



McLAREN
MINERALS

McLaren Minerals Limited
(Formerly known as Allup Silica Limited)

ABN 47 163 173 224

Annual Report - 30 June 2025

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Directors

Michael Arnett	Non-Executive Chairman (appointed 1 March 2025)
Simon Finnis	Managing Director (appointed 16 August 2025)
Peter Secker	Non-executive Director (appointed 16 August 2025)
Andrew Haythorpe	Non-executive Director (resigned 31 January 2025)
Gavin Ball	Non-executive Director (resigned 2 December 2025)
Campbell Smyth	Non-Executive Chairman (resigned 31 March 2025)

Company Secretary

Benjamin Donovan

Registered Office & Principal Place of Business

Level 4
225 St Georges Terrace
Perth WA 6000
Phone: 08 6185 1744

Share Registry

Automic Pty Ltd
Level 5
191 St Georges Terrace
Perth WA 6000
Phone: 1300 288 664

Auditor

SW Accountants & Advisors
Level 18
197 St Georges Terrace
Perth WA 6000
Phone: 61 8 6184 5980

Stock exchange listing

McLaren Minerals Limited shares are listed on the Australian Securities Exchange (ASX Code: MML)

Website and Email

Website: www.mclarenminerals.com.au
Email: team@mclarenminerals.com.au

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of McLaren Minerals Limited (formerly known as Allup Silica Limited and referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2025.

Directors

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

Michael Arnett	Non-Executive Chairman (appointed 1 March 2025)
Simon Finnis	Managing Director (appointed 16 August 2025)
Peter Secker	Non-executive Director (appointed 16 August 2025)
Andrew Haythorpe	Non-executive Director (resigned 31 January 2025)
Gavin Ball	Non-executive Director (resigned 2 December 2024)
Campbell Smyth	Non-Executive Chairman (resigned 31 March 2025)

Principal Activities

The Company conducts mineral exploration and evaluation activities.

Operating Results

The after-tax loss of the Company for the financial year amounted to \$2,369,720 (2024: Loss \$1,423,813). This included a non-cash expense of \$173,470 for share-based payments (2024: \$139,675).

Review of Operations

McLaren Mineral Sands Project

On 13 August 2024, the consolidated entity completed the acquisition of the McLaren and Eucla West Mineral Sands Project for consideration comprising:

- \$150,000 in cash;
- a 1.5% royalty to the vendors (Westover Holdings Pty Ltd and Wild Side (WA) Pty Ltd), assessed at a fair value of \$NIL at acquisition date;
- 2,000,000 options exercisable at \$0.20 within five years of issue, with vesting conditional on completion of a Bankable Feasibility Study and ilmenite concentrate sales exceeding US\$500/t. These options had an assessed fair value of \$NIL at acquisition date;
- 4,241,571 shares upon completion of the Pre-Feasibility Study (PFS milestone), with a fair value of \$102,038; and
- a further 4,300,583 shares to be issued upon completion of a Feasibility Study (FS milestone), with a fair value of \$86,012.

Following completion of the acquisition, the Eucla West Project, with the main deposit named McLaren, has been rapidly advanced into the Pre-Feasibility stage. The Project comprises tenements EL69/2386 and EL36/2388, covering a total area of 330 km² and located approximately 150 km east of Norseman, straddling the Eyre Highway. The Project hosts a JORC (2012) compliant Indicated and Inferred Mineral Resource of 280 Mt at 4.8% Heavy Minerals as follows:

JORC classification	Tonnes (Mt)	HM grade (%)	In-situ HM tonnes (Mt)	Slimes (%)	Ilmenite (% of HM)	Rutile (% of HM)	Leucoxene (% of HM)	Zircon (% of HM)
Indicated	79	6.0	4.7	25.0	30.4	0.7	1.9	0.6
Inferred	201	4.4	8.8	25.4	29.0	0.7	2.1	0.6
Total	280	4.8	13.5	25.3	29.4	0.7	2.0	0.6

(Refer to ASX announcement 5 August 2024 for additional information and competent person statement. The Company confirms that there is no new information or data that materially affects the mineral resource estimates announced on 30 June 2022 and 5 August 2024, and that all assumptions underpinning the estimate continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.)

A drilling program totalling 192 holes and 4,067m was completed during Q1 2025 and subsequent to the end of the reporting period assays have begun to be received, with multiple broad and continuous heavy mineral intersections recorded, as well as some very high-grade intersections over smaller intercepts.

IHC Mining Consultants have made significant progress on the engineering and design phases as well as completing test work on a metallurgical sample collected during the drilling program. That test work was highly successful validating the metallurgical flowsheet and confirming that slimes could be managed using traditional and well understood techniques.

The pre-feasibility Study is anticipated to be completed in September 2025.

Silica Sand Projects

During the year, the Company undertook a comprehensive review and rationalisation of its tenement portfolio. This review has ensured that the Company's landholding position remains strategically aligned with its long-term objectives, while reducing non-core commitments and associated holding costs. Following this process, the Company now retains only the Sparkler A, Pink Bark A and Dune Buggy projects in addition to McLaren. By streamlining the portfolio in this manner, management has been able to concentrate resources and exploration efforts on the McLaren Project, which continues to demonstrate strong potential as the Company's flagship asset. The retained silica projects remain in good standing and are being actively reviewed for their future viability, and while there has been interest expressed by third parties, no formal engagement has yet taken place. The Company believes this disciplined approach provides a clearer pathway for project advancement and value creation for shareholders.

As at the date of this report, the consolidated entity holds the following tenements:

Tenement	Project	Ownership
GRANTED		
E69/2386	McLaren	100%
E69/2388	McLaren	100%
E70/5447	Sparkler A	100%
E63/2137	Dune Buggy	100%
E63/2139	Pink Bark A	100%

Name change

On 6 December 2024 the Company changed its name from Allup Silica Limited to McLaren Minerals Limited as the Company moves to develop the McLaren mineral sands project, a high value Titanium project.

Significant Changes in the State of Affairs

There were no significant changes in the state of affairs of the Company that occurred during the financial year.

Events Subsequent to the End of the Reporting Period

No matters or circumstances have arisen since the end of the financial year that significantly affect, or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years except as follows:

On 12 June 2025 the Company announced that it received firm commitments to raise approximately \$1,282,000 (before costs) through the issuance of 59,977,778 ordinary shares at \$0.0225 per share, which included 1:1 free attaching options with an exercise price of \$0.035 expiring 30 months from the date of issue. On 19 June 2025, 18,867,533 shares were issued (Tranche 1) for \$424,519. On 5 August 2025, the Company completed Tranche 2 of the placement, issuing 30,554,691 shares for \$687,481, and issued the free attaching options for both tranches. The options are exercisable at \$0.035 and expire on 5 February 2028.

Likely Developments and Expected Results of Operations

The Company intends to continue mineral exploration activities on the McLaren Project. Additional capital raisings are planned for the year ended 30 June 2026 to fund the operating requirements of the Company.

Dividends

No dividends were declared, or recommended but not paid, during the financial year.

Environmental Regulations

The consolidated entity is required to carry out its activities in accordance with the Mining Laws and Regulations in the areas in which it undertakes its exploration activities. The consolidated entity is not aware of any matter which requires disclosure with respect to any significant environmental regulation in respect of its operating activities.

Business Risks

Risk	Description	Mitigation
Exploration and Development Risks	Mineral exploration, development and mining are high-risk enterprises, only occasionally providing high rewards. In addition to the normal competition for prospective ground, and the high average costs of discovery of an economic deposit, factors such as demand for commodities, stock market fluctuations affecting access to new capital, sovereign risk, environmental issues, labour disruption, project financing difficulties, foreign currency fluctuations and technical problems all affect the ability of a company to profit from any discovery. There is no assurance that exploration of the Company's mineral interests, or any other projects that may be acquired by the Company in the future, will result in the discovery of an economically viable mineral deposit. Even if an apparently viable mineral deposit is identified, there is no guarantee that it can be profitably exploited.	As the Company undertakes exploration and evaluation of its tenements, given the information and data available, it makes continuous assessment to allocate available funds and other resources to activities that potentially may deliver the best prospect of a commercially viable resource, given mineral exploration, development and mining are high-risk enterprises, only occasionally providing high rewards.
Land access and compensation	There is a substantial level of regulation and restriction on the ability of exploration and mining companies to gain access to land in Australia. Negotiations with both Native Title parties and landowners/occupiers are generally required before the Company can	The Company actively manages compliance with the regulations and laws regarding land access and compensation. In support of the negotiations with stakeholders, the Company engages suitably

	access land for exploration or mining activities. Investors should be aware that any delay in obtaining agreement in respect of compensation due to landholders whose land comprises the Tenements may adversely impact or delay the Company's ability to carry out exploration or mining activities on its Tenements. A number of the Tenements for its Projects overlay private land and Crown nature reserves both of which require consent prior to access and the conduct of exploration activities on the areas affected. Should such consents not be forthcoming or be withdrawn this may have a materially adverse impact or delay to the Company's exploration Activities.	specialist contractors to liaise and negotiate with relevant stakeholders of its tenements, including Native Title bodies, private landowners and Government Departments and other suitably specialist contractors to ensure it meets all its access and compensation obligations.
Operational risk	The operations of the Company may be affected by various factors including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration or mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment, fire, explosions and other incidents beyond the control of the Company.	The Company engages appropriately qualified and skilled employees and third party contractors to assist in all aspects of the Company's operations.
Tenement title	Interests in tenements in Western Australia are governed by legislation and are evidenced by the granting of licences. Each licence is granted for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to, or its interest in, the Tenement if licence conditions are not met or if insufficient funds are available to meet expenditure commitments as and when they arise. If a tenement is not renewed or granted an exemption from expenditure, the Company may suffer damage through loss of opportunity to develop and discover minerals on that tenement.	The Company monitors the status of its tenements to ensure it meets its statutory and contractual obligations and uses a third party tenement mining services management organisation to assist in this process.
Environmental risks	Exploration and mining is an industry that has become subject to increasing environmental responsibility and liability. The potential for liability is an ever present risk. The operations and proposed activities of the Company are subject to regulations concerning the environment. The Government and other authorities that administer and enforce environmental laws	The Company engages third party environmental consultants and specialists to undertake, monitor and report on all environmental matters as required on Company tenements.

	determine these requirements. As with all exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if mine development proceeds. The Company intends to conduct its activities in an environmentally responsible manner and in accordance with applicable laws. There can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Company to incur significant expenses and undertake significant investments in such respect which could have a material adverse effect on the Company's business, financial condition and results of operations.	
Resource and reserve estimates	Resource and reserve estimates are expressions of judgement which are based on the knowledge and experience of the person in making them. Resource and reserve estimates are valid and current when they are completed but are subject to change, sometimes materially, when updated data and other information becomes known or available through subsequent activities, such as drilling, sampling and analysis. Resource and reserve estimates can be imprecise because they can rely on interpretations that may change or prove to be flawed or inaccurate and based on current information. The Company could be required to modify resource or reserve estimates and as a consequence, the Company may be required to adjust its plans and that these adjustments may adversely affect the Company.	The Company uses appropriately qualified Consulting Geologists (with a Competent Person designation) supported by other technical consultants such as assay, metallurgical and geophysical contractors to assist in estimations of resource and reserves.
Weather conditions	Weather conditions may result in having an effect on the Company's operations, including failures in not having sufficient stockpiles for the production process which could result in the Company not being able to satisfy customer requirements during these periods and other costs the Company may incur in this event that this could have a material adverse effect on the Company's business and financial conditions.	The Company holds tenements in climatically different locations of Western Australia, in such that weather related access or other restrictions to activities are typically limited to a specific location rather than all locations. The Company plans its exploration and onsite activities to factor in weather related access or other restrictions such as the wet season in the North West and winter rains in the South and South West locations to ensure less impacts and more optimal utilisation of resources.
Uncertainty of future revenue and profitability	The Company's long term viability is contingent on, amongst other things, the Company's ability to discover and develop a commercially viable resource to deliver revenues to cover the Company's ongoing indirect costs.	The Company makes assessments of its operating activities with the intention to deliver the best currently available prospect of achieving a future commercially viable resource and ultimately to deliver revenues and profitability to the Company,

		given mineral exploration, development and mining are high-risk enterprises, only occasionally does this result in providing high rewards.
Sufficiency of funding and additional requirements for capital	The Company is currently at an exploration and evaluation stage of its development and is reliant on funding raised in the equity markets to fund that expenditure. There is a risk that future equity funding may not be available to the Company at the level necessary to enable the Company to continue to meet its expenditure obligations on its tenements.	As the Company undertakes exploration and evaluation of its tenements it makes continuous assessment to allocate available funds and resources to its activities. The Company is confident that where required for new projects or for further funding of existing projects it will be able to raise additional capital as and when required.
Other Risks	The Company is exposed to other risks from time to time in the normal course of its operations. These risks may include but are not limited to: Silica and Commodity Prices, Native Title, Aboriginal Heritage, Dependence on Key Personnel and Ability to Recruit Additional Personnel, Agents and Contractors, Royalties, Climate Change and Regulation, Future Capital Needs, New Projects and Acquisitions, Granting of Licences and Permits, Metallurgy, Changes to Demand or Production or Technology or Alternative Products, , Interruptions or Failures in Technology, , Changes in Laws and Regulations and other General Risks, including items such as, Economic Risks, Securities Investments, Share Market Conditions, Liquidity, Changes in Government Policy and Legislation, Litigation, Taxation and others.	As the Company undertakes the normal course of its business operations, it is, where best possible, aware of the potential for exposure to other risks from time to time and where possible the actions that might be available to help mitigate these risks.

Shares, Options and Performance Rights

No options over issued shares or interests in the Company were granted during the financial year except as follows:

At a Board Meeting held on 23 May 2024, the Directors resolved to issue 500,000 ordinary shares in the Company on 1 July 2024 to each of the two employees of the Company and a key contractor. The issue price was \$0.041 per share, the closing price of shares on the ASX at the close of trading on 23 May 2024. The 1,500,000 shares were issued on 1 July 2024.

On 12 December 2024 the Company issued 6,000,000 options to Directors (2,000,000 each to Andrew Haythorpe, Campbell Smyth and Gavin Ball) and 1,000,000 options to the company secretary after approval at the AGM and in accordance with the ASX announcement. The options were issued for nil consideration with an exercise price of \$0.06 and an expiry date of 12 December 2029. The Company also issued 13,500,000 performance rights to Simon Finnis (Managing Director) in 5 tranches with varying vesting conditions and periods.

The fair value of these options and performance rights was determined using the Black-Scholes model and other relevant valuation methodologies, considering factors such as the spot price of the underlying security, expected future volatility, risk-free rate, and dividend yield. The total fair value of the options and performance rights issued is \$366,263 with \$277,606 expensed in the year.

Indemnifying Officers and Auditors

The Company has indemnified the Directors and executives of the Company for costs incurred in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial period, the Company paid a premium in respect of a contract to insure the directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Company has not indemnified or agreed to indemnify the auditor of the Company against a liability incurred as the auditor.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year ended 30 June 2025.

Information on Directors

Michael Arnett – Non-Executive Chairman (appointed 1 March 2025)

Michael Arnett has extensive experience in corporate finance, capital markets, and business strategy, with a particular focus on the resources sector. He has over 20 years of expertise in the industry and has held senior leadership and board positions across multiple ASX-listed companies. Since 2016, he has served as Chairperson of NRW Holdings (ASX: NWH), a leading Australian mining and civil contractor with a market capitalisation of approximately \$1.6 billion.

Previously, he was a partner at Norton Rose Fulbright (formerly Deacons), where he was a member of its Board of Directors and National Head of its Natural Resources Business Unit. In addition to his role at NRW Holdings, he has held board positions across several ASX-listed companies, including as Chair of emerging iron ore producer Genmin Limited (ASX: GEN). Michael was appointed as Non-Executive Chairman on 1 March 2025.

Simon Finnis – Masters of Business and Technology – Managing Director (appointed 16 August 2024)

Simon Finnis is a mining professional with over 35 years of experience, including more than a decade in the mineral sands industry. He played a key role in the development of the Poongarrie Mineral Sands Project in New South Wales, serving as General Manager of Operations in 2004 before becoming Operations Manager, Eastern Australia. From 2012 to 2014, he was CEO of the US\$650 million Grand Côte Mineral Sands Project in Senegal. In 2015, he joined Metro Mining as CEO, overseeing the design, development, and operation of the Bauxite Hills Project in Queensland. Simon was appointed as Managing Director on 16 August 2024.

Peter Secker – BSc (Hons) Mining Engineering – Non-Executive Director (appointed 16 August 2024)

Peter Secker is a mining engineer with over 40 years of experience, specialising in project development and operations. He was instrumental in designing, building, commissioning, and operating the TiWest Project at Cooljarloo, Western Australia. Throughout his career, he has successfully led the development of five greenfield projects across Australia, China, Africa, Canada, and Mexico. As a CEO of public companies since 1990, he has raised over \$2 billion in debt and equity financing. Peter was appointed as a Non-Executive Director on 16 August 2024.

Campbell Smyth – B.Comm (WA); SFA Aff (UK) – Non-Executive Chairman (resigned 31 March 2025)

Campbell Smyth has extensive experience in fund management, capital markets, and corporate finance, advising both listed and unlisted companies across major global markets, with a primary focus on the ASX, North America, and Europe. He served as Non-Executive Chairman before stepping down on 31 March 2025.

Andrew Haythorpe – BSc (Hons); FAUSIMM; MAICD – Non-Executive Director (resigned 31 January 2025)

Andrew Haythorpe is a geologist with a diverse career spanning over 20 years in exploration, energy, and resources, complemented by experience as a global analyst and fund manager. He has held multiple leadership roles, including Chair, Board Member, and CEO of several successful listed resource companies. He is currently

a Non-Executive Director of ASX-listed Tempest Minerals Limited. Andrew resigned from the Board on 31 January 2025.

Gavin Ball – Non-Executive Director (resigned 2 December 2024)

Gavin Ball has over 25 years of commercial experience in business start-ups, development, and growth, with a strong focus on management, finance, and marketing. He has held numerous executive roles, demonstrating expertise in corporate leadership and strategic growth. Gavin resigned from the Board on 2 December 2024.

Directorship of Other Listed Companies

Directorships of other listed companies held by Directors in the three years immediately before the end of the year are as follows:

Director Name	Company	Period of Directorship
Michael Arnett (appointed 1 March 2025)	- NRW Holdings Limited - Genmin Limited	27 July 2007 to present 10 March 2021 to 31 January 2025
Campbell Smyth (resigned 31 March 2025)	- Fitzroy Minerals (formerly Norseman Silver) (TSXV) - Nubian Resources (TSXV) - Orange Minerals Limited - Amani Gold Limited - Macro Metals Limited	1 October 2017 to present 18 November 2019 to present 6 December 2021 to present 7 June 2021 to 8 July 2024 15 August 2023 to 6 March 2024
Simon Finnis (appointed 16 August 2025)	KGL Resources Limited	4 August 2021 to 20 May 2022
Peter Secker (appointed 16 August 2025)	- Zinnwald Lithium PLC - Parabellum Resources Limited - Bacanora Lithium PLC (AIM)	- November 2019 to present 8 November 2022 to 31 October 2024 - January 2016 to February 2022
Andrew Haythorpe (resigned 31 January 2025)	Tempest Minerals Limited	11 October 2019 to present
Gavin Ball (resigned 2 December 2024)	RLF AgTech Ltd	4 October 2017 to present

Company Secretary

Benjamin Donovan – B.Comm (Hons); ACG (CS)

Ben is the principal of Argus Corporate Partners Pty Ltd, which provides corporate advisory, IPO and consultancy services to a number of companies. Ben is also an associate member of the Governance Institute of Australia. He is currently Company Secretary for several ASX listed and public unlisted companies, with his experiences ranging across the resources, agritech, biotech, media and technology industries. Ben has extensive experience in listing rules compliance and corporate governance, and in addition in capital markets by raising capital and assisting companies achieve an initial listing on the ASX.

Directors' Meetings

During the financial year, 7 meetings of directors were held. Attendances by each director during the year were as follows:

Directors	Eligible to Attend	Attended
Michael Arnett	2	2
Campbell Smyth	5	5
Simon Finnis	6	6
Peter Secker	6	6
Andrew Haythorpe	4	4
Gavin Ball	3	3

In addition, there were 4 circular resolutions passed by the Board of Directors during the year.

As at the date of this report, an Audit Committee of the Board of Directors did not exist due to the Directors of the Board having close involvement in the operations of the Company and acting as the Committee. There are no other sub-committees of the Board of Directors.

REMUNERATION REPORT (AUDITED)

REMUNERATION POLICY

The consolidated entity's Remuneration Policy is as follows.

Non-Executive Director Remuneration

Non-Executive Directors are normally remunerated by way of fees, in the form of cash, non-cash benefits, superannuation contributions or salary sacrifice into equity and do not normally participate in schemes designed for the remuneration of executives.

Shareholder approval must be obtained in relation to the overall limit set for non-executive Directors' fees.

The maximum aggregate remuneration approved by shareholders for Non-Executive Directors is \$500,000 per annum. The Directors set the individual Non-Executive Directors fees within the limit approved by shareholders. Non-Executive Directors are not provided with retirement benefits.

Executive Remuneration

The consolidated entity's remuneration policy is designed to promote superior performance and long term commitment to the consolidated entity. Executives and employees receive a base remuneration which is market related and may be entitled to performance-based remuneration which is determined on an annual basis.

The consolidated entity's financial performance for the period from commencement of operations has been as follows:

	June	June	June	June
	2025	2024	2023	2022
	\$	\$	\$	\$
Other income	16,798	82,953	93,734	1,308
Net loss after tax	(2,369,720)	(1,423,813)	(1,645,916)	(891,140)
Basic and diluted loss per share (cents per share)	(2.05)	(1.68)	(1.95)	(1.51)
Net assets	2,930,991	2,860,505	4,144,643	5,732,827
Share price (at balance date)	\$0.02	\$0.04	\$0.06	\$0.08

As the consolidated entity is currently in exploration and evaluation phases, historical earnings are not yet an accurate reflection of consolidated entity performance and cannot be used as a long-term incentive measure. Consideration of the consolidated entity's earnings will be more relevant as the consolidated entity matures.

Overall remuneration policies are subject to the discretion of the Board and can be changed to reflect competitive and business conditions where it is in the interests of the consolidated entity and shareholders to do so.

Executive remuneration and other terms of employment are reviewed annually by the Board having regard to the performance, relevant comparative information and expert advice.

1.2 Executive Remuneration (cont.)

The Board's remuneration policy reflects its obligation to align executive remuneration with shareholder interests and to retain appropriately qualified executive talent for the benefit of the Consolidated entity.

The main principles of the policy are:

- remuneration reflects the competitive market in which the consolidated entity operates;
- individual remuneration should be linked to performance criteria if appropriate; and
- executives should be rewarded for both financial and non-financial performance.

The total remuneration of executives consists of the following:

- salary – executives receive a fixed sum payable monthly in cash;
- cash at risk component – the executives are eligible to participate in a cash bonus plan if deemed appropriate;
- share and option at risk component – executives may participate in share, performance rights and option schemes generally made in accordance with thresholds set in plans approved by shareholders if deemed appropriate. However, the Board considers it appropriate to retain flexibility to issue shares, performance rights and options to executives outside of approved schemes in exceptional circumstances; and
- other benefits – executives may, if deemed appropriate by the Board, be provided with other forms of remuneration.

Voting and comments made at the company's 2024 Annual General Meeting ('AGM')

At the 2024 AGM, 99% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2024. The consolidated entity did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration

Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.

The following were Key Management Personnel of the consolidated entity during the year:

Michael Arnett	Non-Executive Chairman (appointed 1 March 2025)
Campbell Smyth	Non-Executive Chairman (resigned 31 March 2025)
Simon Finnis	Managing Director (appointed 16 August 2024)
Peter Secker	Non-executive Director (appointed 16 August 2024)
Andrew Haythorpe	Non-executive Director (resigned 31 January 2025)
Gavin Ball	Non-executive Director (resigned 2 December 2024)
Mark Lester	Chief Financial Officer (resigned 30 August 2024)

Key Terms of Agreements with Directors, Key Management or Related Parties

Name:	Michael Arnett (appointed 1 March 2025)
Title:	Non-Executive Director and Chairman
Term of agreement:	Ongoing, commenced 1 March 2025
Details:	Base fee of \$80,000 per annum (exclusive of GST). The director may resign at any time by written notice. If the resignation is voluntary, remuneration will be paid up to the date of resignation only. If resignation is at the Board's request, a payment equivalent to three months of service will apply. Any additional payments are at the sole discretion of the Board. Standard post-termination non-compete and non-solicitation obligations.
Name:	Simon Finnis (appointed 16 August 2024)
Title:	Managing Director (appointed 16 August 2024)
Term of agreement:	5 years commencing 16 August 2024.
Details:	Base salary of \$240,000 per annum (exclusive of GST) following an initial three month period at \$17,500 per month. Eligible for discretionary incentives subject to shareholder approval. Six months' termination notice by either party. Includes a twelve month non-compete restriction within the mineral sands industry in Australia.
Name:	Peter Secker (appointed 16 August 2024)
Title:	Non-Executive Director (appointed 16 August 2024)
Term of agreement:	Ongoing, commenced 16 August 2024.
Details:	Base fee of \$60,000 per annum (exclusive of GST). The director may resign at any time by written notice. If the resignation is voluntary, remuneration will be paid up to the date of resignation only. If resignation is at the Board's request, a payment equivalent to three months of service will apply. Any additional payments are at the sole discretion of the Board. Standard post-termination non-compete and non-solicitation obligations.
Name:	Campbell Smyth (resigned 31 March 2025)
Title:	Non-Executive Director and Chairman
Term of agreement:	Ongoing, originally commenced in 2021 with the agreement amended on 7 March 2024.
Details:	Base fee of \$60,000 per annum. The director may resign at any time by written notice. If the resignation is voluntary, remuneration will be paid up to the date of resignation only. If resignation is at the Board's request, a payment equivalent to three months of service will apply. Any additional payments are at the sole discretion of the Board. Standard post-termination non-compete and non-solicitation obligations.
Name:	Andrew Haythorpe (resigned 31 January 2025)
Title:	Managing Director (to 16 August 2025); Non-Executive Director (from 16 August 2024)
Term of agreement:	Ongoing, originally commenced in 2013 with the agreement amended on 7 March 2024.
Details:	Base salary of \$156,000 per annum (exclusive of GST). Six months' termination notice by either party. Redundancy entitlements include statutory

amounts and an additional six months' base salary if terminated within 12 months of a Change of Control. Standard post-termination non-compete and non-solicitation obligations. From 1 February 2025, he was engaged as a consultant to provide services unrelated to his duties as a director. Fees of \$65,000 were paid to Andrew in respect of these consulting services.

Name: Gavin Ball (resigned 2 December 2024)
Title: Non-Executive Director
Term of agreement: Ongoing, originally commenced in 2020 with the agreement amended on 7 March 2024.
Details: Base salary of \$60,000 per annum (exclusive of GST). Six months' termination notice by either party. Redundancy entitlements include statutory amounts and an additional six months' base salary if terminated within 12 months of a Change of Control. Standard post-termination non-compete and non-solicitation obligations.

Name: Mark Lester (resigned 30 August 2024)
Title: Chief Financial Officer
Term of agreement: Ongoing, originally commenced in 2022
Details: Base salary of \$84,000 per annum (exclusive of superannuation). The agreement may be terminated by either party with four weeks' written notice. Any termination payments will be as required by the relevant applicable employment law.

Details of remuneration provided to Key Management personnel during the year are as follows:

	Short-term benefits	Post-employment benefits	Share-based payments			
	Cash salary and fees	Superannuation	Equity-settled shares	Equity-settled options	Performance Rights	Total
2025	\$	\$	\$	\$	\$	\$

Non-Executive Directors:

Michael Arnett ⁽ⁱ⁾	26,667	-	-	-	-	26,667
Campbell Smyth ⁽ⁱ⁾	45,000	-	-	56,620	(42,814)	58,806
Peter Secker ⁽ⁱ⁾	47,580	-	-	-	-	47,580
Andrew Haythorpe ⁽ⁱ⁾	91,000	-	-	56,620	-	147,620
Gavin Ball ⁽ⁱ⁾	25,000	-	-	56,620	-	81,620

Executive Directors:

Simon Finnis ⁽ⁱ⁾	204,032	-	-	-	21,246	225,278
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Other Key Management Personnel:

Mark Lester	21,620	1,858	-	-	-	23,478
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Total	460,899	1,858	-	169,860	(21,569)	611,048
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(i) Refer to key management personnel details above for appointment and resignation dates.

	Short-term benefits	Post-employment benefits	Share-based payments			
	Cash salary and fees	Superannuation	Equity-settled shares	Equity-settled options	Performance Rights	Total
2024	\$	\$	\$	\$	\$	\$

Non-Executive Directors:

Campbell Smyth	60,000	-	24,484	-	-	84,484
Andrew Haythorpe	156,000	-	-	-	-	156,000
Gavin Ball	60,000	-	-	-	-	60,000

Other Key Management Personnel:

Mark Lester	84,000	9,240	20,500	-	-	113,740
Total	360,000	9,240	44,984	-	-	414,224

The proportion of remuneration linked to performance and the fixed proportion are as follows:

	Fixed remuneration		At risk - STI		At risk - LTI	
Name	2025	2024	2025	2024	2025	2024

Non-Executive Directors:

Michael Arnett	100%	-	-	-	-	-
Campbell Smyth	77%	71%	-	-	23%	29%
Peter Secker	100%	-	-	-	-	-
Andrew Haythorpe	62%	100%	-	-	38%	-
Gavin Ball	31%	100%	-	-	69%	-

Executive Directors:

Simon Finnis	91%	-	-	-	9%	-
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Other Key Management Personnel:

Mark Lester	100%	82%	-	-	-	18%
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Share-based compensation

Issue of shares

Details of shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2025 are set out below:

Name	Grant Date	Issued Date	Shares	Issue price at grant date	\$
Mark Lester	23 May 2024	01 Jul 2024	500,000	\$0.041	20,500*

*Note that this expense was recognised in year ended 30 June 2024 as was granted in year ended 30 June 2024.

Options

The terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Name	Number of options granted	Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
Campbell Smyth	2,000,000	29 Nov 2024	29 Nov 2024	10 Sep 2029	\$0.06	\$0.028
Andrew Haythorpe	2,000,000	29 Nov 2024	29 Nov 2024	10 Sep 2029	\$0.06	\$0.028
Gavin Ball	2,000,000	29 Nov 2024	29 Nov 2024	10 Sep 2029	\$0.06	\$0.028

Options granted carry no dividend or voting rights.

All options were granted over unissued fully paid ordinary shares in the company. Options are exercisable by the holder as from the vesting date. There has not been any alteration to the terms or conditions of the grant since the grant date. There are no amounts paid or payable by the recipient in relation to the granting of such options other than on their potential exercise.

Values of options over ordinary shares granted, exercised and lapsed for directors and other key management personnel as part of compensation during the year ended 30 June 2025 are set out below:

Name	Value of options granted during the year	Value of options exercised during the year	Value of options lapsed during the year	Remuneration consisting of options for the year
	\$	\$	\$	%
Campbell Smyth	56,620	-	-	56%
Andrew Haythorpe	56,620	-	-	38%
Gavin Ball	56,620	-	-	69%

Performance Rights

On 12 December 2024 the Company issued 13,500,000 performance rights to Simon Finnis in 5 tranches with varying vesting conditions and periods as detailed below:

	Class A	Class B	Class C	Class D	Class E
Grant Date	29 Nov 2024	29 Nov 2024	29 Nov 2024	29 Nov 2024	29 Nov 2024
Vesting Date	31 Jul 2025	31 Jul 2026	31 Jul 2027	31 Jul 2029	31 Jul 2029
Vesting Period (yrs)	0.89	1.89	2.89	4.89	4.89
Option Life (yrs)	5.00	5.00	5.00	5.00	5.00
Spot Price (\$)	0.04	0.04	0.04	0.04	0.04
Exercise Price (\$)	0.00	0.00	0.00	0.00	0.00
Expected Future Volatility	100%	100%	100%	100%	100%



	Class A	Class B	Class C	Class D	Class E
Risk Free Rate	3.55%	3.55%	3.55%	3.55%	3.55%
Vesting Conditions	Completion of a pre-feasibility study, update Heritage and Cultural studies, and upgrade any Company Resource to 150Mt in Indicated category	Complete a Feasibility Study to acquire 100% of any Project with Capex < \$150M for 10Mtpa project	Achieve Final Investment Decision, complete financing, and complete detailed design and FEED engineering	Complete construction and commissioning to 90% design capacity	Achieve a share price of \$0.40 or greater, or a market capitalisation of \$50m or greater, and maintain it for a period of 12 months
Amount Issued	2,500,000	2,000,000	2,000,000	3,000,000	4,000,000
Fair Value per Performance Right (\$)	0.0343	0.0288	0.0242	0.0171	0.0084
Total fair value (\$)	85,643	57,552	48,344	51,167	33,615
Amount expensed in the period (\$)	-	-	10,611*	6,418*	4,217

*As at 30 June 2025, the Board has assessed that the vesting conditions for Performance Rights in Classes C to D are more likely than not to be satisfied and, accordingly, the associated expense has been recognised in the current period.

The performance conditions were selected as they align the interests of the Managing Director with the key drivers of shareholder value creation, namely the advancement of the Company's mineral projects through study, financing, construction and production phases, as well as achieving sustained market recognition of value through share price and market capitalisation targets.

The methods for assessing whether performance conditions have been satisfied are designed to be objective and independently verifiable. Study and project development milestones (Pre-Feasibility Study, Feasibility Study, Final Investment Decision, construction and commissioning) will be assessed by reference to the completion of independent JORC-compliant reports, regulatory lodgements, financing documentation and project engineer certifications. Resource upgrades will be determined by Competent Person reports prepared under the JORC Code. Market-based conditions relating to share price and market capitalisation will be assessed by reference to the Company's VWAP on the ASX over the required period. These methods were selected as they are consistent with market practice, transparent, and provide a clear link between executive reward and creation of shareholder value.

The Board reviews the remuneration packages of all key management personnel on an annual basis. The maximum remuneration of non-executive Directors is to be determined by Shareholders at a general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable.

Additional disclosures relating to key management personnel

Shareholding

The number of ordinary shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

Name	Balance at beginning of the year or appointment	Granted as remuneration	Other changes	Balance at Resignation	Balance at the end of the year
Campbell Smyth ⁽ⁱ⁾	3,614,219	-	1,000,000	4,614,219	-
Simon Finnis ⁽ⁱⁱ⁾	500,000	-	700,000	-	1,200,000
Peter Secker ⁽ⁱⁱⁱ⁾	1,541,666	-	770,833	-	2,312,499
Andrew Haythorpe ^(iv)	11,599,820	-	6,750,180	18,350,000	-
Gavin Ball ^(v)	12,243,749	-	375,000	12,243,749	375,000
Mark Lester ^(vi)	3,665,465	500,000	-	4,165,465	-

- (i) Campbell Smyth holds all his shares jointly with Ann Novello Hogarth <Smyth Super Fund A/C> in which he is a member.
- (ii) Simon Finnis holds all his shares jointly with Hayley Finnis <Finnis Super Fund A/C> in which he is a member.
- (iii) Peter Secker holds all of his shares in the name of TST Com Pty Ltd <Secker Super Fund A/C> in which he is a member.
- (iv) Andrew Haythorpe holds 17,250,000 shares in the name of Tesha Pty Ltd <Nimrod Trust A/C> in which he is a director and beneficiary and 1,100,000 shares in the name of Ouro Pty Ltd, a company in which he is a Director and beneficial shareholder.
- (v) Gavin Ball holds all his shares in the name of Vorian Investment (Holdings) Pty Ltd <Vorian Investment Trust A/C> in which he is a director and beneficiary
- (vi) Mark Lester holds all his shares in the name of MAL Super Fund Pty Ltd <MAL Superannuation Fund A/C> in which he is a director of the trustee company and a member of the Fund.

Option holding

The number of unlisted options over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

Name	Balance at beginning of the year	Granted as remuneration	Exercised	Expired/ Forfeited	Balance at Resignation	Balance at the end of the year
Campbell Smyth ⁽ⁱ⁾	-	2,000,000	-	-	2,000,000	-
Andrew Haythorpe ⁽ⁱⁱ⁾	-	2,000,000	-	-	2,000,000	-
Gavin Ball ⁽ⁱⁱⁱ⁾	-	2,000,000	-	-	2,000,000	-

- (i) Campbell Smyth holds all his options jointly with Ann Novello Hogarth <Smyth Super Fund A/C> in which he is a member.
- (ii) Andrew Haythorpe holds all his options in the name of Tesha Pty Ltd <Nimrod Trust A/C> in which he is a director and beneficiary
- (iii) Gavin Ball holds all his options in the name of Vorian Investment (Holdings) Pty Ltd <Vorian Investment Trust A/C> in which he is a director and beneficiary

Performance rights

The number of performance rights over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

Name	Balance at beginning of the year or appointment	Granted as remuneration during the year	Exercised during the year	Forfeited during the year	Balance at the end of the year
Campbell Smyth	1,000,000	-	-	(1,000,000)	-
Simon Finnis	-	13,500,000	-	-	13,500,000

There have been no other transactions involving equity instruments apart from those described in the tables above relating to options, rights and shareholding.

Other Transactions with KMP and/or their Related Parties

There were no other transactions conducted between the Company and key management personnel or their related parties, apart from those disclosed above relating to equity and compensation, that were conducted other than in accordance with normal employee, customer or supplier relationships on terms no more favourable than those reasonably expected under arm's length dealings with unrelated persons.

END OF REMUNERATION REPORT



Non-Audit Services

During the year there were no non-audit services provided by SW Audit nor its related entities.

Auditor's Independence Declaration

The auditor's independence declaration as required under s307C of the *Corporations Act 2001* has been received and can be found on page 22.

Signed on 25 September 2025 in accordance with a resolution of the Board, made pursuant to Section 298(2) of the *Corporations Act 2001*.

On behalf of the Directors:

A handwritten signature in blue ink, appearing to read 'S. Finnis', positioned above a horizontal line.

Simon Finnis
Managing Director

For personal use only

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE
CORPORATIONS ACT 2001 TO THE DIRECTORS OF MCLAREN MINERALS
LIMITED**

As lead auditor, I declare that, to the best of my knowledge and belief, during the year ended 30 June 2025 there have been:

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

SW

SW Audit
Chartered Accountants



Matthew Hingeley
Partner

Perth, 29 September 2025

Brisbane
Level 15
240 Queen Street
Brisbane QLD 4000
T + 61 7 3085 0888

Melbourne
Level 10
530 Collins Street
Melbourne VIC 3000
T + 61 3 8635 1800

Perth
Level 18
197 St Georges Terrace
Perth WA 6000
T + 61 8 6184 5980

Sydney
Level 7, Aurora Place
88 Phillip Street
Sydney NSW 2000
T + 61 2 8059 6800



McLaren Minerals Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2025



McLAREN
 MINERALS

	Notes	2025 \$	2024 \$
Interest income		8,845	80,795
Other income		7,953	2,158
Total income		16,798	82,953
Professional services		(128,395)	(60,943)
Corporate advisory		(238,221)	(238,451)
Directors' fees		(446,501)	(276,000)
Company secretarial		(64,223)	(62,100)
Marketing and shareholder communications		(154,093)	(113,863)
Employee benefits		(43,437)	(146,991)
Exploration and evaluation expense		(903,166)	(194,058)
Share based payments	15	(173,470)	(139,675)
Occupancy		(11,804)	(7,198)
Finance costs		(5,874)	(7,580)
Depreciation and amortisation		(49,878)	(47,217)
Administration		(167,456)	(212,690)
Total expenses		(2,386,518)	(1,506,766)
Loss before income tax		(2,369,720)	(1,423,813)
Income tax expense	4	-	-
Loss for the year		(2,369,720)	(1,423,813)
Other comprehensive income, net of tax		-	-
Total comprehensive loss for the year		(2,369,720)	(1,423,813)
Loss per share			
Basic and diluted loss per share (cents)	25	(2.05)	(1.68)

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



	Notes	2025 \$	2024 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	304,781	1,179,810
Receivables	7	49,645	41,125
Other current assets	8	58,417	74,351
TOTAL CURRENT ASSETS		412,843	1,295,286
NON-CURRENT ASSETS			
Other non-current assets	8	-	45,705
Mineral exploration and evaluation	9	2,699,958	1,618,755
Plant and equipment	10	12,088	21,531
Right of use assets	11	-	120,012
TOTAL NON-CURRENT ASSETS		2,712,046	1,806,003
TOTAL ASSETS		3,124,889	3,101,289
LIABILITIES			
Trade and other payables	12	125,592	96,706
Employee benefit provision	13	15,804	14,018
Lease liabilities	11	-	39,653
Unissued shares		52,502	-
TOTAL CURRENT LIABILITIES		193,898	150,377
NON-CURRENT LIABILITIES			
Lease liabilities	11	-	84,208
Employee benefit provision	13	-	6,199
TOTAL NON-CURRENT LIABILITIES		-	90,407
TOTAL LIABILITIES		193,898	240,784
NET ASSETS		2,930,991	2,860,505
EQUITY			
Issued capital	14	8,546,420	6,218,184
Reserves	15	752,980	641,010
Accumulated losses		(6,368,409)	(3,998,689)
TOTAL EQUITY		2,930,991	2,860,505

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

McLaren Minerals Limited
Statement of Changes in Equity
For the year ended 30 June 2025



McLAREN
 MINERALS

	Issued Capital \$	Share Based Payment Reserve \$	Accumulated Losses \$	Total \$
Balance 1 July 2024	6,218,184	641,010	(3,998,689)	2,860,505
Loss for the period	-	-	(2,369,720)	(2,369,720)
Total comprehensive loss for the period	-	-	(2,369,720)	(2,369,720)
Share based payments	-	173,470	-	173,470
Issue of employee shares	61,500	(61,500)	-	-
Issue of shares	2,266,736	-	-	2,266,736
Balance 30 June 2025	8,546,420	752,980	(6,368,409)	2,930,991
Balance 1 July 2023	6,218,184	501,335	(2,574,876)	4,144,643
Loss for the period	-	-	(1,423,813)	(1,423,813)
Total comprehensive loss the period	-	-	(1,423,813)	(1,423,813)
Share based payments	-	139,675	-	139,675
Balance 30 June 2024	6,218,184	641,010	(3,998,689)	2,860,505

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

McLaren Minerals Limited
Statement Of Cash Flows
For the year ended 30 June 2025



McLAREN
 MINERALS

	Notes	2025 \$	2024 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest received		8,845	92,506
Other receipts		-	2,158
Payments to suppliers and employees		(1,223,276)	(1,223,148)
Net cash flows used in operating activities	20	(1,214,431)	(1,128,484)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(2,735)	(9,420)
Payments for tenement and exploration costs		(1,937,768)	(817,988)
Net cash flows used in investing activities		(1,940,503)	(827,408)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liabilities		(39,333)	(43,886)
Proceeds from issue of shares and exercise of options		2,410,350	-
Proceeds received for shares not yet issued		52,502	-
Capital Raising costs		(143,614)	-
Net cash flows used in financing activities		2,279,905	(43,886)
Net (decrease) in cash and cash equivalents		(875,029)	(1,999,778)
Cash and cash equivalents at beginning of the financial year		1,179,810	3,179,588
Cash and cash equivalents at the end of the financial year	6	304,781	1,179,810

The above Statement of Cashflows should be read in conjunction with the accompanying

Note 1: Material accounting policy information

The accounting policies that are material to the consolidated entity are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 26.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of McLaren Minerals Limited ('company' or 'parent entity') as at 30 June 2025 and the results of all subsidiaries for the year then ended. McLaren Minerals Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity 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 to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

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

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation

The financial statements are presented in Australian dollars, which is McLaren Minerals Limited's functional and presentation currency.

Note 1: Material accounting policy information (continued)

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

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

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

The Company and its subsidiaries have not elected to form an income tax consolidated group. Accordingly, each entity continues to account for its own current and deferred tax amounts in accordance with the requirements of AASB 112 Income Taxes.

Current tax liabilities (or assets) are measured at the amount expected to be paid to (or recovered from) the taxation authorities, based on the applicable income tax rates enacted or substantively enacted at reporting date. Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are realised or liabilities are settled, except where the deferred tax asset arises from unused tax losses and credits, which are recognised only to the extent that it is probable that future taxable profits will be available against which the losses can be utilised.

Note 1: Material accounting policy information (continued)

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Note 1: Material accounting policy information (continued)

Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Computer equipment	4 years
Office equipment	5-10 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Exploration and evaluation assets

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Note 1: Material accounting policy information (continued)

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Provisions

Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Note 1: Material accounting policy information (continued)

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Note 1: Material accounting policy information (continued)

Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Dividends

Dividends are recognised when declared during the financial year and no longer at the discretion of the company.

Earnings per share

Basic earnings per share

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

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes

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

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

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

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Rounding of amounts

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Note 1: Material accounting policy information (continued)

Going Concern

At 30 June 2025, the consolidated entity made an operating loss of \$2,369,720 before tax and has operating cash outflows of \$1,214,431. Whilst the above factors exist, the Directors believe the going concern assumption is appropriate at the date of signing the directors report based on the following circumstances:

- On 5 August 2025 the Company completed the second tranche of placements, issuing 30,554,691 shares to raise \$687,481 before costs, providing funding for the next phase of the McLaren Project and
- The directors have prepared a cash flow forecast which includes a requirement to raise additional capital during the forecast period.
- The directors are confident that they will be able to raise further sufficient funds to continue to fund its planned activities on the McLaren Project as well as meet its statutory and administrative costs.
- The directors have assessed their underlying cash flow forecast and have expenditure they can reduce to ensure the Company's cash flows can be extended, but would be at the detriment of operating the Company's primary business model of the exploration of its current tenements.

In the event that the Directors are unable to raise sufficient funding in FY2026 to meet their planned exploration, statutory and administrative costs there is a material uncertainty related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern, and therefore that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 31 December 2024. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 18 Presentation and Disclosure in Financial Statements

This standard is applicable to annual reporting periods beginning on or after 1 January 2027 and early adoption is permitted. The standard replaces IAS 1 'Presentation of Financial Statements', with many of the original disclosure requirements retained and there will be no impact on the recognition and measurement of items in the financial statements. But the standard will affect presentation and disclosure in the financial statements, including introducing five categories in the statement of profit or loss and other comprehensive income: operating, investing, financing, income taxes and discontinued operations. The standard introduces two mandatory sub-totals in the statement: 'Operating profit' and 'Profit before financing and income taxes'. There are also new disclosure requirements for 'management-defined performance measures', such as earnings before interest, taxes, depreciation and amortisation ('EBITDA') or 'adjusted profit'. The standard provides enhanced guidance on grouping of information (aggregation and disaggregation), including whether to present this information in the primary financial statements or in the notes. The consolidated entity will adopt this standard from 1 January 2027 and it is expected that there will be a significant change to the layout of the statement of profit or loss and other comprehensive income.

Note 2: Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Note 2: Critical accounting judgements, estimates and assumptions (continued)

Share-based payment transactions

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity. Refer to note 15 for further information.

Performance Rights with Non-Market Conditions

The consolidated entity has issued performance rights under its share-based payment arrangements that are subject to non-market vesting. In accordance with AASB 2 Share-based Payment, the consolidated entity is required to estimate the probability of the performance rights vesting in order to determine the share-based payment expense recognised in the financial statements.

The determination of the probability of vesting requires management to apply significant judgement. This includes evaluating factors such as:

- The expected achievement of specific non-market performance milestones or operational targets, and
- The likelihood of meeting specified conditions within the vesting period.

These judgements are inherently subjective and may involve complex considerations, particularly where future performance or achievement is uncertain.

The share-based payment expense for the reporting period was calculated based on management's best estimate of the probability of vesting as at the reporting date. Actual outcomes may differ from these estimates, which could result in a material adjustment to the expense recognised in future periods.

Deferred consideration on acquisition of the McLaren Project

As part of the acquisition of the McLaren and Eucla West Mineral Sands Project completed on 13 August 2024, the consideration included the issue of options and shares subject to project milestone achievements. Specifically, these comprise:

- 2,000,000 options exercisable at \$0.20 within five years of issue, vesting upon completion of a Bankable Feasibility Study and ilmenite concentrate sales exceeding US\$500/t;
- 4,241,571 shares to be issued upon completion of the Pre-Feasibility Study; and
- 4,300,583 shares to be issued upon completion of a Feasibility Study.

Management assessed that these instruments are subject to non-market vesting conditions, being contingent upon future technical milestones and project outcomes. At acquisition date, no amounts were recognised for these instruments as the vesting conditions had not been met and the probability of achieving those conditions could not be reliably determined.

The recognition of these deferred consideration instruments requires judgement as to the likelihood of achieving the milestones. Management will continue to assess the probability of vesting at each reporting date, with recognition of the deferred consideration only occurring when the relevant milestones are achieved.

Fair value measurement hierarchy

The consolidated entity is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

Note 2: Critical accounting judgements, estimates and assumptions (continued)

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs. Refer to note 21 for further information.

Estimation of useful lives of assets

The consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Income tax

The consolidated entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The consolidated entity recognises liabilities for anticipated tax audit issues based on the consolidated entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if the consolidated entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Incremental borrowing rate

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

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Exploration and evaluation costs

Exploration and evaluation costs have been capitalised on the basis that the consolidated entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

Note 3: Operating segments

Identification of reportable operating segments

The Chief Operating Decision Makers (CODM) of the consolidated entity are the executive management team and the Board of Directors. All information reported to the CODM is based on the consolidated results of the consolidated entity as one operating segment, as the consolidated entity's activities relate solely to mineral exploration.

The Group's exploration activities currently include:

- McLaren Mineral Sands Project (Eucla West, WA)
- Sparkler Silica Sand Project (Unicup, WA)
- Pink Bark and Dune Buggy Projects (WA)

While the Company receives separate internal reports for each of these projects, they have been aggregated into one reporting segment because management considers that they have similar economic characteristics and are all in the exploration and evaluation phase.

The measures of profit or loss, total assets and liabilities for this reportable segment are the same as those presented in the Consolidated Statement of Profit or Loss and Other Comprehensive Income and the Consolidated Statement of Financial Position.

Note 4: Income Tax

	2025	2024
	\$	\$
(a) Income Tax Expense		
The prima facie income tax expense on pre-tax accounting loss from operations reconciles to the income tax expense as follows:		
Loss from continuing operations before tax	(2,369,720)	(1,423,813)
Income tax benefit calculated at 30% (2024: 30%)	(710,916)	(427,144)
Non-deductible expenses	56,950	44,621
Temporary differences not brought to account as a deferred tax asset	(425,649)	(196,379)
Unrecognised tax losses	1,079,615	578,902
Income tax benefit at effective rate of 0% (2024: 0%)	-	-
(b) Deferred Tax Liabilities		
Exploration and evaluation	955,359	451,113
Prepayments	9,415	9,568
Other	5,725	42,463
Deferred tax liabilities	970,499	503,145
(c) Deferred Tax Assets		
Temporary differences	137,252	167,226
Recognised revenue tax losses	833,247	335,918
Recognised deferred tax assets	970,499	503,145



Note 4: Income Tax (continued)

The deferred tax assets and deferred tax liabilities are recognised and fully offset.

Deferred tax assets not recognised

Unrecognised revenue tax losses	5,656,673	3,619,674
Tax effect of deferred tax assets not recognised 30% (2024: 30%)	1,697,002	1,085,902

The revenue tax losses do not expire, however, the taxation benefit of the tax losses will only be obtained if:

- (i) assessable income is derived of a nature and of an amount sufficient to enable the benefits to be realised;
- (ii) conditions for deductibility imposed by the law are complied with; and
- (iii) no changes in tax legislation adversely affect the realisation of the benefit from the deductions

The net deferred tax asset arising from the tax losses has not been recognised as an asset in the Statement of Financial Position because recovery is not probable.

Note 5: Key Management Personnel Compensation

The compensation paid to Key Management Personnel of the Company is set out below. Please refer to the Remuneration Report in the Directors' Report for further information:

	2025 \$	2024 \$
Short-term benefits	460,899	360,000
Post-employment benefits	1,858	9,240
Share-based payments	148,291	44,984
	611,048	414,224

Note 6: Cash and Cash Equivalents

	2025 \$	2024 \$
Cash at bank	252,279	1,179,810
Restricted cash*	52,502	-
	304,781	1,179,810

*Cash received during the year for placement shares that have not been issued at period end.

Note 7: Receivables

	2025 \$	2024 \$
Current		
<i>Financial assets at amortised cost</i>		
Sundry debtors	46,392	6,497
GST refundable	3,253	34,628
	49,645	41,125

The carrying amounts of trade and other receivables are assumed to be the same as their fair values, due to their short-term nature. There is no expected credit loss.

Note 8: Other Assets

	2025	2024
	\$	\$
<i>Current</i>		
Prepayments	31,382	31,893
Other assets	-	42,458
Security deposit – Office lease rental	27,035	-
	58,417	74,351

Other assets represent non-license application costs incurred on mineral exploration tenements, still in the process of being granted at balance date.

	2025	2024
	\$	\$
<i>Non-current</i>		
Prepayments	-	18,670
Security deposit – Office lease rental	-	27,035
	-	45,705

Note 9: Mineral Exploration and Evaluation

	2025	2024
	\$	\$
Non-current		
Mineral exploration and evaluation costs	2,699,958	1,618,755
<i>Exploration and evaluation phase</i>		
Movement:		
Opening balance exploration and evaluation	1,618,755	890,366
Exploration and evaluation capitalised in the period	1,832,074	790,154
Capitalised exploration and evaluation written off in the period*	(750,871)	(61,765)
Closing balance exploration and evaluation	2,699,958	1,618,755

*This excludes exploration and evaluation costs that are expensed directly to the statement of comprehensive income as they do not meet the capitalisation requirements under AASB 6.

The Company's title to certain tenements is subject to statutory approval and may be subject to outcomes of Native Title Issues. The recoupment of costs carried forward in relation to areas of interest in exploration and evaluation phase is dependent on the successful development and commercial exploitation or sale of the respective area.



Note 10: Plant and Equipment

	2025	2024
	\$	\$
Non-Current		
Office equipment	3,376	3,596
Accumulated depreciation	(750)	(1,297)
	2,626	2,299
Computers	18,492	20,837
Accumulated depreciation	(13,089)	(9,661)
	5,403	11,176
Furniture	-	3,379
Accumulated depreciation	-	(590)
	-	2,789
Plant and equipment - exploration	6,041	6,041
Accumulated depreciation	(1,982)	(774)
	4,059	5,267
Total Plant and Equipment	12,088	21,531

Reconciliation of the written down values at the beginning and end of the current financial year are set out below:

	Office Equipment	Furniture	Plant & Equipment	Computers	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2024	2,299	2,789	5,267	11,176	21,531
Additions	3,190	-	-	-	3,190
Depreciation expense	(1,144)	(670)	(1,208)	(4,975)	(7,997)
Disposals	(1,719)	(2,119)	-	(798)	(4,636)
Balance at 30 June 2025	2,626	-	4,059	5,403	12,088

During the year there have been no impairment charges against plant and equipment (2024: \$NIL)

The consolidated entity has no capital commitments in relation to plant and equipment at 30 June 2025 (2024: \$NIL).

Note 11: Leases

	2025	2024
	\$	\$
Right-of-use assets		
<i>Buildings at Cost</i>		
At 1 July	160,461	160,461
Additions	-	-

Note 11: Leases (continued)

Disposals	(160,461)	-
At 30 June	-	160,461
Accumulated depreciation		
At 1 July	(40,449)	(334)
Charge for the year	(41,603)	(40,115)
Disposal	82,052	-
At 30 June	-	(40,449)
Carrying amount at 30 June	-	120,012

The consolidated entity leased an office building. The lease term is 2 years plus an additional 2-year option. The agreement is based on fixed payment amounts with no additional variable payments. On 26 June 2025 the lease was terminated and the right of use asset was written down to nil.

The total cash outflow relating to the lease for the year ended 30 June 2025 is \$45,207 (2024: \$43,886).

	2025	2024
	\$	\$
Amounts recognised in profit and loss:		
Depreciation expense on right-of-use assets	41,603	40,115
Interest expense on lease liabilities	5,874	7,580

	2025	2024
	\$	\$
Lease Liabilities		
Current	-	39,653
Non-current	-	84,208

The maturity analysis of lease liabilities is as follows:

Less than 1 year	-	39,653
More than 1 year, less than 5 years	-	84,208
Total discounted payments	-	123,861
Unexpired interest	-	9,997
Total lease payments	-	133,858

Note 12: Trade and Other Payables	2025	2024
	\$	\$
Current		
<i>At amortised cost</i>		
Trade and other payables	125,592	96,706
	125,592	96,706

Note 13: Employee benefit provision

	2025	2024
	\$	\$
Current		
Provision for annual leave	15,804	14,018
Non-Current		
Provision for long service leave	-	6,199

Note 14: Issued Capital

	2025 Shares	2024 Shares	2025 \$	2024 \$
Issued capital	<u>160,385,058</u>	<u>84,511,665</u>	<u>8,546,420</u>	<u>6,218,184</u>

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1-Jul-24	84,511,665		6,218,184
Issue of shares to staff and CFO	01-Jul-24	1,500,000	\$0.041	61,500
Placement at \$0.04 per share	13-Aug-24	7,750,000	\$0.040	310,000
Entitlement Offer	29-Nov-24	9,428,362	\$0.035	329,993
Issue of shares to Directors	12-Dec-24	875,000	\$0.040	35,000
Entitlement Offer	13-Jan-25	20,582,588	\$0.035	720,391
Entitlement Offer	10-Feb-25	16,869,910	\$0.035	590,447
Placement at \$0.0225 per share	18-Jun-25	18,867,533	\$0.023	424,519
Capital raising cost				(143,614)
Balance	30-Jun-25	<u>160,385,058</u>		<u>8,546,420</u>

Note 15: Reserves

Share Based Payment Reserve

The reserve is used to recognise the value of equity benefits provided to employees and Directors as part of their remuneration, and other parties as part of their compensation for services, or for the acquisition of projects.

During the period, the movement in the share-based payment reserve consisted of the following:

	2025	2024
	\$	\$
Opening balance	641,010	501,335
Share based payments recognised in profit and loss	276,772	139,675
Performance rights forfeited in the period recognised in profit and loss	(103,302)	-

Note 15: Reserves (continued)

Transfer to issued capital	(61,500)	-
Closing balance	752,980	641,010

1,750,002 performance rights that were issued on 29 November 2022 were forfeited in the period due to cessation of employment with the consolidated entity. The cumulative expenses relating to these performance rights have been reversed in the current year.

Performance Rights:

Set out below are summaries of performance rights granted by the Company as share-based payments. There are vesting conditions associated with each of these securities that must be met within the specified time period prior to exercising. Each performance right entitles the holder, on exercise, to one ordinary fully paid share in the Company:

Performance rights	Grant date	Balance at 30 June 2024	Granted	Exercised	Lapsed/ forfeited	Balance at 30 June 2025
Employee incentive	29-Nov-22	3,000,000	-	-	(1,750,000)	1,250,000
MD incentive	29-Nov-24	-	13,500,000	-	-	13,500,000
		<u>3,000,000</u>	<u>13,500,000</u>	<u>-</u>	<u>(1,750,000)</u>	<u>14,750,000</u>

On 12 December 2024 the Company issued 13,500,000 performance rights to Simon Finnis in 5 tranches with varying vesting conditions and periods as detailed below:

	Class A	Class B	Class C	Class D	Class E
Grant Date	29 Nov 2024	29 Nov 2024	29 Nov 2024	29 Nov 2024	29 Nov 2024
Vesting Date	31 Jul 2025	31 Jul 2026	31 Jul 2027	31 Jul 2029	31 Jul 2029
Vesting Period (yrs)	0.89	1.89	2.89	4.89	4.89
Option Life (yrs)	5.00	5.00	5.00	5.00	5.00
Spot Price (\$)	0.04	0.04	0.04	0.04	0.04
Exercise Price (\$)	0.00	0.00	0.00	0.00	0.00
Expected Future Volatility	100%	100%	100%	100%	100%
Risk Free Rate	3.55%	3.55%	3.55%	3.55%	3.55%
Vesting Conditions	Completion of a pre-feasibility study, update Heritage and Cultural studies, and upgrade any Company Resource to 150Mt in Indicated category	Complete a Feasibility Study to acquire 100% of any Project with Capex < \$150M for 10Mtpa project	Achieve Final Investment Decision, complete financing, and complete detailed design and FEED engineering	Complete construction and commissioning to 90% design capacity	Achieve a share price of \$0.40 or greater, or a market capitalisation of \$50m or greater, and maintain it for a period of 12 months
Amount Issued	2,500,000	2,000,000	2,000,000	3,000,000	4,000,000

Note 15: Reserves (continued)

	Class A	Class B	Class C	Class D	Class E
Fair Value per Performance Right (\$)	0.0343	0.0288	0.0242	0.0171	0.0084
Total fair value (\$)	85,643	57,552	48,344	51,167	33,615
Amount expensed in the period (\$)	-	-	10,611	6,418	4,217

As at 30 June 2025, the Board has assessed that the vesting conditions for Performance Rights in Classes C to D are more likely than not to be satisfied and, accordingly, the associated expense has been recognised in the current period.

Options

Set out below are summaries of options granted by the Company. There are no vesting conditions associated with these options so are all exercisable from grant date. Each option entitles the holder, on exercise, to one ordinary fully paid share in the Company:

Grant date	Expiry date	Exercise price	Balance at 1 July 2024	Granted	Exercised	Expired/ forfeited/ other	Balance at 30 June 2025
2-May-22	2-Nov-25	\$0.25	5,000,000	-	-	-	5,000,000
29-Nov-24	12-Dec-29	\$0.06	-	7,000,000	-	-	7,000,000
			<u>5,000,000</u>	<u>7,000,000</u>	<u>-</u>	<u>-</u>	<u>12,000,000</u>

The weighted average remaining contractual life of these options outstanding at the end of the financial year was 2.75 years (30 June 2024: 1.3 years) and the weighted average exercise price was \$0.13 (30 June 2024: \$0.25).

On 12 December 2024 the Company issued 6,000,000 options to Directors (2,000,000 each to Andrew Haythorpe, Campbell Smyth and Gavin Ball) and 1,000,000 options to the company secretary after approval at the AGM and in accordance with the ASX announcement. The options were issued for nil consideration with an exercise price of \$0.06 and an expiry date of 12 December 2029.

The fair value of options was calculated using the Black Scholes model and the following inputs were used:

Input	Options
Exercise price	\$0.06
Share price	\$0.04
Grant date	29-Nov-24
Vesting date	29-Nov-24
Expected volatility	100%
Volatility basis	Historical
Expiry date	12-Dec-29
Expected dividends	Nil
Risk free rate	3.55%
Value per option	\$0.028
Number of options	7,000,000
Value of options	\$198,170
Expensed to 30 June 2025	\$198,170

Note 16: Non-Cash Investing and Financing Activity

	2025	2024
	\$	\$
Share based payment expense	225,712	139,675
Capitalised exploration and evaluation written off in the period	750,871	61,765

Note 17: Capital Commitments

Exploration Expenditure Commitments:

The Company has minimum statutory commitments as at 30 June 2025 as conditions of tenure of certain granted exploration tenements of:

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
Minimum expenditure commitments	547,843	251,000	-	555,847	-	-	547,843	806,847

At 30 June 2025, there are no tenement purchase commitments by the Company.

Note 18: Contingent Liabilities and Contingent Assets

Under the McLaren acquisition, the Group agreed to:

- Issue deferred equity and options contingent on project milestones (PFS and FS for shares; BFS plus a commodity price hurdle for options).
- Grant a 1.5 percent production royalty to the vendors.

These arrangements are contingent on future milestones and production outcomes. As at 30 June 2025, the conditions had not been fulfilled; therefore, no liabilities or assets have been recognised. Nonetheless, the arrangements are material and are disclosed below. Recognition will occur only upon milestone achievement (or when the royalty obligation becomes payable under the terms of the acquisition).

The key terms and fair value assessments of the deferred consideration and royalty obligation are summarised below:

	Deferred consideration - Stage 2 shares	Deferred consideration - Stage 3 shares	Deferred consideration - Options	Royalty obligation
Instrument and key terms	4,241,571 Stage 2 shares	4,300,583 Stage 3 shares	2,000,000 options, exercise price \$0.20, expiry 8 Aug 2029	1.5 percent royalty payable to vendors
Milestone/condition type	Completion of PFS meeting specified cost and NPV criteria	Completion of FS to the Company's satisfaction	BFS completion and ilmenite price $\geq$ US\$500/t	Payable on future production
Condition classification	Non-market condition	Non-market condition	Non-market conditions	Non-market condition
Valuation approach and key inputs	Quoted market price method using \$0.04 per share at valuation date	Quoted market price method using \$0.04 per share at valuation date	Trinomial model; value per option \$0.021 before probability;	Not valued for recognition at acquisition;

	Deferred consideration - Stage 2 shares	Deferred consideration - Stage 3 shares	Deferred consideration - Options	Royalty obligation
			management assessed BFS probability 40 percent and commodity price condition nil percent given forecasts	contingent on future production
Fair value estimate at 8 Aug 2024	\$102,038	\$86,012	Nil due to nil probability for commodity price condition	Nil
Probability assumptions used	60% probability of PFS milestone	50% probability of FS milestone	40% BFS; 0% commodity price	N/A (contingent on production)
Recognition status at 30 Jun 2025	Not recognised as milestone not achieved	Not recognised as milestone not achieved	Not recognised as milestone not achieved	Not recognised - no production to trigger royalty

There are no further contingent liabilities and contingent assets noted by the management. (2024: \$nil)

Note 19: Events after the Reporting Period

No matters or circumstances have arisen since the end of the financial year that significantly affect, or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years except as follows:

On 12 June 2025 the Company announced that it received firm commitments to raise approximately \$1,282,000 (before costs) through the issuance of 59,977,778 ordinary shares at \$0.0225 per share, which included 1:1 free attaching options with an exercise price of \$0.035 expiring 30 months from the date of issue. On 19 June 2025, 18,867,533 shares were issued (Tranche 1) for \$424,519. On 5 August 2025, the Company completed Tranche 2 of the placement, issuing 30,554,691 shares for \$687,481, and issued the free attaching options for both tranches. The options are exercisable at \$0.035 and expire on 5 February 2028.

Note 20: Cash Flow Information

Reconciliation of cash flows from operating activities with loss for the year

	2025 \$	2024 \$
Net loss	(2,369,720)	(1,423,813)
Non-cash expenses:		
Share based payment expense	173,470	139,675
Capitalised exploration and evaluation written off in the period	903,166	61,765
Depreciation and amortisation	49,878	47,217
Loss on disposal of asset	3,685	-
Termination of Lease	(123,861)	-
Changes in assets and liabilities:		
Movement in trade and other receivables	(8,520)	22,025
Movement in other current assets	61,639	33,870

Movement in lease liabilities	123,861	43,886
Movement in provision for employee entitlements	(4,413)	11,017
Movement in trade and other payables	28,886	(64,126)
Movement in unissued shares liability	(52,502)	-
Net cash used in operating activities	(1,214,431)	(1,128,484)

Note 21: Financial Risk Management

The Company's financial instruments consist mainly of deposits with banks; accounts receivable and payable; and loans made to related parties and investment loans.

The totals for each category of financial instruments measured in accordance with *AASB 9: Financial Instruments* as detailed in the accounting policies, are as follows:

	2025	2024
	\$	\$
FINANCIAL ASSETS		
Cash and cash equivalents	304,781	1,179,810
Trade and other receivables	49,645	41,125
	<u>354,426</u>	<u>1,220,935</u>
FINANCIAL LIABILITIES		
Trade and other payables	125,592	96,706
Lease liabilities	-	123,861
	<u>125,592</u>	<u>220,567</u>

Financial assets and financial liabilities are at amortised cost.

Note 21: Financial Risk Management (continued)

Financial Risk Management Policies

The Board's overall risk management strategy seeks to assist the Company in meeting its financial targets, while minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the Board on a regular basis. These include the credit risk policies and future cash flow requirements. Senior executives meet on a regular basis to analyse financial risk exposure in the context of the most recent economic conditions and forecasts.

Specific Financial Risk Exposures and Management

The main risks the Company is exposed to through its financial instruments are credit risk, liquidity risk, and market risk relating to interest rate risk and other price risk. There have been no substantive changes in the types of risks the Company is exposed to, how these risks arise, or the Board's objectives, policies and processes for managing or measuring the risks from the previous period.

(a) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Company. The Company's objective in managing credit risk is to minimise the credit losses incurred, mainly on trade and other receivables

Credit risk is managed through maintaining procedures that ensure, to the extent possible, that clients and counterparties to transactions are of sound credit worthiness and their financial stability is monitored

and assessed on a regular basis. Such monitoring is used in assessing receivables for impairment. Credit terms for normal fee income are generally 30 days from the date of invoice. For fees with longer settlements, terms are specified in the individual client contracts. In the case of loans advanced, the terms are specific to each loan.

Credit Risk Exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying amount and classification of those financial assets as presented in the statement of financial position.

(b) Liquidity Risk

Liquidity risk arises from the possibility that the Company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Company is not currently exposed to any significant liquidity risk on the basis that the realisable value of financial assets is significantly greater than the financial liabilities due for settlement. The Company manages its liquidity risk through the following mechanisms:

- preparing forward-looking cash flow analyses in relation to its operating, investing and financing activities;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The table below reflects an undiscounted contractual maturity analysis for non-derivative financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed.

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Note 21: Financial Risk Management (continued)

Financial liability and financial asset maturity analysis

	Note	Within 1 Year		Within 1-5 years		Total	
		2025	2024	2025	2024	2025	2024
Financials liabilities due							
Trade and other payables	12	125,592	96,706	-	-	125,592	96,706
Lease liabilities	11	-	39,653	-	84,208	-	123,861
Total expected outflows		125,592	136,359	-	84,208	125,592	220,567
Financial assets realisable							
Cash and cash equivalents	6	304,781	1,179,810	-	-	304,781	1,179,810
Trade and other receivables	7	49,645	41,125	-	-	49,645	41,125
Total anticipated inflows		354,426	1,220,935	-	-	354,426	1,220,935
Net inflows/(outflows)		228,834	1,084,576	-	(84,208)	228,834	1,000,368

(c) Market Risk

(i) Interest Rate Risk

The Company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective average interest rates in classes of financial assets and liabilities is as follows:

2025	Average Effective Interest Rate %	Fixed Interest Rate \$	Floating Interest rate \$	Non-Interest Bearing \$	Total \$
Financial Assets:					
Operating accounts		-	-	66,159	66,159
11am interest account	2.64%	-	238,622	-	238,622
Trade and other receivables		-	-	49,645	49,645
		-	238,622	115,804	354,426
Financial Liabilities:					
Accounts payable		-	-	125,592	125,592
		-	-	125,592	125,592

Note 21: Financial Risk Management (continued)

2024	Average Effective Interest Rate	Fixed Interest Rate	Floating Interest rate	Non-Interest Bearing	Total
	%	\$	\$	\$	\$
Financial Assets:					
Operating accounts		-	-	18,008	18,008
11am interest account	1.32%	-	161,802	-	161,802
Term deposits	4.65%	1,000,000	-	-	1,000,000
Trade and other receivables		-	-	41,125	41,125
		1,000,000	161,802	59,133	1,220,935
Financial Liabilities:					
Accounts payable		-	-	96,706	96,706
Lease liabilities	5.41%	123,861	-	-	123,861
		123,861	-	96,706	220,567

(ii) Commodity Price Risk

The Company is exposed to commodity price risk. Commodity prices can be volatile and are influenced by factors beyond the Company's control. As the Company is currently engaged in exploration and business development activities, no sales of commodities are forecast for the next 12 months, and accordingly, no hedging or derivative transactions have been used to manage commodity price risk.

Note 22: Fair Value Measurements

The net fair value of financial assets and financial liabilities of the Company approximates their carrying amount as presented on the statement of the financial position and in the notes to and forming part of the financial statements.

Note 23: Related Parties Transactions

Transactions between related parties are on normal commercial terms and conditions, no more favourable than those available to other parties (ie at arm's length) unless the terms and conditions disclosed below state otherwise.

Key Management Personnel Compensation

Details of Key Management Personnel compensation are disclosed in Note 4 to the financial statements.

Note 24. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by SW Audit, the auditor of the company, its network firms and unrelated firms:

	Consolidated	
	2025	2024
	\$	\$
<i>Audit services – SW Audit</i>		
Audit or review of the financial statements	41,500	47,500

Note 25: Loss per Share

	2025	2024
	Cents	Cents
Basic loss per share (cents per share)	(2.05)	(1.68)
Diluted loss per share (cents per share)	(2.05)	(1.68)

Basic Loss per Share

The earnings and weighted average number of ordinary shares used in the calculation of basic loss per share are as follows:

Loss after income tax	(2,369,720)	(1,423,813)
Weighted average number of ordinary shares	115,577,246	84,511,665
Weighted number of dilutive ordinary shares	N/A	N/A

Note 26: Parent Entity Information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2025	2024
	\$	\$
Loss after income tax	(2,369,720)	(1,423,813)
Total comprehensive loss	(2,369,720)	(1,423,813)

Statement of financial position

	Parent	
	2025	2024
	\$	\$
Total current assets	412,843	1,295,286
Total assets	3,124,889	3,101,289
Total current liabilities	193,898	150,377
Total liabilities	193,898	240,784
Equity		
Issued capital	8,546,420	6,218,184
Reserves	752,980	641,010
Accumulated losses	(6,368,409)	(3,998,689)
Total equity	<u>2,930,991</u>	<u>2,860,505</u>



Entity name	Entity type	Place formed / Country of incorporation	Ownership interest %	Tax residency
McLaren Minerals Limited	Body Corporate	Australia	100.00%	Australia
McLaren VHM Pty Ltd	Body Corporate	Australia	100.00%	Australia

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In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2025 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable;
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in blue ink, appearing to read 'Michael Arnett'.

Michael Arnett
Chairman

29 September 2025

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MCLAREN MINERALS LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of McLaren Minerals Limited (the Company) which comprises the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, consolidated entity disclosure statement and the directors' declaration.

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

- giving a true and fair view of the Company's financial position as at 30 June 2025 and of its financial performance for the year then ended, and
- complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

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

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

Material Uncertainty Regarding Going Concern

We draw attention to Note 1 in the financial report, which indicates the Company incurred a net loss of \$2,369,720 (2024: \$1,423,813) during the year ended 30 June 2025 and an operating cash outflow of \$1,214,431 (2024: \$1,128,484). As stated in Note 1, these events, along with other matters as set forth in the note, indicate that a material uncertainty exists that may cast significant doubt on the Company's inability to continue as a going concern. Our opinion is not modified in respects to this matter.

Brisbane
Level 15
240 Queen Street
Brisbane QLD 4000
T + 61 7 3085 0888

Melbourne
Level 10
530 Collins Street
Melbourne VIC 3000
T + 61 3 8635 1800

Perth
Level 18
197 St Georges Terrace
Perth WA 6000
T + 61 8 6184 5980

Sydney
Level 7, Aurora Place
88 Phillip Street
Sydney NSW 2000
T + 61 2 8059 6800



Key Audit Matters

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

In addition to the matter described in the *Material Uncertainty Related to Going Concern* section we have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matters	
Exploration and evaluation of mineral assets	How our audit addressed the key audit matter
Refer to Note 9 <i>Mineral Exploration and Evaluation</i> The company have incurred exploration costs for the McLaren project & Silica Sands Projects in Australia. An impairment review is only required if an impairment trigger is identified. Due to the nature of natural resources exploration industry, indicators of impairment include: • Expiry of exploration rights / loss of rights to tenements • No further expenditure planned • No viable discovery • Data shows project unlikely to succeed When an impairment review is triggered, management are responsible for undertaking a detailed assessment of the carrying value of the exploration costs. This assessment includes significant judgement which can materially impact the carrying value of the exploration costs, which is why it is a key area of audit focus.	Our procedures included: • Obtained the reconciliation of capitalised exploration and evaluation and agreed it to the general ledger. • Evaluated the groups accounting policy to recognise capitalised exploration expenditure against the criteria of <i>AASB 6 Exploration for and Evaluation of Mineral Resources</i>. • Conducted a detailed review of the assessment of trigger events prepared in accordance with <i>AASB 6 Exploration for and Evaluation of Mineral Resources</i> including: ◦ Determined whether the rights to tenures exist through checking ownership to government registries. ◦ Assessed ability to carry out exploration and evaluation activity in the relevant exploration area and the exploration work planned ◦ Assessed whether the carrying value of these exploration and evaluation assets are unlikely to be recovered through development or sale, and ◦ Evaluated the Company's documentation for consistency with the stated intention including: cash flow forecasts, announcements made the Australian Securities Exchange, and board minutes. • Assessed the appropriateness of the related financial statement disclosures.

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

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

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

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

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

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Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

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

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

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

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 12 to 20 of the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of McLaren Minerals Limited for the year ended 30 June 2025 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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



SW Audit

Chartered Accountants



Matthew Hingeley
Partner

Perth, 29 September 2025

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

The following information is current as at 16 September 2025:

1) Shareholding

a) Distribution of Shareholders

Category (size of holding):	Holders	Number of Shares	% of issued capital
1–1,000	15	4,365	0.00%
1,001–5,000	20	79,145	0.04%
5,001–10,000	106	1,004,278	0.51%
10,001–100,000	314	12,278,500	6.18%
100,001 and over	216	185,368,506	93.27%
	671	198,734,794	100.00%

The number of shareholdings held in less than marketable parcels is 206 holding 2,070,964 shares.

b) Distribution of Option holders

Options @ \$0.25 Expiring 2 November 2025

Category (size of holding):	Holders	Number of Options	% of issued capital
1–1,000	0	-	-
1,001–5,000	0	-	-
5,001–10,000	1	9,800	0.20%
10,001–100,000	9	402,410	8.05%
100,001 and over	7	4,587,790	91.76%
	17	5,000,000	100.00%

Parties holding more than 20% are:

CITYSCAPE ASSET PTY LTD <CITYSCAPE FAMILY>	1,898,680	37.97%
CPS CAPITAL NO 5 PTY LTD	1,297,500	25.95%

Options @ \$0.06 Expiring 12 December 2029

Category (size of holding):	Holders	Number of Options	% of issued capital
1–1,000	0	-	-
1,001–5,000	0	-	-
5,001–10,000	1	-	-
10,001–100,000	0	-	-
100,001 and over	4	7,000,000	100.00%
	4	7,000,000	100.00%

Parties holding more than 20% are:

TESHA PTY LTD	2,000,000	28.57%
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VORIAN INVESTMENT (HOLDINGS) PTY LTD <VORIAN INVESTMENT A/C>	2,000,000	28.57%
MR JOHN CAMPBELL SMYTH & DR ANN NOVELLO HOGARTH <SMYTH SUPER A/C>	2,000,000	28.57%

Options @ \$0.035 Expiring 5 February 2028

	Holders	Number of Options	% of issued capital
Category (size of holding):			
1–1,000	0	-	-
1,001–5,000	0	-	-
5,001–10,000	1	-	-
10,001–100,000	5	433013	0.0063
100,001 and over	57	68,475,877	99.37%
	62	68,908,890	100.00%

c) The names of the substantial shareholders listed in the holding company's register are:

MR JASON PETERSON	14,107,409	9.96%
TESHA PTY LTD <THE NIMROD TRUST>	17,250,000	8.68%
VORIAN INVESTMENT (HOLDINGS) PTY LIMITED <VORIAN INVESTMENT TRUST>	12,143,750	6.11%
SPURS GEOLOGICAL SERVICES PTY LTD	11,000,000	5.54%

d) Voting Rights

The voting rights attached to each class of equity security are as follows:

Ordinary shares

Each ordinary share is entitled to one vote when a poll is called; otherwise each member present at a meeting or by proxy has one vote on a show of hands.

e) 20 Largest Shareholders – Ordinary Shares

Position	Holder Name	Holding	% IC
1	TESHA PTY LTD	17,250,000	8.68%
2	VORIAN INVESTMENT (HOLDINGS) PTY LIMITED <VORIAN INVESTMENT TRUST>	12,143,750	6.11%
3	SPURS GEOLOGICAL SERVICES PTY LTD	11,000,000	5.54%
4	DRISCOLL FUTURE PTY LTD <DRISCOLL SUPER FUND A/C>	5,999,055	3.02%
5	MRS HAYLEY GERALDENE FINNIS & MR SIMON FINNIS <FINNIS SUPER FUND A/C>	5,644,444	2.84%
6	MR ANDREW MUNDAY	5,536,791	2.79%
7	John Campbell Smyth	4,614,219	2.32%



8	SCINTILLA STRATEGIC INVESTMENTS LIMITED	4,222,222	2.12%
9	MAL SUPER FUND PTY LTD <MAL SUPERANNUATION FUND A/C>	4,165,465	2.10%
10	SUNSET CAPITAL MANAGEMENT PTY LTD <SUNSET SUPERFUND A/C>	3,250,000	1.64%
11	MR MARCO MELIA	3,100,000	1.56%
12	MS MOYU ZHANG	2,857,143	1.44%
13	CELTIC CAPITAL PTE LTD <INVESTMENT 1 A/C>	2,800,000	1.41%
14	PROF YEW KWANG NG	2,505,555	1.26%
15	BOWMAN ST HOLDINGS PTY LTD	2,500,000	1.26%
16	FINCLEAR SERVICES PTY LTD <SUPERHERO SECURITIES A/C>	2,453,085	1.23%
17	TST COM PTY LTD <SECKER SUPER FUND A/C>	2,312,499	1.16%
18	MAYBURY PTY LTD <CARMICH SUPER FUND A/C>	2,222,222	1.12%
19	1713 PTY LTD	2,000,000	1.01%
19	CITYSCAPE ASSET PTY LTD <CITYSCAPE FAMILY A/C>	2,000,000	1.01%
20	MRS LIV MARIT STOCKLEY	1,810,000	0.91%
	Total	100,386,450	50.51%
	Total issued capital - selected security class(es)	198,734,794	100.00%

2)The name of the Company secretary is Ben Donovan

3)The address of the principal registered office in Australia is:

C/ Argus Corporate Partners Pty Ltd, Level 4, 225 St Georges Terrace, Perth WA 6000
Telephone 1300 SILICA.

4)Registers of securities are held at the following addresses:

Automic
Level 5, 191 St Georges Terrace
Perth WA 6000

5)Stock Exchange Listing

Quotation has been granted for all the ordinary shares of the Company on all Member Exchanges of the Australian Securities Exchange Limited.

6)Unquoted Securities

Performance rights

A total of 16,499,999 performance rights are on issue.

7)Other Disclosures

The Company has no share buy-back in place.

Listing rule 4.10.19

The Company has used the cash and assets in a form readily convertible to cash that it had at the time of Admission in a way that is consistent with its business objectives.

Corporate governance

In recognising the need for high standards of corporate behaviour and accountability, the Directors of the Company support the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations. The Company's policies are consistent with the ASX Principles, and comparable to ASX listed entities of similar size and nature. The Company's detailed corporate governance policy statement can be found on the Company's web site at: <https://mclarenminerals.com.au/>

Resource Statement

The Company's current resources are stated below and the Company confirms that there is no new information or data that materially affects the mineral resource estimate announced on 30 June 2023 and the exploration target announced on 7 May 2024, and that all assumptions underpinning the estimate continue to apply and have not materially changed.

Size Fraction	Method	Yield	Tonnes	SiO ₂	Al ₂ O ₃	Fe ₂ O ₃	TiO ₂	LOI
		%	(M)	%	%	%	%	%
Inferred resource			70	96.84	1.17	0.34	0.43	0.66
coarse sand +0.6mm	wet screen	36.5%	25	99.67	0.06	0.03	0.04	0.09
sand 0.106mm - 0.6mm	wet screen	52.9%	37	99.66	0.06	0.02	0.03	0.08
	-attrition							
	-HLS floats							
	-Non-magnetics							
fine sand 0.045mm - 0.106mm	wet screen	5.2%	4	97.70	0.17	0.41	1.04	0.25

Sparkler C (E 70/5920) Exploration Target

Tonnage Range	Minimum	Maximum
Exploration Target	5,000,000	7,000,000
Grade		
Silica (SiO ₂) %	98%	99%
Inclusions	Lowest	Highest
Iron Oxide (Fe ₂ O ₃) % (ppm)	0.04% (400)	0.08% (800)
Titanium Dioxide (TiO ₂) % (ppm)	0.35% (3500)	0.55% (5500)
Alumina (Al ₂ O ₃) % (ppm)	0.03% (300)	0.07% (700)
LOI % (moisture and volatiles)	0.70%	1.0%

The Exploration Target is based on the limited number of wide-spaced air core drill holes and only eight assay results and as a result the potential quantity and grade quoted here is conceptual in nature that there has been insufficient exploration to estimate a Mineral Resource. It is uncertain if further exploration will result in the estimation of a Mineral Resource. The Company will conduct further exploration in the coming year to determine the exploration potential of the project.



Competent Person Statement

Auranmore Consulting were engaged by the Company to undertake a Mineral Resource Estimate (MRE) for the Sparkler Silica Sand Exploration Project. The Mineral Resource Estimate complies with the recommendations in the Australasian Code for Reporting of Mineral Resources and Ore Reserves (2012) by the Joint Ore Reserves Committee (JORC). The Minerals Resource Estimate was compiled by Richard Maddocks, MSc in Mineral Economics, BAppSc in Applied Geology and Grad Dip in Applied Finance and Investment. Mr Maddocks is an employee of Auranmore Consulting and is a Fellow of the Australasian Institute of Mining and Metallurgy (111714) with over 30 years of experience. Mr Maddocks has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code.

McLaren Minerals Limited confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of resource and exploration results, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

McLaren Mineral's governance arrangements and internal controls for reporting its Mineral Resources Estimate includes reporting on an annual basis and in compliance with the 2012 Edition of JORC and the ASX Listing Rules. The reported resources have been reviewed and remain current, The Competent Persons are suitably qualified and experienced as defined in the 2012 Edition of JORC.

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