	368,931	269,716
• Interest on right of use assets	507,461	398,480
• Bank fees	506,230	442,942
	3,862,391	3,342,975
Depreciation and amortisation expense		
• Depreciation of right of use asset	3,344,517	1,525,403
• Depreciation charge	30,843,981	21,847,282
	34,188,498	23,372,685

Note 7: Income Tax Expense

Income tax recognised in profit or loss

The major components of tax expense are:

	2024	2023
	\$	\$
• Current tax expense	-	-
• Deferred tax expense	5,340,689	544,826
	5,340,689	544,826

Reconciliation

	2024	2023
	\$	\$

The prima facie income tax expense on pre-tax accounting profit from operations reconciles to the income tax expense in the financial statements as follows:

Accounting profit before income tax	16,299,302	1,354,488
Corporate tax rate	30%	30%
Income tax expense calculated	4,889,790	406,346
Tax effect of:		
• Share based payments expense	588,264	350,686
• Non-deductible expenses	79,215	19,800
• Over provision for prior year	(12,035)	(27,455)
• Deductible equity raising costs	(204,545)	(204,551)
Income tax expense / (benefit) reported in the consolidated statement of profit or loss and other comprehensive income	5,340,689	544,826

The tax rate used in the above reconciliation is the corporate tax rate of 30% (2023: 30%) payable by Australian corporate entities on taxable profits under Australian tax law. There has been no change in this tax rate since the previous reporting period.

Current tax payable comprise

	2024	2023
	\$	\$
Income tax payable / (receivable) attributable to		
• Parent entity	(1,236)	(37,635)
• Subsidiaries in the tax consolidated group	1,236	37,635
	-	-

Deferred tax liability comprises

2024	Opening balance	Charged to income	Charged to equity	Closing balance
	\$	\$	\$	\$
Prepayments	(707,104)	(534,534)	-	(1,241,638)
Plant and equipment	(33,104,746)	4,543,597	-	(28,561,149)
Inventory	(360,534)	6,716	-	(353,818)
Employee provisions	2,992,036	1,733,377	-	4,725,413
Other provisions	962,228	493,454	-	1,455,682
ROU Assets	99,439	38,374	-	137,813
Exploration & Mine Properties	-	17,973	-	17,973
Previously expensed blackhole costs	472,347	(322,883)	-	149,464
Equity raising blackhole costs	409,100	-	(204,545)	204,555
Tax losses	11,823,193	(11,313,948)	-	509,245
Other	34,240	(2,816)	-	31,424
	(17,379,801)	(5,340,689)	(204,545)	(22,925,040)

2023	Opening balance	Charged to income	Charged to equity	Closing balance
	\$	\$	\$	\$
Prepayments	(707,820)	716	-	(707,104)
Plant and equipment	(27,788,314)	(5,316,432)	-	(33,104,746)
Inventory	(644,692)	284,158	-	(360,534)
Unearned income	(8,276)	8,276	-	-
Employee provisions	2,566,766	425,270	-	2,992,036
Other provisions	502,846	459,382	-	962,228
ROU Assets	138,590	(39,151)	-	99,439
Previously expensed blackhole costs	799,594	(327,247)	-	472,347
Equity raising blackhole costs	613,651	-	(204,551)	409,100
Tax losses	7,857,951	3,965,242	-	11,823,193
Other	39,279	(5,039)	-	34,240
	(16,630,425)	(544,826)	(204,551)	(17,379,801)

Note 8: Dividends

Dividends declared and paid during the year

	2024	2023
	\$	\$
Fully franked dividends paid	-	-
	-	-

Franking account balance

	2024	2023
	\$	\$
Balance of franking account at year end adjusted for franking credits arising from the payment of provision for income tax and dividends recognised as receivables, franking debits arising from payment of proposed dividends and franking credits that may be prevented from distribution in a subsequent financial year.	11,080,673	11,080,673

The tax rate at which paid dividends have been franked is 30% (2023: 30%).

Dividends proposed will be franked at the rate of 30% (2023: 30%).

Note 9: Cash and Cash Equivalents

	2024 Company	2023 Consolidated
	\$	\$
Cash at bank	5,860,634	143,584
Cash on hand	300	150
	5,860,934	143,734

Cash at bank earns interest at floating rates based on daily bank deposit rates.

Reconciliation to the Statement of Cash Flows:

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash on hand and at bank and investments in money market instruments, net of outstanding bank overdrafts.

Cash and cash equivalents as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	2024 Company	2023 Consolidated
	\$	\$
Cash and cash equivalents	5,860,934	143,734
Overdraft facility	-	(5,891,988)
	5,860,934	(5,748,254)

Reconciliation of profit for the year to net cash flows from operating activities

	2024	2023
	\$	\$
Net profit for the year	10,958,613	809,665
Non-cash flows in profit from ordinary activities		
(Gain) / loss on sale or disposal of non-current assets	943,013	6,963,463
Depreciation of property, plant and equipment	34,188,498	23,372,685
Share based payments	1,960,880	1,168,954
Reclassification to financing activities		
Interest expense on hire purchase and lease liabilities	2,987,229	1,711,988
Changes in operating assets and liabilities		
Decrease / (Increase) in receivables	(20,075,642)	(2,108,344)
Decrease / (Increase) in inventory	(4,035,835)	3,611,372
(Decrease) / Increase in creditors	21,339,901	(3,808,320)
(Decrease) / Increase in provisions	3,992,275	439,804
(Decrease) / Increase in deferred tax liability	5,340,690	544,826
Net cash from operating activities	57,599,622	32,706,093

Changes in liabilities arising from financing activities

	Hire purchase liability	Supply Chain Finance	Total
2024	\$	\$	\$
Opening balance	47,120,942	1,083,327	48,204,269
Net cash from/(used in) financing activities	(29,067,139)	(649,996)	(29,717,135)
Net cash from refinancing of assets	6,000,000	-	6,000,000
Non-cash interest expense	2,479,769	-	2,479,769
Drawdown of funds from equipment finance	33,571,796	-	33,571,796
Closing balance	60,105,368	433,331	60,538,699

	Hire purchase liability	Supply Chain Finance	Total
2023	\$	\$	\$
Opening balance	63,722,728	-	63,722,728
Net cash from/(used in) financing activities	(37,931,239)	1,083,327	(36,847,912)
Non-cash interest expense	2,231,837	-	2,231,837
Drawdown of funds from equipment finance	19,097,616	-	19,097,616
Closing balance	47,120,942	1,083,327	48,204,269

Note 10: Trade and Other Receivables

		2024 Company \$	2023 Consolidated \$
Trade receivables	(i)	40,343,134	39,391,958
Allowance for expected credit losses		-	-
Trade receivables net of allowance for expected credit losses		40,343,134	39,391,958
Accrued revenue		18,151,408	554,060
Prepayments		7,038,687	5,216,407
Other debtors		1,923,026	2,218,190
		67,456,255	47,380,613

(i) Trade receivables are non-interest bearing and are generally on terms of 30 days. All amounts are short term. The carrying value of trade receivables is considered a reasonable approximation of fair value.

Expected credit losses

The Group applies the AASB 9 simplified model of recognising lifetime expected credit losses for all trade receivables as these items do not have a significant financing component.

In measuring the expected credit losses, the trade receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due and also according to the geographical location of customers.

The expected loss rates are based on the payment profile for sales over the past 48 months before 30 June 2024 and 30 June 2023 respectively as well as the corresponding historical credit losses during that period. The historical rates are adjusted to reflect current and forwarding looking macroeconomic factors affecting the customer's ability to settle the amount outstanding.

Trade receivables are written off when there is no reasonable expectation of recovery. Failure to make payments within 180 days from the invoice date and failure to engage with the Group on alternative payment arrangement amongst other is considered indicators of no reasonable expectation of recovery.

On the above basis the expected credit loss for trade receivables as at 30 June 2024 and 30 June 2023 was determined as follows:

2024 Company	Trade receivables aging				
	Current	More than 30 days	More than 60 days	More than 90 days	Total
Expected credit loss rate	0%	0%	0%	0%	0%
Gross carrying amount	24,744,982	15,546,704	17,130	34,318	40,343,134

2023 Consolidated	Trade receivables aging				
	Current	More than 30 days	More than 60 days	More than 90 days	Total
Expected credit loss rate	0%	0%	0%	0%	0%
Gross carrying amount	33,410,888	5,210,958	(30,365)	800,477	39,391,958

Note 11: Inventories

	2024 Company \$	2023 Consolidated \$
Raw materials – at cost	1,983,133	987,015
Spares and parts – at cost	16,603,320	13,563,603
	18,586,453	14,550,618

Note 12: Property, Plant and Equipment

Carrying value

	Freehold land and buildings	Earthmoving equipment	Crushing and screening	Ancillary equipment	Fixtures and fittings	Light & service vehicles	Trucks and trailers	Work in progress	Total
	\$	\$	\$	\$		\$	\$	\$	\$
Cost	7,809,772	114,172,075	28,231,956	9,018,249	4,610,488	8,526,539	132,975,866	15,902,799	321,247,744
Accumulated depreciation	(1,768,227)	(52,398,186)	(10,280,900)	(5,203,827)	(3,472,234)	(5,098,810)	(48,607,924)	-	(126,830,108)
Carrying value as at 30 June 2024	6,041,545	61,773,889	17,951,056	3,814,422	1,138,254	3,427,729	84,367,942	15,902,799	194,417,636
Cost	6,922,929	96,598,854	24,859,153	7,413,808	3,799,645	8,578,822	117,545,648	9,621,901	275,340,760
Accumulated depreciation	(1,188,416)	(40,490,709)	(7,627,579)	(3,668,820)	(2,812,916)	(4,218,034)	(37,796,066)	-	(97,802,540)
Carrying value as at 30 June 2023	5,734,513	56,108,145	17,231,574	3,744,988	986,729	4,360,788	79,749,582	9,621,901	177,538,220

Reconciliation

2024	Freehold land and buildings	Earthmoving equipment	Crushing and screening	Ancillary equipment	Fixtures and fittings	Light & service vehicles	Trucks and trailers	Work in progress	Total
	\$	\$	\$	\$		\$	\$	\$	\$
Opening balance	5,734,513	56,108,145	17,231,574	3,744,988	986,729	4,360,788	79,749,582	9,621,901	177,538,220
Additions	886,843	19,354,850	3,475,323	1,667,357	820,744	161,935	17,057,312	6,280,898	49,705,262
Disposals	-	(1,284,159)	(89,183)	(28,111)	-	(115,099)	(465,314)	-	(1,981,866)
Depreciation expense	(579,811)	(12,404,947)	(2,666,658)	(1,569,812)	(669,219)	(979,896)	(11,973,638)	-	(30,843,981)
Closing balance	6,041,545	61,773,889	17,951,056	3,814,422	1,138,254	3,427,729	84,367,942	15,902,799	194,417,636

2023	Freehold land and buildings	Earthmoving equipment	Crushing and screening	Ancillary equipment	Fixtures and fittings	Light & service vehicles	Trucks and trailers	Work in progress	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Opening balance	3,593,936	51,612,456	39,478,309	3,366,764	982,868	4,761,731	67,813,330	15,444,422	187,053,816
Additions	2,735,369	14,996,927	2,111,158	1,995,852	714,024	632,740	20,810,675	(5,822,521)	38,174,224
Disposals	(130,743)	(1,520,867)	(23,225,973)	(385,709)	(554)	(62,963)	(515,728)	-	(25,842,538)
Depreciation expense	(464,049)	(8,980,371)	(1,131,920)	(1,231,918)	(709,609)	(970,720)	(8,358,695)	-	(21,847,282)
Closing balance	5,734,513	56,108,145	17,231,574	3,744,988	986,729	4,360,788	79,749,582	9,621,901	177,538,220

Included in the above is \$102,567,132 of carrying value of assets under hire purchase arrangements (2023 - \$81,230,424).

The group has reviewed property, plant and equipment assets for indicators of impairment in accordance with AASB 136 and concluded that impairment indicators existed at year end. An assessment for impairment over the property, plant and equipment assets has been undertaken under the requirements of AASB 136. No impairment was recognised as a result of this assessment.

Note 13: Right of Use Assets

Carrying value

	Company Premises	Company Equipment	Company Total
2024	\$	\$	\$
Cost	5,155,877	7,464,712	12,620,589
Accumulated amortisation	(2,372,244)	(3,157,489)	(5,529,733)
Carrying value as at 30 June 2024	2,783,633	4,307,223	7,090,856

	Consolidated Premises	Consolidated Equipment	Consolidated Total
2023	\$	\$	\$
Cost	5,133,866	3,530,947	8,664,813
Accumulated amortisation	(1,391,255)	(793,956)	(2,185,211)
Carrying value as at 30 June 2023	3,742,611	2,736,991	6,479,602

Reconciliation

	Company Premises	Company Equipment	Company Total
2024	\$	\$	\$
Opening balance	3,742,611	2,736,991	6,479,602
Additions	22,007	3,933,764	3,955,771
Adjustments to leases	-	-	-
Depreciation expense	(980,985)	(2,363,532)	(3,344,517)
Closing balance	2,783,633	4,307,223	7,090,856

	Company Premises	Company Equipment	Company Total
2023	\$	\$	\$
Opening balance	3,693,286	191,165	3,884,451
Additions	2,465,244	3,530,949	5,996,186
Adjustments to leases	(1,875,639)	-	(1,875,639)
Depreciation expense	(540,280)	(985,123)	(1,525,403)
Closing balance	3,742,611	2,736,991	6,479,602

Right-of-use leased assets

Leased assets are capitalised at the commencement date of the lease and comprise of the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received. On initial adoption of AASB 16 *Leases*, the Group has adjusted the right-of-use leased assets at the date of initial application by the amount of any provision for onerous leases recognised immediately before the date of initial application. Following initial application, an impairment review is undertaken for any right-of-use lease asset and shows indicators of impairment and an impairment loss is recognised against any right-of-use lease assets that is impaired.

Leases, which transfer to the Group substantially the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in short-term and long-term payables. Lease payments are apportioned between the finance charges and reduction of the lease liability to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against the Condensed Statement of Profit or Loss and Other Comprehensive Income.

Leased assets are depreciated on a straight-line basis over the estimated useful life of the asset.

Note 14: Trade and Other Payables

Current

	Notes	2024 Company \$	2023 Consolidated \$
Trade payables	(i)	33,416,703	20,735,683
Accruals		7,068,582	7,692,087
Annual leave payable		9,844,338	8,058,690
Other creditors		15,676,789	11,365,795
		66,006,412	47,852,255

- (i) Trade payables are non-interest bearing and are normally settled on 30 day terms. All amounts are short term. The net carrying value of trade payables is considered a reasonable approximation of fair value. In assessing the classification of supply chain finance arrangements, the Group assesses whether the liability has a similar nature and function to that of trade payables. This includes determining if there is any additional security provided as part of the arrangement and the extent to which the terms of the supply chain finance facility arrangement differs from the terms of the Group's existing trade payables that are not part of the arrangement.

Information regarding the interest rate, foreign exchange and liquidity risk exposure is set out in Note 19.

Note 15: Financial Liabilities

Current

	Notes	2024 Company \$	2023 Consolidated \$
Overdraft facility	(i)	-	5,891,988
Hire purchase liability	(ii)	23,779,610	22,090,944
Unsecured facility – supply chain finance	(iii)	433,331	649,996
		24,212,941	28,632,928

Non-current

	Notes	2024 Company \$	2023 Consolidated \$
Hire purchase liability	(ii)	36,325,758	25,029,998
Unsecured facility – supply chain finance	(iii)	-	433,331
		36,325,758	25,463,329

Summary of borrowing arrangements

- (i) The bank borrowing facilities are with Westpac and encompass:
- a flexible options facility (overdraft and bank guarantee facility)
 - a revolving credit equipment finance facility for the purchase of capital assets
 - credit card facility for the provision of corporate credit cards.
- (ii) There are various finance lease obligations currently in place charged at fixed interest rates appropriate to the leased asset. These leases expire over a varied timeframe. Security is largely based on the individual assets leased.
- (iii) The unsecured facility encompass:
- a short-term finance arrangement in place for a period of 24 months from draw down.
 - a 6.75% interest rate

Financing facilities available

At balance date, the following financing facilities had been negotiated and were available:

	2024 Company \$	2023 Consolidated \$
Total facilities		
• Bank overdraft	19,800,000	14,800,000
• Unsecured facility – supply chain finance	433,331	1,083,327
	20,233,331	15,883,327
Facilities used at balance date		
• Bank overdraft	-	5,891,988
• Unsecured facility – supply chain finance	433,331	1,083,327
	433,331	6,975,315
Facilities unused at balance date		
• Bank overdraft	19,800,000	8,908,012
• Unsecured facility – supply chain finance	-	-
	19,800,000	8,908,012

Fair value disclosures

Details of the fair value of the Group's borrowings are set out in Note 19.

Note 16: Lease liabilities

Fair Value

Company	Premises \$	Equipment \$	Total \$
Current liabilities	904,267	2,400,669	3,304,936
Non-current liabilities	2,211,831	1,685,275	3,897,106
Carrying value as at 30 June 2024	3,116,098	4,085,944	7,202,042

Consolidated	Premises \$	Equipment \$	Total \$
Current liabilities	903,577	1,136,085	2,039,662
Non-current liabilities	3,114,729	1,638,323	4,753,052
Carrying value as at 30 June 2023	4,018,306	2,774,408	6,792,714

Reconciliation

2024 Company	Premises \$	Equipment \$	Total \$
Opening balance	4,018,306	2,774,408	6,792,714
Lease inception	16,519	3,933,766	3,950,285
Principal repayments	(918,727)	(2,622,230)	(3,540,957)
Closing balance	3,116,098	4,085,944	7,202,042

2023 Consolidated	Premises \$	Equipment \$	Total \$
Opening balance	4,156,648	189,766	4,346,414
Lease inception	621,817	3,530,947	4,152,765
Principal repayments	(760,159)	(946,305)	(1,706,465)
Closing balance	4,018,306	2,774,408	6,792,714

Note 17: Provisions

Current

	2024 Company \$	2023 Consolidated \$
Employee benefits	4,968,661	600,419

STI accruals of \$2.7m have been allocated to Employee benefits in the period ended 30 June 2024, previously these were allocated to Trade and Other Payables (2023: \$1.9m).

Non-current

	2024 Company \$	2023 Consolidated \$
Employee benefits	938,377	1,314,344

Note 18: Issued Capital

	2024 Shares	2023 Shares	2024 \$	2023 \$
Ordinary shares issued and fully paid	146,794,163	145,669,163	47,311,188	46,999,923

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

Movements in ordinary share capital

	Date	Shares	Issue price	\$
Balance	1-Jul-22	145,669,163		47,204,474
Tax impact of prior period share issue costs	30-June-23	-	-	(204,551)
Balance	30-Jun-23	145,669,163		46,999,923
Share based payments vested in period	19-Jul-23	1,125,000	\$0.46	515,810
Tax impact of prior period share issue costs	30-Jun-24	-	-	(204,545)
Balance	30-Jun-24	146,794,163		47,311,188

Note 19: Financial Instruments

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Group's overall strategy necessitates a large amount of capital assets to facilitate the delivery of services. This groups capital management strategy utilises debt facilities to acquire assets and to fund working capital demands as the company grows. Short term working capital demands occur when new projects are mobilised and the costs are initially borne by MLG until projects are fully operational and revenues begin.

The capital structure of the Group consists of cash and cash equivalents, borrowings and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings.

None of the Group's entities are subject to externally imposed capital requirements.

Operating cash flows are used to maintain and expand operations, as well as to make routine expenditures such as tax, dividends and general administrative outgoings.

Gearing levels are reviewed by the Board on a regular basis in line with overall strategy for growth and in the context of banking covenants, the cost of capital and the risks associated with each class of capital.

Financial risk management objectives

The Group is exposed to, (i) market risk (which includes foreign currency exchange risk, interest rate risk, share price risk and commodity price risk), (ii) credit risk and (iii) liquidity risk.

The Group seeks to minimise the effect of these risks, by using derivative financial instruments to hedge these risk exposures. The use of financial derivatives is governed by the Group's policies approved by the sole Director, which provide written principles on market risk, credit risk, liquidity risk and cash flow interest rate risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by management on a continuous basis. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates, interest rates, and share prices.

There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk from the previous period.

Interest rate risk management

The Company and the Group are exposed to interest rate risk as entities in the Group borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings.

The Group's exposures to interest rate on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Interest rate risk sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for both derivative and non-derivative instruments at the balance date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period.

A 50 basis point increase or decrease is used when reporting interest rate risk internally to management and represents management's assessment of the change in interest rates.

At balance date, if interest rates had been 50 basis points higher or lower and all other variables were held constant, the Group's:

- Profit or loss would increase/decrease by \$2,167 (2023: \$53,600); and

The Group's sensitivity to interest rate risk has not changed significantly from the prior year.

Credit risk management

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. The Group is exposed to credit risk from financial assets including cash and cash equivalents held at banks and trade and other receivables.

The credit risk is managed on a group basis based on the Group's credit risk management policies and procedures.

The credit risk in respect of cash balances held with banks and deposits with banks are managed via diversification of bank deposits and are only with major reputable financial institutions.

The Group continuously monitors the credit quality of customers based on a credit rating scorecard. Where available, external credit ratings and/or reports on customers are obtained and used. The group's policy is to deal only with credit worthy counterparties. The credit terms range between 30 and 90 days. The credit terms for customers as negotiated with customers are subject to an internal approval process which considers the credit rating scorecard. The ongoing credit risk is managed through regular review of ageing analysis, together with credit limits per customer.

Service customers are required to pay the annual amount of the service upfront, mitigating the credit risk.

Trade receivables consist of a large number of customers in various industries and geographical areas.

Security

Trade receivables consist of a large number of customers in various industries and geographical areas. The Group does not hold any security on the trade receivables balance. In addition, the group does not hold collateral relating to other financial assets (e.g. derivative assets, cash and cash equivalents held with banks).

Other receivables

Other financial assets at amortised cost include amounts due from related parties refer to Note 21 for further details. There was no material impact from amortisation during the current period.

Liquidity risk management

Responsibility for liquidity risk management rests with the Executives, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements.

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

All of the trade receivables are expected to be received within 6 months of balance date.

Non-derivative financial liabilities

The following tables detail the Group's expected contractual maturity for its non-derivative financial liabilities.

These have been drawn up based on undiscounted contractual maturities of the financial liabilities based on the earliest date the Group can be required to repay.

The tables include both interest and principal cash flows.

2024 Company	Current		Non-Current		Total
	Within 6 months	6 – 12 months	1 – 5 years	5+ years	
	\$	\$	\$	\$	\$
Trade and other payables	33,416,703	-	-	-	33,416,703
Supply chain finance	324,998	108,333	-	-	433,331
Hire purchase leases	13,637,912	10,141,698	36,325,758	-	60,105,368
Finance lease obligations	1,749,062	1,555,874	3,897,106	-	7,202,042
	49,128,675	11,805,905	40,222,864	-	101,157,444

2023 Consolidated	Current		Non-Current		Total
	Within 6 months	6 – 12 months	1 – 5 years	5+ years	
	\$	\$	\$	\$	\$
Overdraft	5,891,988	-	-	-	5,891,988
Trade and other payables	20,735,683	-	-	-	20,735,683
Supply chain finance	324,998	324,998	433,331	-	1,083,327
Hire purchase leases	12,769,838	9,321,106	25,029,998	-	47,120,942
Finance lease obligations	1,125,449	914,213	4,753,052	-	6,792,714
	40,847,956	10,560,317	30,216,381	-	81,624,654

The above amounts reflect the contractual undiscounted cash flows, which may differ to the carrying values of the liabilities at the reporting date.

Fair value measurement

Measured at fair value on recurring basis

There were no financial assets or financial liabilities measured at fair value in the statement of financial position.

Not measured at fair value (but fair value disclosures are required)

The Group has a number of financial instruments which are not measured at fair value in the statement of financial position.

The Directors consider that the carrying amounts of current receivables, current payables and current borrowings are considered to be a reasonable approximation their fair values.

Note 20: Commitments

The Group has finance leases and hire purchase contracts for various items of plant and machinery.

As at the balance date, the group had no contractual commitments.

Note 21: Related Party Disclosures

Transactions with Key Management Personnel

The aggregate compensation made to the Key Management Personnel of the Group is set out below:

	2024 Company \$	2023 Consolidated \$
Short-term employee benefits	2,226,298	2,176,917
Post-employment benefits	82,500	122,466
Other reportable benefits	899,832	827,400
	3,208,630	3,126,783

Related party transactions

The following table presents the total amount of transactions that were entered into with parties related to Murray Leahy for the relevant financial period.

Related Party	Activity	2024 Company \$	2023 Consolidated \$
Kimberley Granite Quarries Pty Ltd	Mining of material for sale	643,713	-
Leahy Aviation Pty Ltd	Hire of 3 prime movers	327,456	110,000
Leahy Aviation Pty Ltd	Rent of aircraft	1,174,800	-
Leahy Aviation Pty Ltd	Rent of aircraft hangar	86,416	91,475
M&M Leahy	Rent of laydown yard	141,032	126,999
M&M Leahy Investments Pty Ltd	Mining village accommodation	30,020	-
Panorama	Mining village accommodation	35,768	35,475
TJ & IM Leahy Family Trust	Rent of workshop	139,815	120,000
		2,579,022	483,949

All transactions are at arm's length.

Note 22: Contingent Liabilities and Assets

The Group has no contingent liabilities and assets as at 30 June 2024 (2023: Nil).

Note 23: Interest in Subsidiaries

Transactions with subsidiaries

The consolidated financial statements include the financial statements of MLG Oz Limited and the subsidiaries listed in the following table.

	Country of incorporation	Equity Interest	
		2024 %	2023 %
MLG Cement and Lime Pty Ltd	Australia	-	100
MLG Connect Pty Ltd	Australia	-	100

MLG Oz Limited is the ultimate Australian parent entity and ultimate parent of the Group.

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation.

During the year the Company deregistered its subsidiaries.

Note 24: Parent Entity Disclosures

Statement of financial position

	2024	2023
	\$	\$
Current assets	91,903,642	60,047,839
Non-current assets	201,508,492	184,078,782
Current liabilities	98,492,950	79,174,603
Non-current liabilities	64,086,281	48,911,735
Net assets	130,832,903	116,040,283
Issued capital	47,311,188	46,999,923
Reserves	2,614,024	1,168,954
Retained earnings	80,907,691	67,871,406
Total equity	130,832,903	116,040,283

Statement of profit or loss and other comprehensive income

	2024	2023
	\$	\$
Profit for the year	10,958,613	809,665
Other comprehensive income	-	-
Total comprehensive income	10,958,613	809,665

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

During the year MLG Oz Limited had deeds of cross guarantee with its wholly owned subsidiaries, MLG Cement & Lime Pty Ltd and MLG Connect Pty Ltd. During the year the Company deregistered its subsidiaries.

Contingent liabilities of the parent entity

As at 30 June 2024 MLG Oz Limited has no contingent liabilities (2023: Nil)

Note 25: Auditor's Remuneration

The auditor of MLG Oz Limited is HLB Mann Judd.

	2024	2023
	\$	\$
Auditor of the parent entity		
• Audit of the financial statements	88,000	70,000
• Other services	-	-

Note 26: Significant Events after Balance Date

There have been no significant events after the balance date to the date of this report.

Note 27: Earnings Per Share

	2024	2023
	\$	\$
Earnings per share for profit from continuing operations		
Profit after income tax attributable to the owners of MLG Oz Limited	10,958,613	809,665
	2024	2023
	\$	\$
Basic earnings per share	0.07	0.01
Diluted earnings per share	0.06	0.01
	2024	2023
	\$	\$
Weighted average earnings per share		
Weighted average number of ordinary shares used in calculating basic earnings per share	146,794,163	145,669,163
Weighted average number of ordinary shares used in calculating diluted earnings per share	172,193,818	156,266,903

Note 28: Share-based Payments

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

	Number	Grant date	Expiry date	Exercise price	Fair value at grant date	Vesting date
				\$	\$	
Series 1	2,452,798	31-Jul-22	31-Jul-27	\$-	\$98,112	1-Jul-24
Series 2	5,885,137	18-Oct-22	18-Oct-27	\$-	\$2,042,028	1-Jul-25
Series 3	812,739	2-Nov-22	2-Nov-27	\$-	\$35,761	01-Jul-24
Series 4	1,531,320	2-Nov-22	2-Nov-27	\$-	\$436,426	01-Jul-25
Series 6	1,150,000	29-Aug-22	28-Nov-28	\$-	\$517,500	1-Jul-25
Series 7	4,931,721	25-Sep-23	28-Nov-28	\$-	\$1,657,058	1-Jul-26
Series 8	1,353,877	1-Nov-23	28-Nov-28	\$-	\$416,994	1-Jul-26
Series 9	122,487	7-Nov-23	28-Nov-28	\$-	\$35,399	1-Jul-26

The fair value of the equity-settled share performance rights granted under both the option and the loan plans is estimated as at the date of grant using the Monte Carlo model taking into account the terms and conditions upon which the options were granted.

	Series 1	Series 2	Series 3	Series 4	Series 6	Series 7	Series 8	Series 9
Dividend yield (%)	0%	0%	0%	0%	0%	0%	0%	0%
Expected volatility (%)	50.2%	56.7%	56.4%	56.4%	0.0%	59.4%	60.1%	59.9%
Risk-free interest rate (%)	2.49%	3.40%	3.26%	3.31%	0.00%	4.01%	4.43%	4.27%
Expected life of rights (years)	1.9	2.7	1.7	2.7	2	2.8	2.7	2.7
Exercise price (cents)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grant date share price	\$0.46	\$0.53	\$0.48	\$0.48	\$0.46	\$0.55	\$0.53	\$0.50
Fair value	\$0.04	\$0.35	\$0.04	\$0.29	\$0.46	\$0.34	\$0.31	\$0.29

Note 29: Share-based Payments Reserve

The share-based payments reserve is used to recognise the fair value of options and rights issued by the Company to Directors, employees and other suppliers or consultants that are not exercised or expired.

	2024	2023
	\$	\$
Share-based payments reserve	2,614,024	1,168,954

Consolidated Entity Disclosure Statement for the Year Ended 30 June 2024

MLG Oz Limited does not have any controlled entities at 30 June 2024 and therefore s295(3A)(a) of the Corporations Act 2001 does not apply to the company.

Directors' Declaration

1. In the opinion of the Directors of MLG Oz Limited (the 'Company'):
 - a. the accompanying financial statements and notes are 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 2024 and of its performance for the year then ended; and
 - ii. complying with Australian Accounting Standards, the *Corporations Regulations 2001*, professional reporting requirements and other mandatory requirements.
 - b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
 - c. the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.
 - d. the consolidated entity disclosure statement is true and correct
2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2024.

This declaration is signed in accordance with a resolution of the Board of Directors.



Anna Neuling

Chair

Perth, 20 August 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of MLG Oz Limited

Report on the Audit of the Financial Report*Opinion*

We have audited the financial report of MLG Oz Limited ("the Company") and its controlled entities ("the Group"), which comprises the statement of financial position as at 30 June 2024, 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, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is 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 2024 and of its financial performance for the year then ended; and
- (b) 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 auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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.

We have determined the matters described below to be the key audit matters to be communicated in our report.

hlb.com.au

HLB Mann Judd ABN 22 193 232 714

A Western Australian Partnership

Level 4, 130 Stirling Street, Perth WA 6000 / PO Box 8124 Perth BC WA 6849

T: +61 (0)8 9227 7500 **E:** mailbox@hlbwa.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd is a member of HLB International, the global advisory and accounting network.

Key Audit Matter

How our audit addressed the key audit matter

Revenue Recognition

Refer to Note 5

The Group generated revenue of \$474,849,239 from the provision of mine site services, crushing and screening services, export logistics and civil works.

Revenue recognised is based on contractual rates or on a cost reimbursement basis depending on the type of revenue being generated.

We focused on this area as a key audit matter due to its significant value to the Group's financial report and the audit effort associated with a large number of customer contracts.

Our procedures included but were not limited to:

- Evaluated the Group's revenue recognition policies against the requirements of the relevant accounting standards;
- Gained an understanding of the Group's process for accounting for revenue across different contracts against the terms in the customer contracts;
- Tested key controls in the revenue recognition process;
- Performed substantive analytical procedures;
- Tested a sample of revenue amounts recognised during the year; and
- Obtained significant credit notes recognised post year end to check the Group's recognition of revenue in the correct period; and
- Assessed the appropriateness of the disclosures included in the relevant notes to the financial report.

Impairment of PPE

Refer to Note 12

An impairment assessment was conducted by management during the year in relation to the property, plant and equipment due the existence of impairment triggers under AASB 136 Impairment of Assets.

The carrying value of these assets at 30 June 2024 was \$194,417,636. The impairment assessment was conducted under AASB 136 Impairment of Assets and involved a comparison of the recoverable amount of the property, plant and equipment with their carrying amounts in the financial statements. Recoverable amount is based upon the higher of fair value less costs of disposal and value-in-use.

The evaluation of the recoverable amount of these assets is considered a key audit matter as it was based upon a value-in-use calculation which required significant judgement in verifying the key assumptions.

Our procedures included but were not limited to:

- Critically evaluated management's methodology in the value-in-use model and the basis for key assumptions;
- Performed sensitivity analyses around the key inputs used in the cash flow forecasts that either individually or collectively would be required for assets to be impaired and considered the likelihood of such a movement in those key assumptions arising;
- Reviewed the key inputs management used to determine the necessary impairment;
- Considered whether the assets comprising the cash-generating unit had been correctly allocated; and
- Assessed the appropriateness of the disclosures included in the relevant notes to the financial report.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly 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:

- (a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- (b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

- (a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- (b) the consolidated entity disclosure statement that is true and correct 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 have 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 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report included within the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of MLG Oz Limited for the year ended 30 June 2024 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.



HLB Mann Judd
Chartered Accountants

Perth, Western Australia
20 August 2024



B G McVeigh
Partner