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GWR

GWR GROUP LIMITED

HALF YEAR REPORT
DECEMBER 2024

ABN 54 102 622 051

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Corporate Directory

Board of Directors:

Gary Lyons (Non-executive Chairman)
Teck Siong Wong (Non-executive Director)
Wai Ho Law (Non-executive Director)

Company Secretaries

Simon Borck (Joint Company Secretary and CFO)
Rhys Davies (Joint Company Secretary)

Principal and registered office:

Level 4, 46 Colin Street
West Perth WA 6005

PO Box 517
West Perth WA 6872
Telephone: +61 8 9322 6666
Facsimile: +61 8 93122370
Email: admin@gwrgroup.com.au
Website: www.gwrgroup.com.au

Issued capital as at 31 December 2024:

Fully paid ordinary shares: 321,216,655

Auditors:

Stantons
Level 2, 40 Kings Park Road
West Perth, WA 6005
Telephone: +61 8 9481 3188
Facsimile:+61 8 9321 1204

Bankers:

National Australia Bank Limited
Level 1, 1238 Hay Street
West Perth, WA 6005

Share registry:

Automic Group
Level 5
191 St Georges Terrance
Perth WA 6000
Telephone: +61 2 8072 1400

Solicitors:

DLA Piper Australia
Level 21
240 St Georges Terrace
Perth WA 6000
Telephone: +61 8 6467 6000
Facsimile: +61 8 6467 6001

Stock exchange:

Australian Securities Exchange Limited
Company code: GWR

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Directors' Report

Your Directors submit their report for the half-year ended 31 December 2024.

Directors

The following persons were Directors of the Company during the half-year and up to the date of this report. Directors were in office for this entire period unless otherwise stated.

Gary Lyons	Non-executive Chairman
Michael Wilson	Executive Director (resigned on 31 December 2024)
Teck Siong Wong	Non-executive Director
Wai Ho Law	Non-executive Director

Company Secretaries

Simon Borck (Joint Company Secretary and CFO, appointed on 16 December 2024)
Rhys Davies (Joint Company Secretary)
Jessamyn Lyons (Joint Company Secretary, appointed on 2 September 2024 and resigned on 16 December 2024)
Sonu Cheema (Joint Company Secretary, resigned on 2 September 2024)

Dividends

No amounts have been paid or declared by way of dividend by the Company during the half-year or in the period to the date of this report.

Principal activities

The principal activities of the Company and its subsidiaries during the course of the half-year continued to be mineral exploration and evaluation activities either directly or indirectly through investments. On 6 August 2024, GWR announced that it has entered into an agreement to sell its remaining 80% interest in the Hatches Creek Tungsten Project to Tungsten Mining NL. The sale was completed on 16 December 2024.

Operating results

The consolidated profit after income tax for the period was $8,475,545 (2023: $13,746,648). The result for the period included a profit on the sale of Hatches Creek Project of $8,180,577 (2023: loss included a provision for loss on sale of Wiluna Project of $12,659,667).

At period end, the Group held $19,500,463 (June 2024: $27,016,412) in cash and cash equivalents and $17,000,000 (June 2024: $10,000,000) in term deposits maturing more than three months.

Investment in associate, Tungsten Mining NL, has a carrying amount of $8,526,685 and a market value of $16,685,000 based on Tungsten Mining NL's share price of $0.094 on 31 December 2024.

Review of Operations

GWR Group Limited – Overview of Assets

The Group has a portfolio of resources projects that includes projects held directly, in its own right, or indirectly through investment in other listed entities. These include:

- Prospect Ridge Project - 25 million tonne magnesite Resource at 42.4% MgO
- Tungsten - Investments in Tungsten Mining NL (ASX:TGN)
- Cornerstone and Equity Investments - eMetals Ltd (ASX:EMT)

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Directors' Report

Review of Operations (continued)

Prospect Ridge Magnesite Project

- The Prospect Ridge Magnesite project is located in north west Tasmania (owned 70% GWR Group Limited and 30% Dynamic Metals Ltd (ASX: DYM)).
- GWR continues to focus on the exploration and development of this Project.
- Phase two diamond drilling program at the Arthur River deposit has been completed consisting of six holes for 742m.
- Assay results from the phase two diamond drilling program are pending. The market will be updated once results are complete.
- The approval of the third phase of drilling is pending the drilling results review from the phase two program.
- Significant progress has been made in respect to metallurgy work for the removal of deleterious elements such as silica (SiO2) in conjunction with the University of Tasmania (UTAS) / CODES and it is intended to update the market early in 2025.
- GWR has received expressions of interest from world leading refractory manufacturers in relation to the Prospect Ridge Magnesite Project and will advise the market of any progress.
- An assessment of the Lyons River magnesite deposit is also being undertaken, which is located to the South of the Arthur River deposit.

Hatches Creek Project

- GWR announced that it had disposed of its remaining 80% interest in Hatches Creek Tungsten Project to Tungsten Mining NL for a total consideration of 107.5m fully paid ordinary shares at a deemed issue price of $0.08 per share. This increased GWR's voting power in TGN to 19.86%.

Investments

As at 31 December 2024, the Group holds 177,500,000 shares (approximately 19.86%) in Tungsten Mining NL with a market value of $16.7 million and 30,788,460 shares (approximately 3.6%) in eMetals Limited with market value of $123k.

Events subsequent to balance date

There has been no matter or circumstances that has arisen since the balance sheet date to the date of this report, which has significantly affected, or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group subsequent to the reporting date.

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

Gary Lyons
Chairman

Dated at Perth this 12 March 2025

Consolidated statement of profit or loss and other comprehensive income

For the half year ended 31 December 2024

	Note	Consolidated December 2024 $	Consolidated December 2023 $
Continuing Operations			
Profit on sale of assets	4	8,180,577	-
Other revenue	4	2,213,055	63,155
Total Revenue		10,393,632	**63,155**
Exploration and evaluation expenditure		(727,212)	(22,295)
Employee expenses	5(a)	(426,819)	(228,136)
Other expenses	5(b)	(762,600)	(451,793)
Depreciation		(1,456)	(35,157)
Profit/(Loss) from continuing operations before income tax		**8,475,545**	**(674,226)**
Discontinuing Operation – Wiluna Iron Ore Project ("Wiluna")			
Other revenue	16	-	120,000
Exploration and evaluation expenditure	16	-	(532,755)
Provision for loss on sale of Wiluna Project	16	-	(12,659,667)
(Loss) before tax for discontinuing operation		**-**	**(13,072,422)**
Income tax expense		-	-
(Loss) after tax for discontinuing - *Wiluna*		**-**	**(13,072,422)**
Profit/(Loss) before income tax		**8,475,545**	**(13,746,648)**
Income tax expense from continuing operations		-	-
Profit/(Loss) for the period		**8,475,545**	**(13,746,648)**
Other comprehensive income for the period		**-**	**-**
Total comprehensive income/(loss) for the period		**8,475,545**	**(13,746,648)**
Total comprehensive income/(loss) attributable to Parent		**8,475,545**	**(13,746,648)**
Basic earnings/(loss) per share in cents			
From continuing operations	6	2.64	(0.21)
From discontinuing and discontinued operations	6	-	(4.07)
From continuing, discontinuing and discontinued operations	6	2.64	(4.28)
Diluted earnings/(loss) per share in cents			
From continuing operations	6	2.55	(0.21)
From discontinuing and discontinued operations	6	-	(4.07)
From continuing, discontinuing and discontinued operations	6	2.55	(4.28)

The above statement should be read in conjunction with the accompanying notes.

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Consolidated statement of financial position

As at 31 December 2024

	Note	Consolidated December 2024 $	Consolidated June 2024 $
Current assets			
Cash and cash equivalents		19,500,463	27,016,412
Term deposits more than 120 days	8	17,000,000	10,000,000
Trade and other receivables	7	6,301,928	1,928,798
Other financial assets	8	923,154	923,154
Investment in associate	10	8,526,685	-
Assets held for sale	17	-	543,103
Total current assets		52,252,230	40,411,467
Non-current assets			
Plant and equipment		8,761	10,215
Exploration and evaluation expenditure	9	1,297,679	1,297,679
Other financial assets	8	40,000	40,000
Total non-current assets		1,346,440	1,347,894
Total assets		**53,598,670**	**41,759,361**
Current liabilities			
Trade and other payables	11	5,047,033	1,899,376
Provisions	12	431,508	416,194
Total current liabilities		5,478,541	2,315,570
Non-current liabilities			
Provisions	12	-	4,524
Total non-current liabilities		-	4,524
Total liabilities		5,478,541	2,320,094
Net assets		**48,120,129**	**39,439,267**
Equity			
Contributed equity	13	154,951,396	154,951,396
Reserves	14	27,968,164	27,762,847
Accumulated losses		(134,799,431)	(143,274,976)
Total equity		**48,120,129**	**39,439,267**

The above statement should be read in conjunction with the accompanying notes.

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Consolidated statement of changes in equity

For the half-year ended 31 December 2024

	Contributed equity	Option reserve	Accumulated losses	Total Equity
	$	$	$	$
Balance as at 1 July 2023	**154,951,396**	**27,552,378**	**(122,154,823)**	**60,348,951**
Loss for the period	-	-	(13,746,648)	(13,746,648)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	**-**	**-**	**(13,746,648)**	**(13,746,648)**
Issue of Performance Rights	**-**	31,472	**-**	31,472
Balance as at 31 December 2023	**154,951,396**	**27,583,850**	**(135,901,471)**	**46,633,775**
Balance as at 1 July 2024	**154,951,396**	**27,762,847**	**(143,274,976)**	**39,439,267**
Profit for the period	-	-	8,475,545	8,475,545
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	**-**	**-**	**8,475,545**	**8,475,545**
Issue of Performance Rights	-	205,317	-	205,317
Balance as at 31 December 2024	**154,951,396**	**27,968,164**	**(134,799,431)**	**48,120,129**

The above statement should be read in conjunction with the accompanying notes.

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Consolidated statement of cash flows

For the half-year ended 31 December 2024

	Note	Consolidated December 2024 $	Consolidated December 2023 $
Cash flows from operating activities			
Payments to suppliers and employees		(1,268,898)	(845,773)
Cash flows (used in) discontinued operation – C4		-	(571,509)
Cash flows from/(used in) discontinuing operation – Wiluna	16	27,204	(1,765,278)
Payments for exploration and evaluation		(650,877)	(42,434)
R&D rebate		260,104	-
Interest received		1,116,518	76,244
Net cash (used in) operating activities		**(515,949)**	**(3,148,750)**
Cash flows from investing activities			
Payments for plant & equipment		-	(3,150)
Transfer (to)/from term deposit		(7,000,000)	2,000,000
Cash flows from discontinued operation – C4		-	1,427,234
Cash flows from discontinuing operation – Wiluna	16	-	3,000,000
Net cash (used in)/provided by investing activities		**(7,000,000)**	**6,424,084**
Net (decrease)/increase in cash and cash equivalents		(7,515,949)	3,275,334
Cash and cash equivalents at beginning of the period		27,016,412	7,217,017
Cash and cash equivalents at the end of the period		**19,500,463**	**10,492,351**

The above statement should be read in conjunction with the accompanying notes.

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Condensed notes to the financial statements

Note 1: Corporate information

The financial report of GWR Group Limited and its subsidiaries ('the consolidated entity' or 'the Group') for the half-year ended 31 December 2024 was authorised for issue in accordance with a resolution of the directors on 12 March 2025.

GWR Group Limited is a company limited by shares, incorporated in Australia, whose shares are publicly traded on the Australian Securities Exchange.

Note 2: Basis of preparation and accounting policies

a. Basis of Preparation

These general purpose interim financial statements for the half-year reporting period ended 31 December 2024 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *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 the 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 30 June 2024, together with any public announcements made during the following half-year.

b. Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in annual financial statements of the Group for the year ended 30 June 2024.

c. Adoption of New and Revised Standards

The Group has considered the implications of new and amended Accounting Standards effective for annual reporting periods beginning on or after 1 July 2024 but determined that their application to the financial statements is either not relevant or not material.

d. Basis of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (GWR Group Limited) and all of the subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as "non-controlling interests". The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the consolidated statement of financial position and consolidated statement of comprehensive income.

e. Going Concern

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

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Condensed notes to the financial statements

Note 3: Segment information

Determination and identification of reportable segment

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

The Group identifies its operating segments based on the internal reports that are reviewed and used by the executive management team (chief operating decision makers) in assessing performance and determining the allocation of resources.

The operations and assets of GWR Group Limited and its controlled entities are primarily exploration of minerals in Australia. The decision to allocate the resources to individual projects is predominantly based on available cash reserve, technical data and the expectation of future metal price.

Segment information

The following tables present revenue and (loss)/profit information and certain asset and liability information regarding geographical segments:

		Continuing		Discontinuing	Disposed	
	As at	Exploration	Corporate Overheads & Other	Wiluna Project (Note 16)	Hatches Creek (Note 17)	Total
		$	$	$	$	$
Segment assets	31 Dec 2024	1,297,679	52,300,991	-	-	53,598,670
	30 Jun 2024	1,297,679	39,918,579	-	543,103	41,759,361
Segment liabilities	31 Dec 2024	-	5,478,541	-	-	5,478,541
	30 Jun 2024	-	2,320,094	-	-	2,320,094
	For the half-year ended	$	$	$	$	$
Segment income	31 Dec 2024	-	10,393,632	-	-	10,393,632
	31 Dec 2023	-	63,155	120,000	-	183,155
Segment loss before income tax	31 Dec 2024	(727,212)	9,202,757	-	-	8,475,545
	31 Dec 2023	(22,295)	(651,931)	(13,072,422)	-	(13,746,648)

Note 4: Revenue

	Consolidated	
	December 2024	December 2023
	$	$
Profit on sale of assets	8,180,577	-
	8,180,577	-
Other revenue		
Interest received	879,137	62,129
Royalty income	1,043,904	-
R&D refund and sundry income	290,014	1,026
	2,213,055	63,155

Profit on sale of assets

On 6 August 2024, GWR Group Limited, through its wholly owned subsidiary, NT Tungsten Pty Ltd sold 80% interest in the Hatches Creek Tungsten project to Territory Tungsten Pty Ltd, a wholly owned subsidiary of Tungsten Mining NL for a consideration of 107.5 million fully paid ordinary shares at an issue price per share of $0.08 ($8,600,000). The profit on the sale of Hatches Creek assets after deducting the carrying amount of the exploration and evaluation assets on the Consolidated Statement of Financial Position totals $8,180,577.

Note 5: Expenses

	Consolidated	
	December 2024	December 2023
	$	$
(a) Employee expenses		
Salary and wages	169,120	142,748
Superannuation	32,099	13,349
Reversal of employee leave liabilities	(4,210)	8,797
Share-based payments (Note 15)	205,317	31,472
Other employee expenses	24,493	31,770
	426,819	228,136
(b) Other expenses		
Administration costs	140,878	56,276
Corporate costs	185,725	117,682
Consulting fees	398,224	176,774
Occupancy costs	37,773	31,034
Fair value loss on financial assets classified as FVTPL	-	61,577
Unrealised foreign exchange loss	-	8,450
	762,600	451,793

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Note 6: Earnings/(Loss) per share

	Consolidated	
	December 2024	December 2023
	$	$
Profit/(Loss) used in calculating basic and diluted earnings/(loss)per share:		
From continuing operations	8,475,545	(674,226)
From discontinuing operations	-	(13,072,422)
From continuing and discontinuing	8,475,545	(13,746,648)

	December 2024	December 2023
Number of weighted average number of ordinary shares	321,216,655	321,216,655
Basic earnings/(loss) per share in cents:		
From continuing operations	2.64	(0.21)
From discontinuing operations	-	(4.07)
From continuing and discontinuing	2.64	(4.28)
Weighted average number of ordinary shares (number)	321,216,655	321,216,655
Weighted average number of performance rights (number)	11,483,607	-
Total weighted average number of shares and performance rights (number)	332,700,262	321,216,655
Diluted earnings/(loss) per share in cents:		
From continuing operations	2.55	(0.21)
From discontinuing operations	-	(4.07)
From continuing and discontinuing	2.55	(4.28)

Note 7: Trade and other receivables

	Consolidated	
	December 2024	June 2024
	$	$
Current		
Iron ore royalty receivable from Gold Valley	2,124,691	961,987
State royalty and TMPAC receivable from Gold Valley	2,741,122	565,718
GST portion on sale of Hatches Creek	860,000	-
Interest and other receivables	537,411	383,593
Prepayments	38,704	17,500
	6,301,928	1,928,798

The total amount due from Gold Valley of $4,865,813 as at 31 December 2024 was overdue but not impaired. Subsequent to period end, the Company received $3,741,122 from Gold Valley.

As at 31 December 2024, $2,741,122 is receivable from Gold Valley for state royalty and TMPAC. The amount is payable to DMIRS, as a result there is a corresponding liability under trade and other payables (note 11).

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Note 8: Financial Assets

	Consolidated	
	December 2024	June 2024
	$	$
Current		
Term deposits maturing after 6 months	17,000,000	10,000,000
	17,000,000	10,000,000
Other financial assets:		
Shares in eMetals Limited – at fair value through profit or loss – (a)	123,154	123,154
Funds held under trust (b)	800,000	800,000
	923,154	923,154
Non-current		
Security deposits – amortised cost	40,000	40,000
	40,000	40,000

(a) eMetals Limited

There was no change in the number of shares held in eMetals during the period.

(b) Funds held under trust

Pursuant to the sale of Wiluna Project, $800,000 is refundable to Cufe Limited as a result there is a corresponding liability under trade and other payables (note 11).

Note 9: Exploration and evaluation expenditure

	Consolidated	
	December 2024	June 2024
	$	$
Balance at the beginning of the period	1,297,679	7,627,058
Disposal of Wiluna Project	-	(5,910,236)
Disposal of Hatches Creek	-	(419,143)
Balance at the end of the period	1,297,679	1,297,679

The Group capitalises the acquisition costs in accordance with its accounting policy for exploration and evaluation expenditure. The ultimate recoupment of exploration and evaluation expenditure relating to the Group's magnesium project carried forward is dependent on the successful development for commercial exploitation or sale of the project.

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Note 10: Investment in Associate

Tungsten Mining NL

The Group has an 19.86% (June 2024: 8.90%) interest in Tungsten Mining NL ("TGN"), which is a listed company on the ASX. TGN is focused on the development and exploitation of tungsten deposits, in particular the Mt Mulgine project in Western Australia.

At balance sheet date the Group held 177,500,000 shares in TGN with a market value of $16,685,000 at a share price of $0.094 per share.

As stated per note 4, GWR sold 80% interest in the Hatches Creek Tungsten project to TGN for a consideration of 107.5 million fully paid ordinary shares at an issue price per share of $0.08 ($8,600,000) resulting the GWR's voting power in TGN to increase approximately to 19.86%. The shares were issued on 16 December 2024 at $0.08 per share.

The Group's share of the associate's losses exceeds the initial cost of the investment was previously written down to nil value.

The following table illustrates the summarised financial information of the Group's investment in TGN.

	Consolidated	
	December 2024	**June 2024**
	$	**$**
Proportion of the Company's ownership	19.86%	8.90%
Share of the associate's statement of financial position:		
Current assets	1,164,935	758,572
Non-current assets	7,786,731	1,898,332
Total liabilities	(2,618,880)	(220,484)
Equity	**6,332,786**	**2,436,420**
Carrying amount of the investment: Opening balance	-	-
Add: Sale of Hatches Creek assets	8,600,000	-
Less: Share of the associate's loss:		
Revenue	2,468	113,659
Expenses	(75,783)	(568,713)
Loss for the year	**(73,315)**	**(455,054)**
Share of the associate's other comprehensive loss	-	-
Total comprehensive loss	**(73,315)**	**(455,054)**
Share of loss not recognised	-	**(455,054)**
Share of loss recognised	(73,315)	-
Carrying amount of the investment: Closing balance	**8,526,685**	**-**
Total unrecognised share of losses of associate	**(3,365,570)**	**(2,595,771)**
Total carrying amount of investment in associate	**8,526,685**	**-**

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Note 11: Trade and Other Payables

	Consolidated	
	December 2024	June 2024
	$	$
Trade payables	333,988	96,321
Rehabilitation funds owing to Cufe Limited	800,000	800,000
Other payables	1,036,583	99,962
Accrual of royalties and TMPAC payable	2,794,962	747,022
Other accruals	81,500	156,071
	5,047,033	1,899,376

As at 31 December 2024, $2,794,962 is payable to DMIRS for state royalty and TMPAC on behalf of Gold Valley. As a result, there is a corresponding receivable under trade and other receivables (note 7).

Note 12: Provisions

	Consolidated	
	December 2024	June 2024
	$	$
Current		
Employee entitlements	416,508	416,194
Rehabilitation provision	15,000	-
	431,508	416,194
Non-current		
Employee entitlements	-	4,524
	-	4,524

Note 13: Contributed equity

	Consolidated	
	December 2024	June 2024
	$	$
Issued capital		
321,216,655 (June 2024: 321,216,655) Ordinary fully paid shares	154,951,396	154,951,396

	December 2024	
	Number	$
Movement in ordinary shares on issue		
Balance at beginning of the period	321,216,655	154,951,396
No movements during the period	-	-
Balance at end of the period	321,216,655	154,951,396

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Note 14: Reserves

	Consolidated	
	December 2024	June 2024
	$	$
Listed option reserve	27,552,378	27,552,378
Performance rights reserve (a)	415,786	210,469
	27,968,164	27,762,847

	December 2024	
	Number	$
(a) Movement in Performance rights reserve		
Balance at beginning of the period (Note 15)	10,500,000	210,469
Performance rights issued to Directors (Note 15)	-	167,194
Performance rights issued to employees and consultants (Note 15)	2,000,000	38,123
Balance at end of the period	12,500,000	415,786

Note 15: Share-based payments

Share-based payments granted during the half year:

On 23 July 2024, the Company granted 2,000,000 Performance Rights to the employees and consultants under the Employee Incentive Plan.

The Performance Rights vest equally over 5 years:

1) 400,000 vest one year from 29 November 2023
2) 400,000 vest two years from 29 November 2023
3) 400,000 vest three years from 29 November 2023
4) 400,000 vest four years from 29 November 2023
5) 400,000 vest five years from 29 November 2023

Out of the 2,000,000 Performance Rights granted on 23 July 2024 to employees, 710,000 Performance Rights are yet to be cancelled on the resignation of staff before their vesting conditions can be achieved.

The Performance Rights were valued using the share price at grant of $0.08 per Performance Right. The fair value of the Performance Rights is expensed over the vesting period. Share-based payment expense of $38,123 has been recognised in the current period in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

On 29 November 2023, the shareholders had approved the grant of 10,500,000 Performance Rights to the Directors under the Employee Incentive Plan as detailed below:

The Performance Rights vest equally over 5 years:

1) 2,100,000 vest one year from 29 November 2023
2) 2,100,000 vest two years from 29 November 2023
3) 2,100,000 vest three years from 29 November 2023
4) 2,100,000 vest four years from 29 November 2023
5) 2,100,000 vest five years from 29 November 2023

The Performance Rights were valued using the share price at grant date of $0.075 per Performance Right.

The fair value of the Performance Rights is expensed over the vesting period. Share-based payment expense of $167,194 has been recognised in the current period in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

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Note 16: Discontinuing Operations

On 21 December 2023 GWR announced the execution of a Binding Term Sheet (Term Sheet) to sell the Wiluna West Iron Ore Project ("Wiluna Project") to Gold Valley Wiluna West Pty Ltd ("GV").

A summary of the material terms of the Term Sheet is as follows:
GWR will sell or assign various assets (including tenements, mining information and contracts) comprising the Wiluna West Iron Ore Project to sell or assign its rights and interests in the following assets to GV (the "Sale"):

1) L53/115; L53/146; L53/147; L53/148; L53/177; L53/178; L53/179; L53/190; L53/248; L53/258; L53/259; L53/260; L53/261; M53/971; M53/972; M53/1016; M53/1017; M53/1018; M53/1078; M53/1087 and M53/1096 (Tenements);

2) The following contracts:
   - The existing C4 Agreements between Gold Valley Iron Ore Pty Ltd and GWR for the grant of mining rights;
   - The Narngulu lease agreement for the shed between GWR and Marsden's Beckenham Transport Pty Ltd;
   - The Jindalee Farm-in Agreement between GWR and Dynamic Metals Limited;
   - Option Deed between GWR and Wiluna West Gold Pty Ltd to explore and mine gold;
   - The Agreement for the Mining of Iron Ore and Gold at Wiluna West Project between GWR and Tarlpa People (Native Title Agreement).

The Consideration for the Sale comprises:

- $30,000,000 in cash (including $3,000,000 as a non-refundable deposit payable within 7 days of execution of the Sale Agreement). The $3,000,000 deposit was received on 21 December 2023 and the $27,000,000 was received on 6 March 2024.
- a royalty in respect of all iron ore won from the Tenements (excluding the JWD Deposit) and exported or otherwise sold (including in respect of the processing or reprocessing of tailings) on or after 1 December 2023 at the rate of $2.00 per dry metric tonne (Royalty).

On 7 March 2024, the Company announced it has completed settlement of the sale of Wiluna West Iron Ore Project to Gold Valley Wiluna West Pty Ltd.

The net loss from discontinuing operations relating to the disposal of Wiluna West Iron Ore Project is as follows:

	December 2024	**December 2023**
	$	**$**
Rental income	-	120,000
Total Revenue	-	120,000
Exploration expenditure - C4 (a)	-	(81,106)
Exploration expenditure excluding C4	-	(451,649)
Provision for (loss) on sale of Wiluna (b)	-	(12,659,667)
(Loss) before tax from discontinuing operation	-	(13,072,422)
Income tax expense	-	-
(Loss) after tax from discontinuing operation	-	(13,072,422)

(a) Additional expenses were incurred during the financial period ended 31 December 2023 in relation to C4 area of interests.

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Note 16: Discontinuing Operations (continued)

(b) The write-downs of assets held for sale to fair value less costs to sell has been determined as follows:

	31 December 2023
	$
Cash consideration	30,000,000
Less: Deposit received on 21 December 2023	(3,000,000)
Cash consideration receivable for sale of Wiluna Project – deferred consideration	27,000,000
Less: C4 receivable at 31 December 2023	(39,659,667)
Provision for (loss) on sale of Wiluna	(12,659,667)

The Cash Flows from this discontinuing operation are as follows:

	December 2024	December 2023
	$	$
Cash flows from operating activities		
Payments for exploration expenditure	-	(451,649)
Net royalties received	27,204	-
Funds held in trust	-	(1,393,629)
Other income received	-	80,000
Net operating cash flows from/(used in) discontinuing operations – Wiluna	27,204	(1,765,278)
Cash flows from investing activities		
Deposit on sale of Wiluna Project	-	3,000,000
Net investing cash flows from discontinuing operations – Wiluna	-	3,000,000
Net cash provided by discontinuing operations – Wiluna	27,204	1,234,722

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Note 17: Disposal of Hatches Creek Project

On 6 August 2024, GWR Group Limited, through its wholly owned subsidiary, NT Tungsten Pty Ltd sold 80% interest in the Hatches Creek Tungsten project to Territory Tungsten Pty Ltd, a wholly owned subsidiary of Tungsten Mining NL for a consideration of 107.5 million fully paid ordinary shares at an issue price per share of $0.08. The shares were issued on 16 December 2024 at $0.08 per share.

The below assets, in relation to the Hatches Creek Project, have been classified as Assets Held for Sale as at 30 June 2024.

	December 2024	June 24
	$	$
Assets held for sale		
Securities and bank guarantees	-	123,960
Exploration asset	-	419,143
	-	543,103

Note 18: Commitments for exploration expenditure

Annual Tenement expenditure commitments

In order to maintain current rights of tenure to mining tenements, the Group has discretionary minimum annual tenement expenditure requirements and lease rentals of $430,000 on Prospect Ridge project. This discretionary expenditure is capable of being varied from time to time in order to maintain these rights of tenure to mining tenements.

Note 19: Contingencies

The Group has the following contingencies as at 31 December 2024:

Under the Sale and Purchase Agreement with Jindalee Resources Limited to acquire the Prospect Ridge Magnesite Project in Tasmania, the Group has acquired a 70% interest in the project. The remaining 30% interest is held by HiTec Minerals Pty Ltd as a free-carried interest until the point at which a decision to mine has been reached. At this time, if either party does not contribute the appropriate share their interest will be diluted. If either party's interest is diluted below 5%, it will revert to a 1% FOB gross royalty.

Provision for Rehabilitation

Pursuant to the completion of the Sale which occurred on 6 March 2024, Gold Valley Wiluna West Pty Ltd acquired beneficial ownership of the Wiluna West Iron Ore Project and is operating the Project and generating revenue from the extraction and sale of iron ore.

However, at the date of this report, the Registrar of Mines is yet to register the transfer of the tenements under the Term Sheet in the name of Gold Valley Wiluna West Pty Ltd because stamp duty assessment has yet to be finalised by Revenue WA. As registered holder of the tenements, GWR is liable for the rehabilitation of Wiluna West Iron Ore Project.

At 30 June 2023, the Group recorded a provision of $6,634,552 in relation to the estimated cost of rehabilitation of the Wiluna West Iron Ore Project. In the event, the transfer of the tenements doesn't occur, GWR is liable for the rehabilitation.

Note 20: Events subsequent to reporting date

There has been no matter or circumstances that has arisen since the balance sheet date to the date of this report, which has significantly affected, or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group subsequent to the reporting date.

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Directors' declaration

In accordance with a resolution of the directors of GWR Group Limited, I state that:

In the opinion of the Directors:

(a) The financial statements and notes of the Group are in accordance with the Corporations Act 2001, including:

i. Giving a true and fair view of the financial position as at 31 December 2024 and the performance for the half-year ended on that date of the Group; and

ii. Complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

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

On behalf of the Board,

Gary Lyons
Chairman

Dated at Perth, this 12 March 2025

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PO Box 1908
West Perth WA 6872
Australia

Level 2, 40 Kings Park
West Perth WA 6005
Australia

Tel: +61 8 9481 3188
Fax: +61 8 9321 1204

ABN: 84 144 581 519
www.stantons.com.au

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12 March 2025

Board of Directors
GWR Group Limited
Level 4, 46 Colin Street
West Perth WA 6005

Dear Sirs

RE: GWR GROUP LIMITED

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of GWR Group Limited.

As Audit Director for the review of the financial statements of GWR Group Limited for the half-year ended 31 December 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(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.

Yours faithfully

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(An Authorised Audit Company)

Samir Tirodkar
Director

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PO Box 1908
West Perth WA 6872
Australia

Level 2, 40 Kings Park Rd
West Perth WA 6005
Australia

Tel: +61 8 9481 3188
Fax: +61 8 9321 1204

ABN: 84 144 581 519
www.stantons.com.au

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF GWR GROUP LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of GWR Group Limited, which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us to believe that the accompanying half-year financial report of GWR Group Limited does not comply with the *Corporations Act 2001* including:

(a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *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* has been given to the directors of the Company on 12 March 2025.

Responsibility of the Directors for the Financial Report

The directors of GWR Group 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 gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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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. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
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Stantons International Audit and Consulting Pty Ltd

Samir Tirodkar
Director

West Perth, Western Australia
12 March 2025

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