

Half Year Report Ended 30 September 2023

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- **Half Year Financial Report**
- **Independent Auditor's Review Report**

This report is based on results that have been reviewed by the Company's auditors.

The documents contained within this report comprise the information required by listing rule 4.2A and should be read in conjunction with the Company's 2023 Annual Report.

Macarthur Minerals Limited
ACN 103 011 436

All amounts are in Australian dollars unless otherwise stated

Interim Report**For the half-year ended 30 September 2023**

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This condensed interim financial report covers the consolidated financial statements for the entity consisting of Macarthur Minerals Limited and its subsidiaries. The financial report is presented in Australian dollars, which is Macarthur Minerals Limited's functional and presentational currency.

The Company's registered office and principal place of business is detailed on page 3.

The financial report was authorised for issue by the directors on 14 November 2023. The directors have the power to amend and reissue the financial report.

Directors' Report

Your directors submit their report for the half-year ended 30 September 2023 for the Group incorporating Macarthur Minerals Limited ("Company" or "Macarthur Minerals") and the entities that it controlled during the half-year ("Group").

CURRENCY

Amounts in this report and the accompanying financial report are presented in Australian dollars unless otherwise stated. Amounts in this report have been rounded off to the nearest dollar in accordance with the Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission.

DIRECTORS

The names of the Company's directors in office during the half-year and until the date of this report are as below. Directors were in office for the entire period unless otherwise stated.

The following persons were Directors of the Company during the period ended 30 September 2023.

Non-Executive Directors

Alan Phillips, Non-Executive Director

Andrew Suckling, Non-Executive Director (Independent)

Ryan Welker, Non-Executive Director (Independent)

Executive Director

Cameron McCall, Executive Chairman and CEO

CORPORATE INFORMATION

Corporate Structure

Macarthur Minerals is a Company limited by shares that is incorporated and domiciled in Australia. Macarthur Minerals Limited is an Australian public company listed in Canada on the TSX Venture Exchange ("TSX-V") (symbol: MMS), Australian Securities Exchange ("ASX") (symbol: MIO) and OTCQB Venture Market ("OTCQB") (symbol: MMSDF). The Company has three iron ore projects in the Yilgarn region of Western Australia. The Company also has two exploration project areas in the Pilbara, Western Australia targeting iron ore. In addition, Macarthur Minerals has lithium brine interests in the Railroad Valley, Nevada, USA.

As at 30 September, 2023, the Company has the following subsidiaries (collectively referred to as the "Group"):

- 100% of Macarthur Australia Limited, which holds the following 100% subsidiaries:
- 100% of Macarthur Iron Ore Pty Ltd ("Macarthur Iron Ore" or "MIO") which owns the Iron Ore Projects
- 100% of Macarthur Lithium Nevada Limited (incorporated in Nevada)
- 100% of Esperance Iron Ore Export Company Pty Ltd (previously Macarthur Midway Pty Ltd)
- 100% of Macarthur Marble Bar Lithium Pty Ltd (previously Bachelor Project Pty Ltd) (a dormant subsidiary); and
- 100% of Macarthur Minerals NT Pty Ltd ("MMNT") and MMNT's 100% subsidiary, Macarthur Tulshyan Pty Ltd.

There was no change in the nature of the Company's principal activities during the year.

The Company continues to maintain its corporate head office and principal place of business at Suite 1G, Building 1, Kings Row Office Park, 40 McDougall Street, MILTON QLD 4064, Australia.

OPERATING REVIEW

Overview of the Half-Year Period

BACKGROUND

WESTERN AUSTRALIAN IRON ORE PROJECTS

Lake Giles Projects

Macarthur Minerals' Lake Giles Iron Ore Projects ("Lake Giles Projects") are located on mining tenements covering approximately 62 km², 175 kilometres ("km") northwest of Kalgoorlie in Western Australia. Within the tenements, at least 33 km strike extent of outcropping banded iron formation ("BIF") occurs as low ridges, surrounded by intensely weathered and mostly unexposed granites, basalts and ultramafic rocks.

The Lake Giles Projects are situated in the Yilgarn Region of Western Australia. The Yilgarn Region is host to many significant mineral deposits that have been, or are being, mined for iron ore. The tenements cover the Yerilgee greenstone belt which is some 80 km in length and lies within the Southern Cross Province of the Yilgarn. The Lake Giles Projects are approximately 90 km from the existing Perth Kalgoorlie Railway that has a direct connection to the Port of Esperance in Western Australia, where it is intended that ore from the Projects will be shipped. Export is subject to available capacity, which is not certain. The Lake Giles Projects (comprising the Moonshine Magnetite Project and the Ularring Hematite Project) is located approximately 450 km east north-east of the coastal city of Perth, Western Australia, and approximately 115 km west of the town of Menzies. Exploration at the Ularring Hematite and Moonshine Magnetite Projects has been sufficient to allow the estimation of Mineral Resources for both projects.

Lake Giles Iron Project

On August 12, 2020, Macarthur Minerals released an updated Mineral Resource estimate for the Lake Giles Magnetite Project¹. The Mineral Resource estimates includes Measured Resources of approximately 53.9 Mt @ 30.8% Fe, Indicated Resources of 218.7 Mt @ 27.5% Fe and Inferred Resources of 997.0 Mt @ 28.4% Fe.

The resource formed the basis of a Feasibility Study that was released to the market on April 11, 2022. The feasibility study was based on a 3 Mtpa magnetite operation incorporating the Moonshine and Moonshine North magnetite deposits. The Feasibility Study confirms the commercial viability of the Project to produce 3 Mtpa (dry basis) of high-grade magnetite concentrate over a long mine life of 25 years from Proven and Probable Ore Reserves. The key production and financial outcomes are presented in the following table 1².

Table 1. Lake Giles Iron Project – Feasibility Study Production and Financials Summary

Production		
Ore mined	236.6 Mt	
Waste mined	624.9 Mt	
Total mined	861.5 Mt	
Strip ratio	2.64	
Concentrate produced	74 Mt	
Concentrate iron grade	66.1	
Plant recovery	31%	
Financials	AUDm	USDm
Sales revenue	12,614	8,956
Operating Expenses	8,116	5,672

¹ Refer to the Company's news release dated August 12, 2020, titled "Moonshine Magnetite Resource Upgrade."

² Refer to the Company's news release dated March 21, 2022, titled "Positive Feasibility Study Results for Lake Giles Iron Project."

Initial Capital Expenditure		
Construction capex	801.1	568.8
Mining overburden pre-strip	61.6	43.8
Total initial capital	862.7	612.5
Future Capital Expenditure		
Sustaining capital	203	144.1
Deferred capital - Tailings	39.8	28.3
Capitalised non-operational waste mining	355.7	252.5
Total future capital	598.0	424.6
Closure Expenditure		
Closure and rehabilitation	58.2	41.3
Total Operating Cash Flows	3,625	2574
Taxes & Royalties		
Tax paid	873	620
Royalties	631	435
Valuation	AUDm	USDm
NPV (6%) Pre-tax	816	579
NPV (6%) Post-tax	443	314
IRR Pre-tax	13.0%	-
IRR Post-tax	10.1%	-

The Feasibility Study published on March 21, 2022, underpins a maiden Ore Reserve of 237 million tonnes, supporting a 25-year mine life. The independent technical report, entitled “NI 43-101 Technical Report and Feasibility Study, Lake Giles Iron Project, Menzies, Western Australia” with an issue date of April 11, 2022 was prepared in accordance with the requirements of National Instrument 43-101 (“NI 43-101”) and released to the market on April 11, 2022³. The technical report is filed under the Company’s profile on the System for Electronic Document Analysis and Retrieval (“SEDAR”) website at www.sedar.com (filing date: April 11, 2022) and on the Company’s website at www.macarthurminerals.com. The Mineral Reserves are presented in Table 2.

Table 2. Mineral Reserves – Lake Giles Iron Project, Moonshine and Moonshine North, DTR >15%

Category	Tonnes (Mt)	Head Grades (%)					Concentrate Grades (%)					
		Fe	SiO ₂	Al ₂ O ₃	P	LOI	DTR	Fe	SiO ₂	Al ₂ O ₃	P	LOI
Moonshine												
Proven	34.2	28.1	51.6	1.2	0.04	1.7	30.5	65.9	6.8	0.2	0.02	-0.6
Probable	166.4	27.2	51.9	1.4	0.05	1.4	30.7	66.6	6.2	0.1	0.02	0.0
Sub-total	200.6	27.4	51.9	1.4	0.04	1.4	30.6	66.5	6.3	0.1	0.02	-0.1
Moonshine Nth												
Proven	17.8	35.4	35.4	2.2	0.06	4.2	34.3	66.5	5.0	0.3	0.03	-0.9
Probable	18.2	30.4	44.7	1.3	0.05	2.9	35.9	63.2	9.4	0.2	0.04	-0.3
Sub-total	36.0	32.9	40.1	1.7	0.05	3.5	35.1	64.8	7.3	0.3	0.05	-0.6
Combined												
Proven	51.9	30.6	46.0	1.5	0.05	2.6	31.8	66.1	6.1	0.2	0.03	-0.7
Probable	184.7	27.6	51.2	1.4	0.05	1.5	31.2	66.2	6.6	0.1	0.02	-0.1
TOTAL	236.6	28.2	50.1	1.4	0.05	1.8	31.3	66.2	6.5	0.1	0.02	-0.2

The general site layout plan presented in Figure 1.

³ Refer to the Company’s news release dated April 11, 2022, titled “Technical Report for Lake Giles iron Project Feasibility Study.”

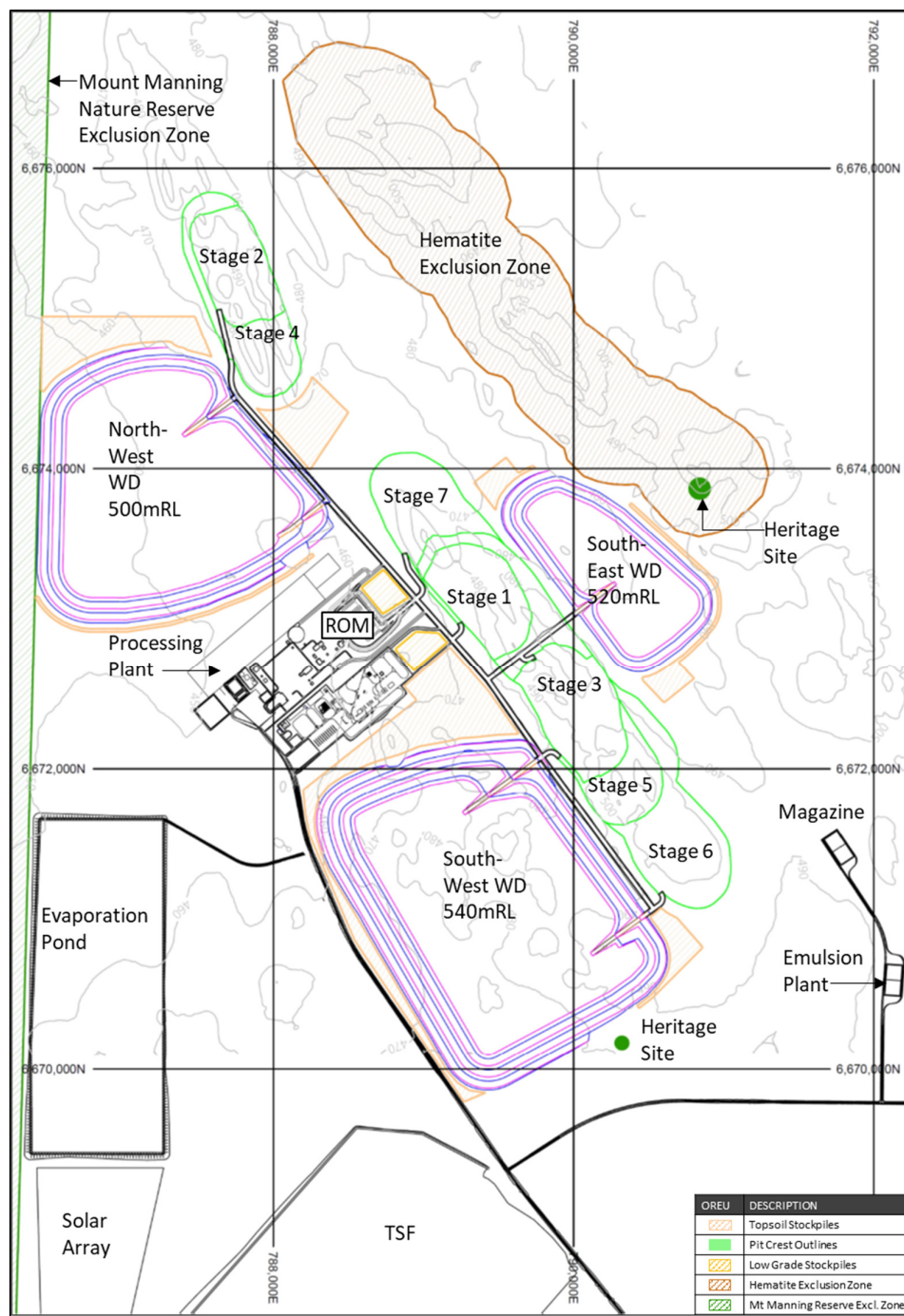


Figure 1 General site layout

On March 26, 2021, the Company made applications for two “water search miscellaneous licenses” for the purpose of exploring for groundwater to support magnetite processing for the Lake Giles Projects. The applications cover 533 km² of the Rebecca Palaeovalley up to 35 km east of the Project. Prior to these applications, the Company engaged CGG to undertake an aerial electromagnetic (“EM”) survey of the palaeochannels as announced on March 26, 2021. The survey data will be used to define groundwater drilling targets.

Ularring Hematite Project

The Ularring Hematite Project's Mineral Resources are comprised of Indicated Mineral Resources of approximately 54.5 Mt @ 47.2% Fe and approximately 26 Mt @ 45.4% Fe Inferred Resources. The Mineral Resource estimates were prepared by CSA Global on behalf of Macarthur Minerals (NI43-101 Technical Report, 2012⁴) and reported in accordance with the CIM Definition Standards for Mineral Resources and Reserves 2014. The Company has received approval to develop an iron ore mine for the Ularring Hematite Project and associated infrastructure at the project location under the *Environmental Protection Act 1986* and the *Environmental and Biodiversity Conservation Act 1999*.

Treppo Grande & Mt Jackson Iron Ore Project

On February 15, 2018, the Company's wholly owned subsidiary, Esperance Iron Ore Export Company Pty Ltd ("EIOEC") made an application for Exploration License E77/2521 for the Treppo Grande Iron Ore Project ("Treppo Grande Project"). The Treppo Grande Project covers an area of 68 km² and is located approximately 32 km west of the Lake Giles Projects. The project is also 35 km east of Mineral Resource Ltd's (MRL) Koolyanobbing Iron Ore Operations and is in close proximity to the established rail infrastructure to the Port of Esperance.

The Treppo project is located within the proposed Helena and Aurora Range National Park, part of the State Government's Plan for Our Parks initiative. Following a submission process facilitated by the Department of Mines, Industry Regulation and Safety (referred to in the Company's 2022 Annual Report), on August 15, 2022, E77/2521 was refused by the Minister for Mines pursuant to the Minister's powers in section 111A of the Mining Act 1978 (WA). The Company was notified of such refusal on September 16, 2022. In the meantime, Macarthur applied for ELA 77/3004 on September 2, 2022, as a result of the decision in True Fella Pty Ltd v Pantoro South Pty Ltd [2022] WAMW 19 (True Fella).

DMIRS has asserted that the relevant area was subject to a Section 19 exemption from mining at the time of the application (although the gazette had not yet been published) and that it intends to refuse ELA 77/3004 on the basis that there is no ground available for ELA 77/3004. As at today's date, ELA 77/3004 has not yet been refused and is still pending, and the Company is making enquiries with DMIRS regarding the exemption from mining.

WESTERN AUSTRALIAN GOLD/LITHIUM/NICKEL PROJECTS

Macarthur and Macarthur Australia Limited, a wholly owned subsidiary of Macarthur, are the substantial holder with 21.50% holding in Infinity Mining Limited (ASX: IMI). The company holds the Pilbara Projects in the Pilbara region of Western Australia and the Central Goldfields Projects located in and around the Leonora Goldfields region in Western Australia.⁵⁶

Macarthur Iron Ore Pty Ltd, a wholly owned subsidiary of Macarthur, acquired two tenements E45/4735 (Strelley Gorge) and E45/5324 (North Tambourah) from Infinity under which all non-iron ore rights are retained by Infinity pursuant to a Tenement Sale and Non-Iron Ore Rights Agreement dated August 11, 2021. Tenements EL 45/4735 (Strelley Gorge) applied for and was granted a 5-year extension of term through to 20 March 2027. In October 2022 as part of an Infinity Mining VTEM Max 967.8-line kilometre, geophysical survey, 60 late-time geophysical anomalies were identified across Strelley Gorge. Of these anomalies, two stand out (49 and 55); anomaly 55 has a noticeably higher amplitude to its surrounding anomalies. This tenement southeast corner borders the Sulphur Springs VHMS deposit currently owned by Development Global Limited (Formerly Venture Resources Limited.)⁷

⁴ NI 43-101 Technical Report filed October 1, 2012, titled "NI 43-101 Technical Report, Macarthur Minerals Limited, Pre-Feasibility Study, Ularring Hematite Project, Western Australia."

⁵ Refer to the Company's news release dated 27 July 2022, titled "Quarterly Activities Report for period ended 30 June 2022".

⁶ Refer to the Company's news release dated 28 October 2022, titled "Quarterly Activities Report for period ended 30 September 2022".

⁷ Refer Infinity Mining Limited New Release, Results of VTEM Max Survey for precious and Base metals at Panorama, Strelley George and Hillside Projects, 10 May 2023.

WESTERN AUSTRALIAN NICKEL AND COBALT PROJECTS

The Lake Giles Project (“The Project”) is located approximately 150 km northwest of the town of Kalgoorlie, 240km North of Poseidon Nickel Ltd Lake Johnston Nickel Project (ASX: POS) and 190km northwest of the Kambalda nickel province in WA (Figure 1). Additionally, the Lake Giles Project is surrounded by Dreadnought Resources Ltd Central Yilgarn Project (ASX: DRE) where they are actively exploring for nickel and gold.

The Project is owned by Macarthur Iron Ore Pty Ltd, a 100% owned subsidiary of Macarthur Minerals Limited (“Macarthur” or “the Company”).

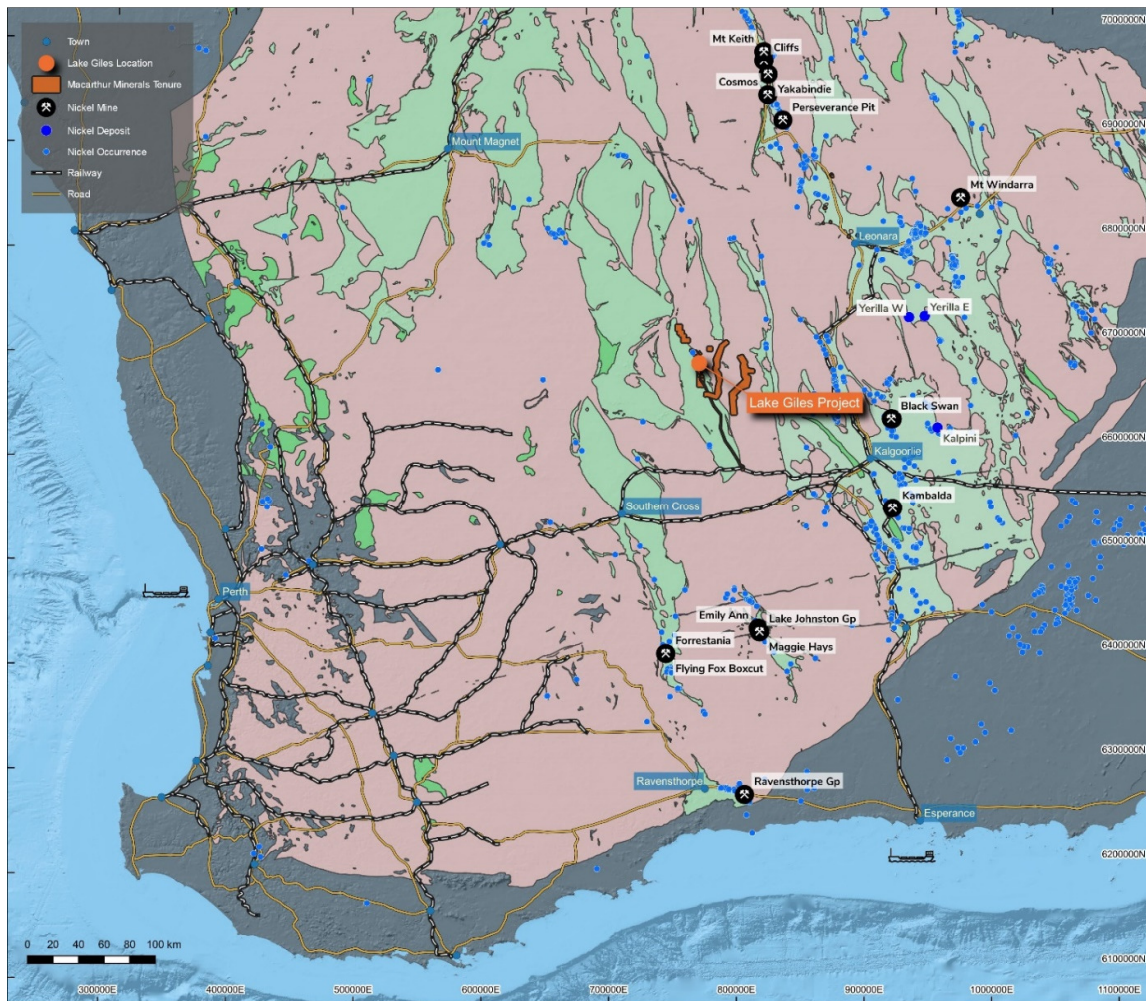


Figure 2: Lake Giles Project Location

The Lake Giles tenements cover the Yerilgee greenstone belt located in the central part of the Southern Cross Province of the Yilgarn Archaean Craton. The region is characterized by lenticular greenstone belts often partly enveloped by foliated and gneissic granitoids. Regionally the greenstone belts consist of metamorphosed ultramafic, mafic and sediments, including BIF which are Archean in age and are commonly intruded by mafic, intermediate, and granitic rocks.

The prospective ultramafic rocks of the Project are interpreted to be of Kambalda komatiite type. Serpentinised olivine cumulate rocks sometimes metamorphosed to talc-carbonate occur in many places and are considered to have a high potential for the discovery of nickel sulphides. These have similar characteristics to those of the Forrestania and Lake Johnston greenstone belts. The Lake Johnston nickel mineralised bodies such as Maggie Hays, are hosted within a Kambalda style ultramafic komatiite, which is an upturned volcanic flow against a basaltic basal unit.

In Geoscience Australia's 2016 report⁸ on the 'Potential for intrusion-hosted Ni-Cu-PGE sulfide deposits'¹ they highlighted the potential as moderate to high for either or both tholeiitic intrusion-hosted and komatiite-hosted Ni-Cu-PGE sulfide deposits within the Yerrilgee Greenstone Belt and hence the Lake Giles Ni Project.

During 2022/23 Macarthur completed a detailed review of the historic data and drill holes across this region and identified the following feature that would suggest a large nickel system in this region.

Historical drilling assay data has identified 319 drill holes, within MIO tenure, with highly anomalous nickel 0.1% or greater, including 150 drill holes recording 0.2% and greater indicating that there is significant potential for nickel mineralisation. Previous drilling principally targeted iron ore with approximately 50% of the drilling not yet analysed for nickel and associated elements. (Figure 2).

Significant Ni intercepts from historical drilling and trench sampling highlight the potential for economic Ni mineralisation at Lake Giles, including:

LGRC_0010 (288m): 128m @ 0.17% Ni (from 108m) including 1m @ 0.29% Ni;

LGRC_0015 (168m): 106m @ 0.15% Ni (from 62m) finished in anomalous Ni;

LGRC_0018 (370m): 103m @ 0.16% Ni (from 77m) and 23m @ 0.17% Ni (from 235m);

LGDD_054 (363m): 23.5m @ 0.85% Ni (from 4.5m) including 11.5m @ 1.03% Ni (from 10.5m); and

With Gossanous outcrop with grab samples assaying 2.61% Co and 2.01% Ni.

Seven advanced targets have been identified that are considered highly prospective for nickel mineralisation and these remain completely untested.⁹

⁸ Duffer, H., Skirrow, R.G., Champion, D.C., Highet, L.M., Czarnota, K., Coghlan, R. & Milligan, P.R. 2016. Potential for intrusion-hosted Ni-Cu-PGE sulfide deposits in Australia: A continental-scale analysis of mineral system prospectivity. Record 2016/01. Geoscience Australia, Canberra.
<http://dx.doi.org/10.11636/Record.2016.001>

⁹ Refer to the Company's news release dated 9 May 2023, titled "Nickel Prospect Update: Early Indications of Significant Mineralisation".

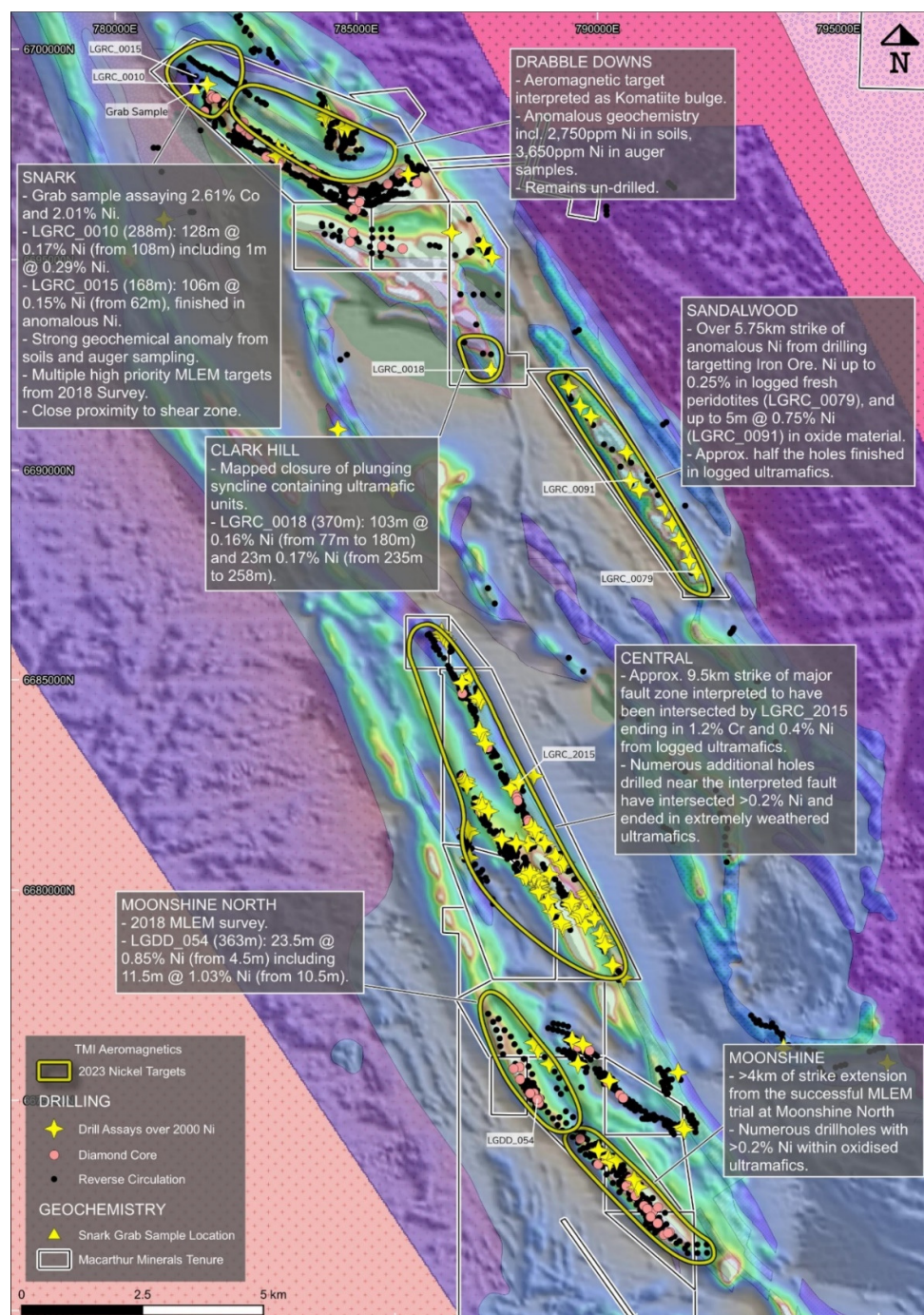


Figure 3: Nickel target areas within MIO Tenure and historical drilling over airborne magnetics (TMI with NE AGC Shade).

Moving forward the Company intends to assay the 41 diamond drill holes completed by Macarthur in 2019 across the Moonshine and Moonshine North targets have intersected numerous altered komatiites. In addition, Macarthur now plans to carry out specific nickel targeted exploration including assaying the geotechnical diamond drill core and selected anomalous RC chips for a broad analytical suite of elements, Downhole Electromagnetic surveying (DHEM) on targeted open holes, as well as further ground-based electromagnetic surveying upon recommendation from Newexco.

NEVADA BRINE LITHIUM PROJECT**Reynolds Springs Lithium Brine Project**

The Reynolds Springs lithium brine project consists of 210 unpatented placer mining claims covering an area of 7 square miles (18 km²) located in Railroad Valley, near the town of Carrant, in Nye County, Nevada ("Reynolds Springs Project"). The Reynolds Springs Project is located approximately 180 miles (300 km) north of Las Vegas, Nevada, and 330 miles (531 km) southeast of Tesla's new Gigafactory.

A total of 206 soil samples were collected across the full extent of the Reynolds Springs Project. Lithium values in the soil samples ranged from a low of 39.3 ppm to a high of 405 ppm Li. Samples were consistently high averaging 168.3 ppm Li with 85% of samples recording over 100 ppm Li and 19% greater than 200 ppm Li. These results are considered high in comparison to the majority of non-lithium producing play as and amongst the highest we have seen outside of the Clayton Valley.

In 2018 the Company completed an assessment of downhole geophysical logs for 12 – 15 abandoned oil and gas wells that are found both within (5 wells) and in the near vicinity of the project. Several zones of high conductivity were identified that are interpreted as being indicative of brine aquifers. The Company is looking for a partner to advance exploration of this project.

SIGNIFICANT EVENTS AFTER BALANCE DATE**a) Infinity Mining Limited**

Since 30 September, 2023 and up to the date of this report, Macarthur Minerals has 24,365,802 shares in Infinity Mining Limited (ASX: IMI) or 21.50% (based on 113,345,057 shares) and 6,091,450 Options with exercise price \$0.20 expiring 19 September 2024 (ASX: IMIO) issued as pro-rata non-renounceable bonus issue of one (1) Bonus Option for every four (4) Shares held in IMI on the Record Date of 12 September 2023, for nil consideration.

b) Equity Finance Facility

The company's Equity Finance Facility with L1 Capital matured on 13 October 2023. The Board of Directors have unanimously agreed to not renew this facility.

AUDITOR'S INDEPENDENCE DECLARATION

In accordance with section 307C of the Corporations Act 2001, the Directors received the attached independence declaration from the auditor of the Company on page 12.

Signed in accordance with a resolution of the Directors.



Cameron McCall
Executive Chairman and CEO
14 November 2023

RSM Australia Partners

Level 6, 340 Adelaide Street Brisbane QLD 4000
GPO Box 1108 Brisbane QLD 4001

T +61(0) 7 3225 7800

F +61(0) 7 3225 7880

www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the condensed interim financial report of Macarthur Minerals Limited, (the Company), and its subsidiaries (the Consolidated entity) for the half year ended 30 September 2023, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

**RSM AUSTRALIA PARTNERS**

Steve Stavrou
Partner

Brisbane, Queensland
Dated: 14 November 2023

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RSM Australia Partners ABN 36 965 185 036

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MACARTHUR MINERALS LIMITED**CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**

(Expressed in Australian Dollars)

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

	Six months ended 30 September 2023	Six months ended 30 September 2022
	\$	\$
EXPENSES		
Depreciation	(37,185)	(36,375)
Exploration expenditure	(728)	(55,689)
Investor relations	(178,085)	(132,266)
Loss from share of associate (Note 8)	(393,453)	(483,428)
(Impairment)/Impairment Reversal of investment in associate (Note 8)	(1,054,660)	896,550
Office and general expenses	(157,740)	(174,378)
Personnel costs	(446,544)	(1,297,790)
Professional fees	(350,524)	(441,844)
Share-based compensation	(416,571)	(1,621,157)
Share registry, filing and listing fees	(113,216)	(174,096)
Travel and accommodation	(27,251)	(107,451)
Borrowing costs	(13,563)	(11,315)
	(3,189,520)	(3,639,239)
OTHER REVENUE/INCOME		
Interest Income	11,813	575
Other Income	35,229	148,078
Net rental income/(expense) from associated entity	18,946	-
Gain on foreign exchange	8,795	37,307
Change in fair value of warrant liability	-	520,350
	74,783	706,310
Total Comprehensive profit/(loss) for the period	(3,114,737)	(2,932,929)
Basic and diluted profit/(loss) per ordinary share	(0.0188)	(0.0179)
Basic and diluted weighted average number of ordinary shares	165,830,537	163,627,258

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

MACARTHUR MINERALS LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(Expressed in Australian Dollars)
AS AT 30 SEPTEMBER 2023

	Note	30 September 2023	31 March 2023
		\$	\$
ASSETS			
Current			
Cash and cash equivalents		569,849	1,944,332
Other receivables		211,822	166,168
Security deposits and other assets		77,110	106,704
Total current assets		858,781	2,217,204
Non-Current			
Plant and equipment		48,680	51,104
Right of use asset		106,910	140,671
Investment in Infinity Mining Ltd	8	2,680,238	4,048,112
Exploration and evaluation assets	3	74,691,181	74,230,421
Total non-current assets		77,527,009	78,470,308
Total assets		78,385,790	80,687,512
LIABILITIES			
Current			
Trade and other payables		263,025	331,269
Provisions		24,722	110,285
Lease liabilities		74,593	76,725
Borrowings	10	500,000	-
Total current liabilities		862,340	518,279
Non-Current			
Lease liabilities		40,983	72,672
Provisions		16,289	20,217
Total non-current liabilities		57,272	92,889
Total liabilities		919,612	611,168
Net assets		77,466,178	80,076,344
SHAREHOLDERS' EQUITY			
Contributed equity	4	128,285,540	128,197,540
Reserves	4	11,002,979	10,586,408
Accumulated losses		(61,822,341)	(58,707,604)
Total shareholders' equity		77,466,178	80,076,344

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

MACARTHUR MINERALS LIMITED

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(Expressed in Australian Dollars)

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

	Note	Number of Shares	Contributed Equity \$	Accumulated losses \$	Reserves \$	Total Equity \$
Balance at 1 April 2022		146,253,488	121,772,352	(53,822,789)	7,693,697	75,643,260
Net loss for the period		-	-	(2,932,929)	-	(2,932,929)
Share-based payment transactions		-	-	-	2,674,022	2,674,022
Bonus shares		4,400,000	1,430,000	-	-	1,430,000
Private placement		15,000,000	5,309,237	-	-	5,309,237
Cost of share capital		-	(807,235)	-	-	(807,235)
Balance at 30 September 2022		165,653,488	127,704,354	(56,755,718)	10,367,719	81,316,355
Balance at 1 April 2023		165,653,488	128,197,540	(58,707,604)	10,586,408	80,076,344
Net loss for the period		-	-	(3,114,737)	-	(3,114,737)
Share-based payment transactions		-	-	-	416,571	416,571
Shares in exchange for services	4	400,000	88,000	-	-	88,000
Balance at 30 September 2023		166,053,488	128,285,540	(61,822,341)	11,002,979	77,466,178

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

MACARTHUR MINERALS LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
(Expressed in Australian Dollars)
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

	Note	Six months ended 30 September 2023	Six months ended 30 September 2022
		\$	\$
OPERATING ACTIVITIES			
Payments to suppliers and employees		(1,351,087)	(2,916,404)
Other revenue		54,175	116,835
Interest received		11,813	575
Interest Paid		(13,563)	(11,315)
Net cash flows (used in) operating activities		(1,298,662)	(2,810,309)
INVESTING ACTIVITIES			
Net purchases of plant and equipment		(1,000)	(57,926)
Proceeds from the sale of Plant & Equipment		-	16,800
Purchase of IML shares	9	(80,240)	(154,000)
Exploration and evaluation additions		(460,760)	(1,021,644)
Net cash flows (used in) investing activities		(542,000)	(1,216,770)
FINANCING ACTIVITIES			
Proceeds from Private Placement/ exercised options & warrants		-	7,500,000
Share issuance costs		-	(515,133)
Principal repayment of lease liability		(33,821)	(21,807)
Proceeds received from/(repayment of) borrowings		500,000	(1,000,000)
Net cash flows provided by financing activities		466,179	5,963,060
Change in cash and cash equivalents during the period		(1,374,483)	1,935,981
Cash and cash equivalents, beginning of period		1,944,332	1,625,572
Cash and cash equivalents, end of period		569,849	3,561,553

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

MACARTHUR MINERALS LIMITED**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**
(Expressed in Australian Dollars)FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

NATURE AND CONTINUANCE OF OPERATIONS

Macarthur Minerals Limited is an Australian public company listed in Canada on the TSX Venture Exchange ("TSX-V") (symbol: MMS), Australian Securities Exchange ("ASX") (symbol: MIO) and OTCQB Venture Market ("OTCQB") (symbol: MMSDF). The Company has three iron ore projects in the Yilgarn region of Western Australia. The Company also has two exploration project areas in the Pilbara, Western Australia targeting iron ore. In addition, Macarthur Minerals has lithium brine interests in the Railroad Valley, Nevada, USA.

As at 30 September, 2023, the Company has the following subsidiaries (collectively referred to as the "Group"):

- 100% of Macarthur Australia Limited, which holds the following 100% subsidiaries:
- 100% of Macarthur Iron Ore Pty Ltd ("Macarthur Iron Ore" or "MIO") which owns the Iron Ore Projects
- 100% of Macarthur Lithium Nevada Limited (incorporated in Nevada)
- 100% of Esperance Iron Ore Export Company Pty Ltd (previously Macarthur Midway Pty Ltd)
- 100% of Macarthur Marble Bar Lithium Pty Ltd (previously Bachelor Project Pty Ltd) (a dormant subsidiary); and
- 100% of Macarthur Minerals NT Pty Ltd ("MMNT") and MMNT's 100% subsidiary, Macarthur Tulshyan Pty Ltd.

There was no change in the nature of the Company's principal activities during the year. Infinity Mining Limited ("IML") has been accounted for as an associate of Macarthur Minerals Group. At reporting date, the Group has 24,365,802 shares in Infinity Mining Limited (ASX: IMI) or 21.50% (based on 113,345,057 shares) and 6,091,450 Options with exercise price \$0.20 expiring 19 September 2024 (ASX: IMIO) issued as pro-rata non-renounceable bonus issue of one (1) Bonus Option for every four (4) Shares held in IMI on the Record Date of 12 September 2023, for nil consideration.

The Company continues to maintain its corporate head office and principal place of business at Suite 1G, Building 1, Kings Row Office Park, 40 McDougall Street, MILTON QLD 4064, Australia.

1. BASIS OF PRESENTATION

These general-purpose interim consolidated financial statements for the half-year reporting period ended 30 September 2023 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Macarthur Minerals Limited and its controlled entities (referred to as the "Consolidated Group" or "Group"). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 31 March 2023, together with any public announcements made during the following half-year.

These condensed interim consolidated financial statements were authorised by the Board of Directors of the Company on 14 November 2023.

GOING CONCERN

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

MACARTHUR MINERALS LIMITED**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in Australian Dollars)

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

The Group incurred a net loss after tax of \$3,114,737 after including an impairment of Investment in Associate, and had net operating cash outflows of \$1,298,662 for the half-year ended 30 September 2023. As at 30 September 2023, current liabilities exceeded current assets by \$3,559.

The Directors believe the going concern assumption is valid, reaching such a conclusion after having regard to the factors set out below. Should these factors not eventuate, there is a material uncertainty which may cast significant doubt as to whether the company will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements.

The Directors believe that the Group will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the consolidated financial statements after consideration of the following factors:

- The Directors believe that future funding will be available to meet the Group's objectives of expanding key strategic assets and continuing to pay its debts as and when they fall due, including through:
 - engaging with parties interested in joint venture arrangements; and/or
 - raising additional capital through equity placements to existing or new investors. The Group has a demonstrated history of success in this regard including having raised approximately \$5,718,602 (after costs) via a private placement in April 2022. The directors are confident in their ability to continue to raise additional funds on a timely basis, as and when required; and/or
 - raising additional debt funding;
- The Group's ability to generate cash inflows from a shared service arrangement with Infinity Mining Limited;
- The Group's present cash holdings at 30 September 2023 is \$569,849 and its commitment to exploration expenditure can be reduced as required, subject to minimum spend requirements;
- The Group has capacity, if necessary, to reduce its operating cost structure in order to minimise its working capital requirements.

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

2. SIGNIFICANT ACCOUNTING POLICIES

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

3. EXPLORATION AND EVALUATION ASSETS

The ultimate recoupment of the carrying value of exploration and evaluation assets is dependent on the successful development, commercial exploitation and financing of the areas of interest, or alternatively through sale. At 30 September 2023, the Company held 100% of the outstanding and issued share capital of Macarthur Australia. Macarthur Australia's wholly owned subsidiaries MIO holds assets which include the Iron Ore Projects. Macarthur Minerals also holds 100% of Macarthur Lithium Nevada Limited ("MLINV"), which holds a Lithium Exploration Project in Nevada.

The carrying value of the exploration and evaluation assets relates to the Iron Ore and Lithium Projects.

MACARTHUR MINERALS LIMITED**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**
(Expressed in Australian Dollars)

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

3. EXPLORATION AND EVALUATION ASSETS (Cont'd)

Exploration expenditure of \$460,760 was capitalised during the period ended 30 September 2023, as per table below.

Exploration and evaluation expenditure**Interim Expenditure**

	Capitalised Total \$	Capitalised Exploration Costs \$	Capitalised Total \$
Balance as at 1 April 2023	4,010,636	70,219,785	74,230,421
Incurred during the period			
Accommodation and camp maintenance	-	16,669	16,669
Surveys	-	56,668	56,668
Other	-	60,939	60,939
Personnel and Contractors	-	88,440	88,440
Rent and rates	-	122,471	122,471
Research and reports	-	64,925	64,925
Sampling and testing	-	10,554	10,554
Tenement management and outlays	-	14,993	14,993
Travel	-	2,797	2,797
Vehicle hire	-	22,304	22,304
	-	460,760	460,760
Balance as at 30 September 2023	4,010,636	70,680,545	74,691,181

All capitalised exploration costs represent costs incurred during the exploration and evaluation phase.

Commitments

In order to maintain its current rights of tenure for exploration and/or mining activities, the Group is required to perform minimum annual expenditure requirements specified by the Western Australian Government and pay local shire rents and rates. The expenditure obligations are subject to renegotiation when an application for a mining lease and/or renewal of exploration permits are made or at other times and are subject to whether the Group decides to continue a tenement's rights until its expiry. Due to the nature of the Group's activities, it is difficult to accurately forecast the amount of future expenditure that will be necessary to incur in order to maintain present interests.

These obligations are not provided for in the financial statements and are payable at future dates as follows:

	30 September 2023	31 March 2023
	\$	\$
Not later than one year	1,086,978	1,066,183
Later than one year but not later than five years	3,953,332	3,928,059
	5,040,310	4,994,242

For the 12-month period ending September 30, 2024, the Group may apply for exemptions against expenditure in relation to those tenements which did not have sufficient expenditure recorded against them in the prior 12 months of their term. Exemption has and may be sought on the basis that aggregate expenditure on those tenements in prior years far exceeded the minimum required. In the event that exemption for these tenements is not granted (which the Group believes is highly unlikely), the Group may have to impair/expense the value of the amount Capitalised to exploration and evaluation assets for those tenements.

MACARTHUR MINERALS LIMITED**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**
(Expressed in Australian Dollars)

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

4. EXPLORATION AND EVALUATION ASSETS (Cont'd)

If exemptions being applied for are approved as outlined above, the reduced obligations not provided for in the financial statements are payable at future dates as follows:

	30 September 2023	31 March 2023
	\$	\$
Not later than one year	459,178	1,066,183
Later than one year but not later than five years	3,953,332	3,928,059
	4,412,510	4,994,242

5. CONTRIBUTED EQUITY*Ordinary shares*

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back

There is no current on-market share buy-back.

	30 September 2023	31 March 2023
	\$	\$
<i>Ordinary shares</i>		
Issued and fully paid	128,285,540	128,197,540
	Number	Number
<i>Number of shares on issue</i>	166,053,488	165,653,488

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	31 March 2022	146,253,488		121,772,352
Issue of shares on Private Placement	5 April 2022	15,000,000	\$0.50	7,500,000
Share issue transaction costs, net of tax		-	\$0.00	(2,504,812)
Issue of bonus shares to key management personnel	27 May 2022	4,400,000	\$0.325	1,430,000
Balance	31 March 2023	165,653,488		128,197,540
Issue of shares in exchange for services	19 June 2023	200,000	\$0.22	44,000
Issue of shares in exchange for services	2 August 2023	200,000	\$0.22	44,000
Balance	30 September 2023	166,053,488		128,285,540

MACARTHUR MINERALS LIMITED**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**
(Expressed in Australian Dollars)

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

4. CONTRIBUTED EQUITY (cont'd)

	30 September 2023 Shares	31 March 2023 Shares
At the beginning of the reporting period	165,653,488	146,253,488
Shares issued during the year:		
i. Private placement	-	15,000,000
ii. Bonus shares (AUD \$0.325 per share)*	-	4,400,000
iii. Issue of shares in exchange for services (AUD \$0.22 per share)	400,000	-
At the end of the period	166,053,488	165,653,488

*Bonus shares issued to Directors during the period in accordance with the Consultant Share Compensation Plan.

Details of shares issued above are outlined below:

- i. On 8 April 2022, 15,000,000 shares at AUD\$0.50 per share were issued in connection with the Private Placement announced on 31 March 2022. One unit comprised of one share and one option exercisable at AUD\$0.65 per share, with an expiry date that is 24 months from the date of issuance.
- ii. During the 2023 year, 4,400,000 bonus shares at an average price of AUD\$0.33 per share were issued to Directors.
- iii. During the 6-month period ended 30 September 2023, 400,000 shares were issued at AUD\$0.22 per share in exchange for services to an external unrelated party.

Reserves

	Share Based Payments Reserve \$	Financial Asset Revaluation Reserve \$	Share Capital Reserve \$	Total \$
As at 1 April 2022	6,718,607	788,333	186,757	7,693,697
Cost of share-based payments	2,892,711	-	-	2,892,711
As at 31 March 2023	9,611,318	788,333	186,757	10,586,408
Cost of share-based payments	416,571	-	-	416,571
As at 30 September 2023	10,027,889	788,333	186,757	11,002,979

Share-based payment reserve

The Group has issued share options, rights and warrants on specified terms. The cost of these items is measured by reference to their fair value at the date at which they are granted and expensed over the vesting period. The fair value is determined using Option valuation models.

Financial Asset Revaluation Reserve

The financial asset revaluation reserve records revaluations of financial assets.

Share Capital Reserve

The share capital reserve records the residual value of contributed equity after deducting the fair value of the common shares issued.

MACARTHUR MINERALS LIMITED**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**
(Expressed in Australian Dollars)

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

4. CONTRIBUTED EQUITY (cont'd)**Share Compensation Plans**

The Company, in accordance with the Company's Omnibus, Employee and Consultant Share Compensation Plans ("Plans") and the policies of the TSX-V and ASX, is authorised to grant incentive stock options ("Options"), award equity restricted share units ("RSU's"), or bonus shares or issue ordinary shares from treasury pursuant to the Company's share purchase scheme to directors, employees and consultants to acquire in aggregate up to 20% of issued and outstanding ordinary shares as at 2 August 2023, being 165,853,488 Common Shares. The Plans were approved on 29 August 2023 by the shareholders and replace the Company's previous Plans.

The exercise price of the Options is fixed by the Board at no less than the discounted market price (as defined under the TSX-V Company Manual) of the shares on the grant date, subject to all applicable regulatory requirements. Options under the Plans can be granted for a maximum term of 5 years and may be subject to vesting criteria as determined by the Board.

The fair value of all issued Options is measured and expensed as share-based compensation at the grant date if they are fully vested upon granting, otherwise the fair value is expensed over the vesting period. A corresponding increase is recorded to reserves.

Share Options

During the six-month period ended 30 September 2023, 100,000 options forfeited.

Share option transactions issued under the Company's Share Compensation Plans and the number of share options outstanding are summarized as follows:

	Six months ended 30 September 2023		Year ended 31 March 2023	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Outstanding, beginning of period	9,000,000	\$0.28 (CAD\$0.22)	2,500,000	\$0.28 (CAD\$0.26)
Granted	-	-	9,000,000	\$0.26 (CAD\$0.23)
Expired	-	-	(2,500,000)	\$0.46 (CAD\$0.42)
Forfeited	(100,000)	\$0.45 (CAD\$0.39)	-	-
Exercised	-	-	-	-
Outstanding, end of period	8,900,000	\$0.28 (CAD\$0.24)	9,000,000	\$0.28 (CAD\$0.22)
Options exercisable, end of period	8,900,000	\$0.28 (CAD\$0.24)	9,000,000	\$0.28 (CAD\$0.22)

Share options outstanding at 30 September 2023 have the following exercise prices and expiry dates:

Number of Options	Exercise Price	Expiry Date
500,000	AUD\$0.65	25 May 2024
550,000	AUD\$0.45	26 Oct 2024
150,000	AUD\$0.50	26 Oct 2024
500,000	AUD\$0.40	26 Oct 2025
7,200,000	AUD\$0.20	20 Mar 2026

MACARTHUR MINERALS LIMITED**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**
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FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

4. CONTRIBUTED EQUITY (cont'd)

The range of exercise prices for options outstanding at 30 September, 2023 is CAD\$0.20 to CAD\$0.65.

The weighted average remaining contractual life for the share options as at 30 September, 2023 is 2.20 years.

Options transactions with an Australian Dollar exercise price issued under the private placements and the number of options outstanding and their related weighted average exercise prices are summarised as follows:

	Six months ended 30 September 2023		Year ended 31 March 2023	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Outstanding, beginning of period	17,000,000	AUD\$0.65	12,862,618	AUD\$0.88
Granted	-	-	17,000,000	AUD\$0.65
Expired	-	-	(12,862,618)	AUD \$0.88
Forfeited	-	-	-	-
Exercised	-	-	-	-
Outstanding, end of period	17,000,000	AUD\$0.65	17,000,000	AUD\$0.65
Options exercisable, end of period	17,000,000	AUD\$0.65	17,000,000	AUD\$0.65

Share options outstanding at 30 September 2023 have the following exercise prices and expiry dates:

Number of Options	Exercise Price	Expiry Date
17,000,000	AUD\$0.65	8 April 2024

Restricted Share Units

During the six-month period ended 30 September 2023, 145,000 RSU's forfeited.

RSU transactions, the number outstanding and their related weighted average vesting prices are summarized as follows:

	Six months ended 30 September 2023		Year ended 31 March 2023	
	Number of RSUs	Weighted Average Exercise Price	Number of RSUs	Weighted Average Exercise Price
Outstanding, beginning of period	6,945,000	\$0.90 (CAD\$0.82)	7,082,500	\$0.87 (CAD\$0.82)
Granted	-	-	-	-
Vested	-	-	-	-
Forfeited	(145,000)	\$0.80 (CAD\$0.70)	(137,500)	\$0.77 (CAD\$0.70)
Expired	-	-	-	-
Outstanding, end of period	6,800,000	\$0.94 (CAD\$0.82)	6,945,000	\$0.90 (CAD\$0.82)

MACARTHUR MINERALS LIMITED**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**
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FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

4. CONTRIBUTED EQUITY (cont'd)

RSUs outstanding at 30 September 2023 have the following vesting prices and expiry dates:

Number of RSUs	Vesting Price	Expiry Date
1,000,000	CAD\$0.65	8 Dec 2023
1,450,000	CAD\$0.70	19 Jan 2024
4,350,000	CAD\$0.90	11 Jun 2024

The weighted average remaining contractual life for the RSUs as at 30 September 2023 is 0.54 years.

Equity Finance Facility

The company's Equity Finance Facility with L1 Capital matured on 13 October 2023. The Board of Directors have unanimously agreed to not renew this facility.

Warrants

Warrants relating to rights issues and private placements at the beginning of the period totaled Nil. No warrants were granted during the period ended 30 September 2023.

Warrant transactions, the number outstanding and their related weighted average vesting prices are summarized as follows:

	Six months ended 30 September 2023		Year ended 31 March 2023	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Outstanding, beginning of period	-	-	4,101,275	\$0.43 (CAD\$0.40)
Granted	-	-	-	-
Forfeited	-	-	-	-
Expired	-	-	(4,101,275)	\$0.40 (CAD\$0.44)
Exercised	-	-	-	-
Outstanding, end of period	-	-	-	-

Warrant Liability

During the period ended 30 September 2023, no warrants were granted. Where the warrants have an exercise price denominated in a currency which is different from the functional currency of the Company (Australian dollar), the warrants are treated as a financial liability. The Company's share purchase warrants are classified and accounted for as a financial liability at fair value with changes in fair value recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. The warrant derivative liability is classified as level 2 in the fair value hierarchy.

MACARTHUR MINERALS LIMITED**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**
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5. SHARE-BASED COMPENSATION

The Company measures the cost of share options at fair value at the grant date using the Black-Scholes formula, adjusted to reflect market vesting conditions, but excludes any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to vest and the entity revises its estimate of options that are expected to vest at each reporting date.

The fair value calculated for options issued is expensed over their vesting period as share-based compensation in the statement of profit or loss and other comprehensive income and a corresponding amount is recorded to reserves. Upon exercise the fair value of the options is re-classified from reserves to contributed equity.

6. SEGMENTED INFORMATION

The chief operating decision-maker has been identified as the CEO of the Company. The Group has identified one reportable segment (the exploration of mineral resources). All such operations and substantially all the capital assets of the Group are situated in Australia as at the reporting date.

7. COMMITMENTS**Exploration expenditures**

Certain future exploration expenditures are required to be undertaken by the Company as a minimum retention for exploration permits. These expenditures were set out in Note 3 to the condensed interim consolidated financial statements for the period ended 30 September 2023.

Apart from the above, the Company has no other material commitments at the reporting period date.

8. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

During the period ended 30 September 2023, the Group acquired 553,380 (\$80,240) shares in Infinity Mining Limited (IML). The Group has a 21.50% interest in Infinity Mining Limited (IML) as at 30 September 2023. The Group's interest in IML is accounted for using the equity method in the consolidated financial statements. On 20 September 2023, the Group was issued 6,091,450 Options with exercise price \$0.20 expiring 19 September 2024 (ASX: IMIO) issued as pro-rata non-renounceable bonus issue of one (1) Bonus Option for every four (4) Shares held in IMI on the Record Date of 12 September 2023, for nil consideration.

MACARTHUR MINERALS LIMITED**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**
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FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

8. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (cont'd)

The following table illustrates the summarised financial information of the Group's investment in IML:

	30 September 2023	31 March 2023
	\$	\$
Current Assets	885,087	3,586,363
Non-Current Assets	14,037,572	12,824,646
Current Liabilities	(233,589)	(371,637)
Non-Current Liabilities	21,119	-
Equity	14,710,189	16,039,372
Group's share in equity – 21.50% (31 Mar 2023: 21.14%)	3,162,691	3,390,723
Adjustments during the period:		
Impairment/Reversal of Impairment	(1,054,660)	657,389
Fair value adjustment	572,207	-
Group's carrying amount of the investment	2,680,238	4,048,112
Other Income	83,460	135,451
Administrative expenses	(1,314,474)	(2,299,861)
Share based payments	(599,000)	-
Loss for the period (continuing operations)	(1,830,014)	(2,164,410)
Group's share of loss for the period – 21.50% (31 Mar 2023: 21.14%)	(393,453)	(457,556)

The associate had no contingent liabilities as at 30 September 2023.

9. CONTINGENT LIABILITIES**a) Security Bonds**

The Company has a contingent liability of \$35,397 for bank guarantees issued for office leasing arrangements in Brisbane and corporate credit cards.

10. BORROWINGS*Total unsecured liabilities*

The total unsecured liabilities (current) are as follows:

	30 September 2023	31 March 2023
	\$	\$
Shareholders loan	500,000	-

On 29 August 2023, Company entered into an unsecured loan arrangement with a shareholder for a total facility of \$1m. As at 30 September 2023, \$500,000 had been drawn down from the facility. The facility is repayable on 28 February 2024, and incurs interest at 10% per annum.

MACARTHUR MINERALS LIMITED**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in Australian Dollars)

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

11. SUBSEQUENT EVENTS**a) Infinity Mining Limited**

Since 30 September, 2023 and up to the date of this report, Macarthur Minerals has 24,365,802 shares in Infinity Mining Limited (ASX: IMI) or 21.50% (based on 113,345,057 shares) and 6,091,450 Options with exercise price \$0.20 expiring 19 September 2024 (ASX: IMIO) issued as pro-rata non-renounceable bonus issue of one (1) Bonus Option for every four (4) Shares held in IMI on the Record Date of 12 September 2023, for nil consideration.

b) Equity Finance Facility

The company's Equity Finance Facility with L1 Capital matured on 13 October 2023. The Board of Directors have unanimously agreed that this facility will not be renewed on maturity.

MACARTHUR MINERALS LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Australian Dollars)

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

Directors' Declaration

In accordance with a resolution of the directors of Macarthur Minerals Limited, I state that:

In the opinion of the Directors:

- a) the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- b) the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 September 2023 and of its performance for the financial half-year ended on that date; and
- c) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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



Cameron McCall
Executive Chairman and CEO

14 November 2023

RSM Australia Partners

Level 6, 340 Adelaide Street Brisbane QLD 4000
GPO Box 1108 Brisbane QLD 4001

T +61(0) 7 3225 7800

F +61(0) 7 3225 7880

www.rsm.com.au

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF MACARTHUR MINERALS LIMITED**

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Macarthur Minerals Limited which comprises the condensed interim consolidated statement of financial position as at 30 September 2023, the condensed interim consolidated statement of profit or loss and other comprehensive income, condensed interim consolidated statement of changes in shareholders' equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Macarthur Minerals Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 30 September 2023 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

**THE POWER OF BEING UNDERSTOOD
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Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report, which indicates that the Group incurred a net loss after tax of \$3,114,737 and had net operating cash outflows of \$1,298,662 for the half-year ended 30 September 2023. As at 30 September 2023, current liabilities exceeded current assets by \$3,559. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 30 September 2023 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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



RSM AUSTRALIA PARTNERS



Steve Stavrou
Partner

Brisbane, Queensland
Dated: 14 November 2023