Mayur Resources

Developing a portfolio of projects supporting the global energy transition

Annual Report 2022

Contents

Managing Director’s Letter to Shareholders	3
FY2022 Highlights	4
Overview	5
Cement & Lime	6
Iron & Industrial Sands	7
Renewables & Carbon	8
Tenement List	9
JORC Reserves & Resource Summary	10
Competent Person’s Statements	12
Consolidated Financial Statements FY2022	13
Shareholder Information	75
Corporate Directory	78

Mayur Resources is focused on the development of natural resources in Papua New Guinea.

We are committed to delivering our diversified asset portfolio, which spans cement & lime, iron & industrial sands, renewable energy and carbon credits that will contribute to nation-building and job creation in a country experiencing a significant growth trajectory.

Our Vision

Mayur Resources is committed to the development of economic growth through local nation building and establishment of export facing businesses that deliver value to our shareholders.

Our Strategy

To realise its vision, Mayur's strategy is to serve the local PNG and the wider Asia Pacific region's markets via:

1. Developing our mineral and building material projects that deliver high quality, low cost, and "low carbon" products.
2. Constructing and operating a renewable energy portfolio of solar, geothermal, nature-based forestry carbon credits, and battery storage.

Mayur is committed to engaging with host communities throughout the lifecycle of its projects, as well as incorporating internationally recognised Environmental, Social and Governance (ESG) standards into its strategy and business practices.

Our Values

1. We value all relationships, work together and strive to understand and show respect in all our dealings.
2. We initiate sustainable outcomes, take responsibility and are open and accountable.
3. We are resourceful. We solve problems and we constantly seek to create value while adapting, developing and continually improving.
4. We commit. We keep our word, deliver results, and are professional and ethical.

Managing Director's Letter to Shareholders

Dear Shareholders

Whilst it has been a challenging year for Mayur Resources, we have continued to apply resolve and commitment in delivering on our strategy for generating sustainable, long-term value for all our stakeholders.

As communicated and detailed in my letter to Shareholders dated 11 July 2022, we have achieved a number of key milestones required to transform Mayur's portfolio of projects into long term cashflow generating businesses. This development journey takes time, and we are confident we are on the right pathway, on the basis that we now have a portfolio of substantially de-risked, fully permitted and construction ready projects that now are only awaiting on completion of financing.

Mayur Resources now has three projects that are essentially shovel ready, these being the Orokolo Bay Iron and Industrial Sands project and the Central Cement and Lime Project that comprises Stage 1 Quicklime and Stage 2 for Clinker & Cement. To reiterate, these projects have been taken from inception through all the project development stages of exploration, feasibility studies, permitting / approvals, customer offtake support and receival of construction bids. These three projects are now at the financing stage and shall see construction commence as soon as financing has been finalised and this now remains the priority near term focus for the company.

In addition to the above, the Company has been able to make progress over the past year with its renewable energy (solar and geothermal) and carbon offsets business. Of note has been the establishment of a portfolio of Nature Based REDD+ Forestry Carbon Credit projects in PNG.

The response to this strategic direction has been positive with potential future customers welcoming Mayur's ability to utilise renewables for the energy requirements of our projects and thus offering a lower carbon footprint. The nature-based carbon projects are being undertaking with the support of Landowners and comprise large areas of pristine forests in PNG that are genuinely under threat from logging. By reclassifying these from logging areas to carbon estates this supports the PNG Government's target to end logging by 2030.

Subsequent to the financial year we welcomed Mr Craig Ransley to our board as Executive Chairman. This has meant that Mr Charles Fear, has stepped back to the role of Non-Executive Director and I thank Charles for his contribution and guidance during his time as Chairman.

Craig brings a proven track record and ability to substantially grow shareholder value in the resources sector, most recently demonstrated with ASX listed Terracom. Craig joins us at critical time, as his global network of financiers and strategic partners with an understanding and appetite for emerging markets, will play a key role in assisting finalisation of our capital requirements from debt and equity markets to enable our shovel ready projects to proceed to development and operations.

As always, we continue to respect and value the relationships we have established with the government, communities and landowners in PNG in relation to our projects and remain committed to repaying their trust through our nation building agenda.

We remain extremely confident that Mayur will soon evolve into a producing 'Construction Materials' business coupled with a complimentary Renewable Energy and Carbon Offset arm that the market can easily understand. I remain very encouraged by the continuing and steadfast support that I have received from our PNG stakeholders, the Mayur Resources Board, our leadership team, and major strategic Shareholders (both pre and post IPO), who continue to accumulate their shareholding in the company.

Yours sincerely

Paul Mulder
Managing Director

FY2022 Highlights

13 August 2021
Customers confirm support for lime products

Letters of support received from customers in PNG and Australia, including blue chip end users and traders, for up to 266,000 tpa of quicklime and hydrated lime from CCL Project

25 August 2021
CCL project receives additional customer offtake support for quicklime

Offtake support received from blue chip end users for the entirety of the Phase 1 project incorporating two high-capacity Quicklime kilns (producing circa 400,000 tpa)

7 September 2021
1 Mtpa Clinker and Cement Offtake Support

Written conditional support received from customers located in the Australian and Pacific markets seeking long term cement and clinker supply from CCL

8 September 2021
PNG Government Grants Special Economic Zone status to Central Cement and Lime Project

SEZ secures fiscal benefits including tax relief and exemptions from duties, that will strengthen the financial outcomes for the CCL project and enable PNG to be competitive in the region

13 December 2021
Grant of Orokolo Bay Mining Lease

PNG Government granted a 20- year Mining Lease as final statutory approval required to allow full-scale production of a multi-product mining operation

9 November 2021
Mayur Confirms 500 MW Solar Capacity For SEZ

Completed a renewable energy study for the recently granted Special Economic Zone (SEZ) and the "shovel ready" Central Cement & Lime (CCL) Project

14 December 2021
Orokolo Bay Magnetite Offtake executed

Execution of a Term Sheet agreement with a leading Japanese Trading House, for the supply of magnetite on behalf of Asian Steel mills.

15 December 2021
Development Investment Secured for Orokolo Bay

Executed a binding Terms Sheet Agreement with leading PNG based construction and mining contactor HBS (PNG) Limited for the delivery of the Orokolo Bay Project

12 January 2022
Carbon Concessions Paving Pathway to Net Zero Projects

Mayur granted first forestry carbon concessions covering approximately 800,000 hectares, with potential to expand to 1.4 million hectares

22 February 2022
Collaboration with First Graphene

Agreement with First Graphene Ltd (ASX:FGR), for the commercial development of graphene-derived cement grinding additives to target a 25% reduction in carbon emissions

20 June 2022
Agreement with Santos on Carbon Offset Projects

Executed an Expression of Interest (EOI) with Santos Ventures Pty Ltd (Santos), a subsidiary of Santos Limited (ASX:STO), to jointly develop the nature-based carbon offset projects in PNG

Subsequent Events (ASX Announcements released after 30 June 2022)

6 July 2022	Binding Offtake Supports Orokolo Bay Development
21 July 2022	Notification on Forest Carbon Concessions and Response
26 July 2022	DFS Update for CCL Quicklime Project Phase 1
12 October 2022	Placement, Financing, and New Board Appointment

Projects Overview

Mayur Resources is committed to the development of economic growth through local nation building and establishment of export facing businesses that deliver value to our shareholders.

We are committed to delivering our diversified asset portfolio, which spans cement & lime, iron & industrial sands, and renewable energy & carbon offsets that will contribute to nation-building and job creation in a country experiencing a significant growth trajectory.

To realise its vision, Mayur's strategy is to serve PNG and the wider Asia Pacific region's path to decarbonisation by:

- Developing mineral projects that deliver higher quality, lower cost, and "net zero" inputs for the mining and construction industries
- Constructing and operating a renewable energy portfolio including solar, geothermal and battery storage and establishment of high-quality nature-based forestry carbon offsets projects

Mayur's key "shovel ready" projects include the Central Cement and Lime Project and the Orokolo Bay Iron and Industrial Sands Project, both of which have received all relevant regulatory approvals and will be designed to deliver net zero products.

Mayur is committed to engaging with host communities throughout the lifecycle of its projects, as well as incorporating internationally recognised Environmental, Social and Governance (ESG) standards into its strategy and business practices.

Over the years, Mayur has set up employee incentive structures for management and the board. These incentive targets have been aggressive in nature and most of the associated performance rights have not vested nor been exercised. For the avoidance of doubt in the previous financial year ending 30 June 2021, 18,891,603 performance rights were issued, and only 249,375 vested and thus eligible to be exercised. Salary sacrifice shares are not considered incentives rather employees voluntarily forgoing salary to support the company and conserve cash.

Cement & Lime

The proposed Central Cement and Lime Project (CCL) is a vertically integrated manufacturing facility with the ability to meet 100% of PNG's cement, clinker and quicklime requirements, displacing imports into PNG, and to penetrate nearby export markets in Australia and the South Pacific. The co-located quarry, plant site and deep draft wharf will enable very low operating costs. CCL is also seeking to become Asia Pacific's first carbon-neutral Cement and Lime producer.

Following a review, the company has decided to deliver the project in two phases starting with a Phase 1 quicklime plant. The Phase 2 clinker and cement facilities will be developed thereafter with development costs supported with cashflow from Phase 1.

Quicklime is a critical processing mineral for battery and future facing metals such as rare earths, copper, nickel, aluminium, uranium, cobalt, and lithium, and for gold processing, pollution abatement, treatment of acidification in soils and waterways and for water treatment.

The project has also been granted Special Economic Zone status, confirming its support from local authorities and securing a range of concessions including tax relief and duty exemptions. This significantly strengthens the financial outcomes for the project, enabling it to compete with other similar businesses established in special economic zones elsewhere in Asia.

The Updated DFS for CCL Phase 1 demonstrated that the phasing of the project requires significantly lower upfront capital and enables the accelerated delivery of quicklime product into an escalating price and demand environment, resulting in enhanced economic viability and a swifter pathway to cashflow generation. The key features of the Phase 1 DFS are summarised below:

- Two kilns (1,200 tonne per day) manufacturing capacity
- 400 kt quicklime and hydrated lime plus 500 kt raw limestone production per annum
- Scaled construction of wharf, power station and access road
- Low upfront US$91M capital estimate
- Post tax revenue US$1,518M and project life EBITDA US$771M
- Low operating cost US$49.8/t (compared to SE Asia producers)
- Zero strip ratio 45Mt Ore Reserves
- Large 144Mt Mineral Resource inventory capacity to support future expansion
- Mining Lease and Environment permit granted
- Access to nature-based carbon offsets (originated from within PNG via Mayur Renewables) with objective to offset hard-to-avoid emissions and provide customers with net zero products from CCL

Iron & Industrial Sands

Mayur Resources' iron and industrial sands portfolio in PNG includes the Orokolo Bay Iron & Industrial Sands Project that has been significantly de-risked with the Mining Lease granted and strategic delivery partner secured with HBS (PNG) Limited.

Ortus Resources Spin Out

During the year an A$8m condition precedent cornerstone Investment was secured with leading PNG based construction and mining contactor HBS (PNG) Limited for the delivery of the Orokolo Bay Iron and Industrial Sands Project. Activities were completed for a proposed spin-out of Ortus Resources, a new entity held by Mayur Resources to list on the ASX and raise the remaining capital to complete the construction of the project.

The strategic rationale for the spin-out to raise the remaining capital to bring the Orokolo Bay project into production remains valid. However, given the volatility in equity markets in 2022 several alternate capital development options are being assessed, including the IPO should market conditions meet the company's expectation.

Orokolo Bay Project

The Orokolo Bay Project in PNG is set to produce a number of products including titanomagnetite (Ironsands), construction sands and a zircon-rich valuable heavy mineral concentrate.

The Definitive Feasibility Study (DFS) for the project contemplates a simple, low CAPEX, near surface mining operation that is forecast to produce 0.5mtpa of titano-magnetite, 1mtpa of construction sand and up to 10ktpa of zircon-rich heavy mineral concentrate. Optionality exists for an additional ferro-titanium product from waste stream, with the flowsheet currently under development.

As part of the Ortus spin out strategy the project financials were refreshed in March 2022 with the project expected to deliver an NPV (10%) of US$131 million, generating LOM EBIT of US$24 million (A$32 million) p.a.

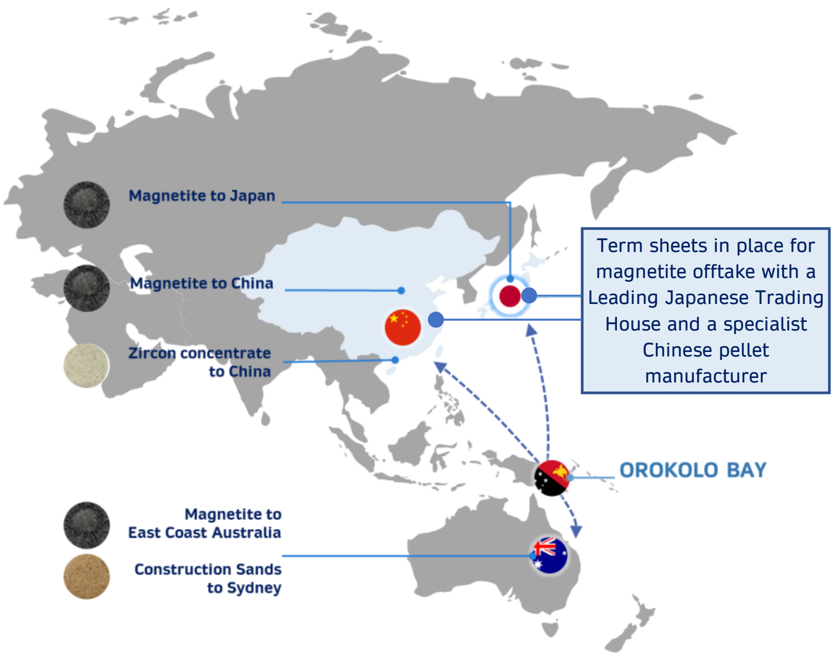
A binding offtake agreement was signed with titanium pellet producer Qingdao Shinebest for the sale of vanadium titanomagnetite (magnetite) product. Offtake covers 300,000 tonnes per annum for a 3-year period at market linked pricing, subject to meeting quality specifications, with an option to extend for a further year. Complements magnetite offtake term sheet executed with a leading Japanese trading house in December 2021.

Site enabling and pre-construction works were completed by HBS in the June 2022 quarter. Further site works have been put on hold and remains under the supervision of HBS as the strategic investor and in-country project delivery partner.

A 25-year Environmental Permit issued by the CEPA is in place for Orokolo Bay which is expected to leave a lasting positive legacy for local landowners through the proposed post-mining sustainability land use initiative of a mechanised Sago plantation.

Amazon Bay Vanadium Project

Amazon Bay can be viewed as an 'advanced exploration project' bringing development synergies with Orokolo Bay. Previous exploration focused on Amazon Bay as a magnetite resource without fully pursuing its titanium and significant vanadium potential. This project will allow Mayur to further grow its vanadium titano-magnetite mineral inventory and target the opportunity to serve the growing global demand for vanadium.



Renewables & Carbon

Mayur Renewables was established to :

- provide projects of sufficient scale to establish standalone carbon and renewables-based opportunities directly addressing the race to decarbonize and achieve net-zero targets by both governments and private industry;
- directly assist Mayur's "nation building projects" in PNG by providing a pathway to net zero through the establishment of renewable energy and carbon offsets projects for its proposed lime and cement business; and
- align and enhance broader ESG commitments and respond to the needs of future downstream building materials customers.

Carbon Offsets & EOI executed with Santos

Mayur Renewables has developed its portfolio of nature-based carbon credit projects, involving the reclassification, protection and preservation of highly biodiverse threatened rainforest with a plan to to generate high-quality nature-based forest carbon offsets.

An Expression of Interest (EOI) was signed with Santos Limited in June 2022 to jointly develop Mayur's portfolio of nature-based carbon offsets projects in PNG. The Carbon Projects focus on preserving 1.4 million hectares of pristine and biodiverse rainforest in PNG through avoided deforestation.

Negotiations are underway with Santos to agree binding documentation for the future commercialisation of the Carbon Projects contingent on executing Transaction Documents along with remaining confirmatory due diligence.

As announced on 21 July 2022, Mayur received a notice from the PNG Forest Authority (PNGFA) that the previously granted forestry permit carbon concessions have been cancelled (noting this only covers part of Mayur's total interest in Nature Based offset carbon credit projects). Mayur has obtained legal advice and is vigorously challenging the notices through applicable legal processes.

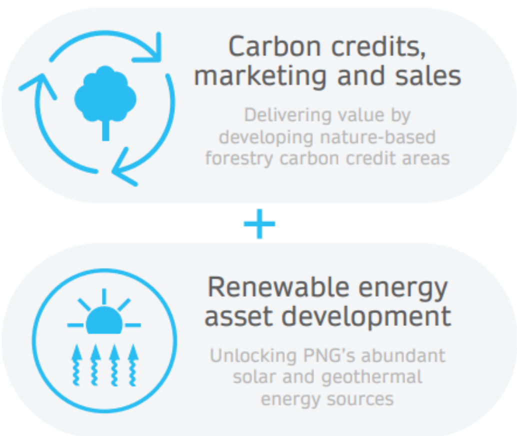
Mayur conducted several field trips to the 3 carbon project areas located in Western Province covering approximately 800,000 hectares to conduct community awareness as part of the FPIC (free and prior informed consent) process with the community showing overwhelming support and consent for carbon trading to protect and preserve their forests as opposed to logging. Feasibility work is well underway to understand the number of credits available in the project areas together with the most appropriate carbon verification methodology that will be subject to independent audit.

Solar, Geothermal and Battery Storage

During the year the company completed several other initiatives including:

- A pre-feasibility study demonstrating the potential to install more than 500 MW of solar PV generation for the CCL project, the wider SEZ, adjacent industry, and when/if the national power company (PNG Power Limited) requires such power for the local grid;
- Identification of three key geothermal areas where the grant of licenses is currently underway – for what is regarded as some of the most prospective geothermal areas in PNG, PNG being ranked in the top five countries globally for geothermal energy opportunities; and
- Signing a Memorandum of Understanding with Australian-UK energy storage innovator Gelion Technologies for PNG distribution rights and provision of an initial 100-megawatt hours (MWh) of battery energy storage utilizing Gelion's safe, robust and scalable zinc-bromide non-flow battery storage technology.

MayurRenewables



Tenement List

As at 30 June 2022 the Company had interests in the Exploration Licences (EL) as listed in Table 1, all located in Papua New Guinea. In addition to this the Company holds 100% of Mining Lease (ML) 526 for the CCL Project and ML 541 for the Orokolo Bay project.

Table 2 shows the ELs held by Adyton Resources Corporation (TSXV: ADY) with MRL retaining a 43% ownership in Adyton Resources.

Table 3 details the Forestry Carbon Concession Permits granted to Mayur Renewables.

As noted in the table, various Exploration Licences are under renewal, and are progressing in accordance with the regulatory processes as prescribed by the PNG Mining Act.

The Company believes it has complied with all licence conditions, including minimum expenditure requirements, and is not aware of any matters or circumstances that have arisen that would result in the Company's application for renewal of the exploration licence not being granted in the ordinary course of business.

	EL number	Province	Commodity Focus	MRL Ownership	Area Km^2
1	2150	Gulf	Industrial mineral sands	100%	256
2	2304*	Gulf	Industrial mineral sands	100%	256
3	2305*	Gulf	Industrial mineral sands	100%	256
4	2556	Central	Industrial mineral sands	100%	694
5	2695	Western	Industrial mineral sands	100%	2070
6	1875*	Gulf	Thermal energy	100%	256
7	1876*	Gulf	Thermal energy	100%	256
8	2599*	Gulf	Thermal energy	100%	48
9	2303*	Central	Limestone	100%	256

*Table 1 - Exploration Licences (*EL under renewal)*

	EL number	Province	Commodity Focus	MRL Indirect Interest	Area Km^2
1	2096*	New Ireland	Copper / gold	43%	95
2	2594	Manus	Copper / gold	43%	259
3	2546*	Milne Bay	Copper / gold	43%	38
4	2549*	Milne Bay	Copper / gold	43%	102
5	2572*	Milne Bay	Copper / gold	43%	126

*Table 2 - Exploration Licences held by Adyton Resources Corporation in which MRL has an indirect interest through its 43% ownership interest in Adyton Resources Corporation (*EL under renewal)*

	Forestry Permit Number	Province	Commodity Focus	MRL Ownership	Area Hectares
1	FCCTP 1-01	Western	Carbon	100%	268,786
2	FCCTP 1-02	Western	Carbon	100%	265,907
3	FCCTP 1-03	Western	Carbon	100%	257,962

Table 3 – Forestry Carbon Concession & Trading Permits held by Mayur Renewables issued under the Forestry Act 1991

JORC Reserves & Resources

2021/2022

Central Cement & Lime Project

Mineral Resources at 30 June 2022 (no change from 30 June 2021)

Measured Mineral Resources Estimate

Area	Category	CaO cut off %	Tonnes	CaO %	Al_2O_3 %	SiO_2 %
Lea Lea	Measured	52%	61,000,000	53.4	0.6	1.65
Kido	Measured	52%	144,000,000	53.6	0.62	1.77
Total	Measured	52%	205,000,000*	53.5	0.61	1.73

Indicated Mineral Resource Estimate

Area	Category	CaO cut off %	Tonnes	CaO %	Al_2O_3 %	SiO_2 %
Lea Lea	Indicated	50%	117,000,000	51.8	0.9	2.7
Kido	Indicated	50%	11,000,000	51.5	0.6	1.1
Total	Indicated	50%	128,000,000	51.8	0.9	2.6

Inferred Mineral Resource Estimate

Area	Category	CaO cut off %	Tonnes	CaO %	Al_2O_3 %	SiO_2 %
Lea Lea	Inferred	48%	7,000,000	48.1	1.1	2.5
Kido	Inferred	48%	42,000,000	48.4	1.0	1.8
Total	Inferred	48%	49,000,000	48.3	1.0	1.9

Ore Reserves at 30 June 2022 (no change from 30 June 2021)

			CaO	Al_2O_3	Fe_2O_3	K_2O	MgO	Na_2O	SiO_2	LOI
Area	Category	Million tonnes	%	%	%	%	%	%	%	%
Kido	Probable	45	54	0.5	0.3	0.04	0.4	0.2	1.3	43
Lea Lea	Probable	33	44	4.5	3	0.3	2.2	0.3	9.5	36
Total		78								

Depot Creek Thermal Energy Project

Mineral Resources at 30 June 2022 (no change from 30 June 2021)

Seam	Total Resources *(million tonnes)*	Inferred *(million tonnes)*	Indicated *(million tonnes)*
A3B	1.3	1.3	-
A3	<0.1	<0.1	-
A2	3.1	1.4	1.7
A1	0.5	0.5	-
A	6.7	4.5	2.2
D	1.1	1.1	-
Total	12.8	8.9	3.9

Orokolo Bay Industrial Sands Project (Western Area)

Mineral Resources at 30 June 2022 (no change from 30 June 2021)

5.25% (Fe cut off) Resource Estimates (Groundworks Plus)

Category	Mt	DTR %	Fe %	Ti %	Zircon ppm	DTR Mt	Fe Mt	Ti Mt	Zircon t
Measured	1.64	10.08	11.35	1.94	712	0.17	0.19	0.03	1,170
Indicated	70.1	6.82	9.13	1.17	508	4.78	6.40	0.82	35,587
Inferred	137.8	5.43	8.19	1.02	454	7.48	11.28	1.40	62,622
Total	**209.5**	**5.93**	**8.53**	**1.08**	**474**	**12.42**	**17.87**	**2.25**	**99,378**

Construction Sand Resource - Cut off 5.25% Fe (Western Area only)

Category	Mt
Indicated	38.6
Inferred	74.2
Total	**112.8**

Ore Reserve as at 30 June 2022 (no change from 30 June 2021)

5.25% (Fe cut off) Reserve Estimate (Groundworks Plus)

Category	Mt	DTR %	Fe %	Ti %	Zircon ppm	DTR Mt	Fe Mt	Ti Mt	Zircon t	Construction Sand Mt
Proved	1.0	13.99	14.01	2.46	900	0.14	0.14	0.02	900	-
Probable	29.6	11.36	12.22	1.69	682	3.36	3.62	0.5	20,200	15.2
Total	30.6	11.45	12.28	1.72	689	3.51	3.76	0.53	21,100	15.2

Orokolo Bay Industrial Sands Project (Eastern Area)

Mineral Resources at 30 June 2022 (no change from 30 June 2021)

Eastern Area (7.0 % Fe cut off) Resource Estimates (H&S Consultants)

Category	Mt	DTR %	Fe %	Ti %	Zircon ppm	DTR Mt	Fe Mt	Ti Mt	Zircon t
Indicated	7.0	5.7	9.33	1.44	923	0.40	0.65	0.10	6,500
Inferred	26.5	5.2	9.00	1.39	921	1.00	2.39	0.37	24,400
Total	**33.5**	**5.32**	**9.07**	**1.40**	**921**	**1.40**	**3.04**	**0.47**	**30,900**

Competent Persons Statement

Statements contained in this Annual Report relating to Mineral Resources and Ore Reserves estimates for the Central Cement and Lime Project are based on, and fairly represents, information and supporting documentation prepared by Mr. Rod Huntley, who is a member of the Australian Institute of Geoscientists. Mr. Huntley has sufficient and relevant experience that specifically relate to the style of mineralisation. Mr Huntley qualifies as a Competent Person as defined in the Australian Code for Reporting of Identified Mineral Resources and Ore Reserves (JORC) Code 2012. Mr Huntley is an employee of Groundworks Pty Ltd contracted as a consultant to Mayur Resources and consents to the use of the matters based on his information in the form and context in which it appears. As a competent person Mr Huntley takes responsibility for the form and context in which this Mineral Resources and Ore Reserves Estimate prepared for the Central Cement and Lime Project appears.

Statements contained in this Annual Report relating to Ore Reserves for the Orokolo Bay Mineral Sands Project Western Area are based on, and fairly represents, information and supporting documentation prepared by Mr Troy Lowien, a Member of The Australasian Institute of Mining and Metallurgy Mr Lowien qualifies as a Competent Person as defined in the Australian Code for Reporting of Identified Mineral Resources and Ore Reserves (JORC) Code 2012. Mr Lowien is an employee of Groundworks Pty Ltd contracted as a consultant to Mayur Resources and consents to the use of the matters based on his information in the form and context in which it appears. As a competent person Mr Lowien takes responsibility for the form and context in which this Ore Reserves Estimate prepared for the Orokolo Bay Project Western Area appears.

Statements contained in this Annual Report relating to Mineral Resource estimates for the Depot Creek Project are based on, and fairly represents, information and supporting documentation prepared by Mr. Kerry Gordon, a Member of The Australasian Institute of Mining and Metallurgy. Mr. Gordon has sufficient and relevant experience that specifically relate to the style of mineralisation. Mr Gordon qualifies as a Competent Person as defined in the Australian Code for Reporting of Identified Mineral Resources and Ore Reserves (JORC) Code 2012. Mr Gordon is an employee of Verum Ltd contracted as a consultant to Mayur Resources and consents to the use of the matters based on his information in the form and context in which it appears. As a competent person Mr Gordon takes responsibility for the form and context in which the Mineral Resource Estimate prepared for the Depot Creek Project appears.

Consolidated Financial Statements

Mayur Resources Ltd (Co. Reg. No. 201114015W) and Its subsidiaries

Financial statements for the financial year ended 30 June 2022

(note these accounts were released on ASX on 23 September 2022)

Contents

Directors' Statement	14
Independent Auditor's Report	18
Consolidated Statement of Profit or Loss and Other Comprehensive Income	23
Consolidated Balance Sheet	24
Balance Sheet	25
Consolidated Statement of Changes in Equity	26
Statement of Changes in Equity	27
Consolidated Statement of Cash Flows	28
Notes to the Financial Statements	30

MAYUR RESOURCES LTD AND ITS SUBSIDIARIES
DIRECTORS' STATEMENT

The directors present their statement to the members together with the audited consolidated financial statements of Mayur Resources Ltd (the "Company" or "Mayur"), and its subsidiaries (collectively the 'Group') and the balance sheet and statement of changes in equity of the Company for the financial year ended 30 June 2022.

Opinion of the directors

In the opinion of the directors,

(i) the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company as set out on pages 10 to 61 are drawn up in accordance with the provisions of the Singapore Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards International ("SFRS(I)") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 30 June 2022 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and of the changes in equity of the Company for the financial year ended on that date; and

(ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are:

Charles Anthony Candlin Fear	Non-Executive Independent Chairman
Paul Levi Mulder	Managing Director
Timothy Elgon Savile Crossley	Executive Director
Christopher Indermaur	Non-Executive Independent Director
Mr Benjamin Szeto Yu Hwei (appointed on 16 September 2022)	Non-Executive Independent Director

The following persons served as directors during the financial year but are not serving as directors as at the date of this statement:

- Mr Frank Terranova – Non-Executive Independent Director (resigned on 21 September 2021)
- Mr Hubert Namani – Non-Executive Independent Director (resigned on 1 August 2022)
- Mr Wee Choo Peng – Non-Executive Independent Director (resigned on 16 September 2022)

In accordance with Article 91 of the Company's Articles of Association, Messrs Paul Levi Mulder and Timothy Elgon Savile Crossley retire, being eligible, offer themselves for re-election.

Arrangements to enable directors to acquire shares and debentures

Except as described below, neither at the end of, nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose object is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other related body corporate.

The Company has established a shared-based Employee Incentive Plan (EIP) to assist in the motivation, retention and reward of contractors and employees. The EIP is designed to align the interests of executives and senior management with the interests of shareholders by providing an opportunity for the participants to receive an equity interest in the Company.

The EIP permits the grant of the following types of awards:

- performance rights.
- options; and
- loan funded shares.
  (collectively referred to as "awards")

During the year ended 30 June 2022, the Company issued the following awards under the EIP:

	Number issued	*Exercise Price*
Vested performance rights awarded to employees as salary (Salary Sacrifice Rights) (i)	6,867,505	Nil
Long term incentive rights (ii)	8,449,735	Nil
Loan funded shares (iii)	4,500,000	Nil

Arrangements to enable directors to acquire shares and debentures

(i) Salary sacrifice rights

Performance rights are granted to non-executive directors, employees, and contractors to receive shares in respect of a portion of their agreed remuneration. Each performance right will entitle the holder to receive one share. The performance rights are issued on a quarterly basis and vest twelve months after issue of individual tranches and can be exercised for no consideration at any time after being granted but prior to the expiry date of the rights.

The number of performance rights to be issued at each quarterly grant date is determined by dividing the salary amount to be paid in the form of performance share rights divided by the prevailing share price (10-day Volume Weighted Average Price (VWAP) prior to end of each quarter).

The following directors, who held office at the end of the financial year, had, according to the register of directors' shareholdings required to be kept under section 164 of the Act, an interest in salary sacrifice rights of the Company as stated below:

	Salary sacrifice rights registered in the name of directors	
Name of directors	**At 1.7.2021**	**At 30.6.2022**
Paul Levi Mulder	674,885	756,705
Timothy Elgon Savile Crossley	833,682	1,798,500
Frank Terranova (resigned on 15 September 2021)	49,760	n/a

(ii) Long term incentive rights

Performance rights are also offered as part of a Long-Term Incentive Plan to employees, executive and non- executive directors, contractors, and consultants, to acquire shares in the Company. The rights will vest subject to the relevant performance measures being met and the participant remaining employed.

The performance rights have a $nil exercise price and an expiry date of 5 years (subject to vesting) from the grant date and are subject to vesting conditions.

Should any of the vesting conditions not be met, the Awards related to that specific Tranche will lapse and be forfeited.

Further details regarding the performance rights issued during the year are provided in Note 17 to the financial statements.

The following directors, who held office at the end of the financial year, had, according to the register of directors' shareholdings required to be kept under section 164 of the Act, an interest in long term incentive sacrifice rights of the Company as stated below, which were all approved at the Annual General Meeting of the Company held on 16 December 2021 :

	Long term incentive rights registered in the name of directors	
Name of directors	**At 1.7.2021**	**At 30.6.2022**
Paul Levi Mulder	4,500,000	4,500,000
Timothy Elgon Savile Crossley	4,200,000	4,200,000
Charles Anthony Candlin Fear	–	1,800,000
Christopher Indermaur	–	1,450,000

Arrangements to enable directors to acquire shares and debentures (continued)

(iii) Loan funded shares

The Company can issue loan funded shares to eligible employees (including employees, executives, and contractors) selected by the Board.

Pursuant to the terms of the Employee Incentive Plan, employees are granted an interest-free limited recourse loan to assist in the purchase of shares, with the shares acquired at their market value. The loan is limited recourse so that at any time the employee may divest their shares in full satisfaction of the loan balance.

The following directors, who held office at the end of the financial year, had, according to the register of directors' shareholdings required to be kept under section 164 of the Act, an interest in loan funded shares of the Company as stated below:

	Loan funded shares registered in the name of directors	
Name of directors	**At 1.7.2021**	**At 30.6.2022**
Timothy Elgon Savile Crossley	1,925,000	1,925,000
Frank Terranova (resigned on 15 September 2021)	1,125,000	n/a

Directors' interests in shares, options and debentures

The following directors, who held office at the end of the financial year, had, according to the register of directors' shareholdings required to be kept under section 164 of the Act, an interest in shares of the Company as stated below:

	Shareholdings registered in the name of directors		Number of ordinary shares Shareholdings in which a director is deemed to have an interest	
Name of directors	**At 1.7.2021**	**At 30.6.2022**	**At 1.7.2021**	**At 30.6.2022**
Paul Levi Mulder	7,393,586	8,599,955	50,000,000	50,000,000
Timothy Elgon Savile Crossley	5,331,879	7,091,748	1,255,625	1,795,000
Charles Anthony Candlin Fear	–	–	–	900,000
Frank Terranova (resigned on 15 September 2021)	1,125,000	n/a	1,125,000	n/a

Except as disclosed in the above tables, there was no change in any of the above-mentioned interests in the Company between the end of the financial year and the date of this statement.

Except as disclosed in this report, no director who held office at the end of the financial year had an interest in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year.

Audit, Risk and Compliance Committee

The Audit, Risk and Compliance Committee (ARCC) carried out its functions in accordance with section 201B (5) of the Act, including the following:

- Reviewed the audit plans of the external auditors of the Group and the Company, and the assistance given by the Group and the Company's management to the external auditors.
- Reviewed the half-yearly and annual financial statements and the auditor's report on the annual financial statements of the Group and the Company before their submission to the board of directors.
- Reviewed effectiveness of the Group and the Company's material internal controls, including financial, operational and compliance controls.
- Met with the external auditor, other committees, and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the ARCC.
- Reviewed legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators.
- Reviewed the cost effectiveness and the independence and objectivity of the external auditor.
- Reviewed the nature and extent of non-audit services provided by the external auditor.
- Recommended to the board of directors the external auditor to be nominated, approved the compensation of the external auditor, and reviewed the scope and results of the audit.
- Reported actions and minutes of the ARCC to the board of directors with such recommendations as the ARCC considered appropriate.

The ARCC, having reviewed all non-audit services provided by the external auditor to the Group, is satisfied that the nature and extent of such services would not affect the independence of the external auditor.

The ARCC comprises the whole of the Board of Directors, who convene as the ARCC. The ARCC convened two meetings during the year.

The ARCC has also met with the external auditors, without the presence of the Company's management, at least once a year.

Independent auditor

The independent auditor, Baker Tilly TFW LLP, has expressed its willingness to accept re-appointment.

On behalf of the Board of Directors

Paul Levi Mulder	**Timothy Elgon Savile Crossley**
Director	**Director**
23 September 2022	**23 September 2022**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAYUR RESOURCES LTD

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Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Mayur Resources Ltd (the "Company" or "Mayur") and its subsidiaries (the "Group") as set out on pages 10 to 61, which comprise the balance sheets of the Group and of the Company as at 30 June 2022 and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International) ("SFRS(I)") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 30 June 2022 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and of the changes in equity of the Company for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 3 to the financial statements. As at 30 June 2022, the Group incurred a loss from continuing operations for the year of A$15,620,473, net cash outflows from operating activities of A$3,769,275, respectively. These factors indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. Based on the reasons as disclosed in Note 3, the directors are satisfied with the use of going concern assumption.

If the Group is unable to continue in operational existence for the foreseeable future, the Group may be unable to discharge its liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the balance sheet. In addition, the Group may have to provide for further liabilities that may arise and to reclassify non-current assets as current assets. No such adjustments have been made to these financial statements. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current financial year. These matters were addressed in the context of our audit of the financial statements 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 matters described below to be key audit matters to be communicated in our report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAYUR RESOURCES LTD (continued)

Report on the Audit of the Financial Statements (continued)

Key Audit Matters (continued)

Impairment of exploration and evaluation expenditure

Refer to Notes 2(q), 3 and 10 to the financial statements

The Group is involved in exploration and evaluation activities with a focus on Cement and Lime, Iron and Industrial Sands and Coal. The Group has exploration licenses and prospective projects in Papua New Guinea.

Exploration and evaluation expenditure totaling A$32,790,295 as disclosed in Notes 3 and 10 represent a significant balance recorded in the consolidated balance sheet.

SFRS(I) 6 Exploration for and Evaluation of Mineral Resources requires the exploration and evaluation assets to be assessed for impairment when facts and circumstances suggest that the carrying amount may exceed its recoverable amount.

As described in Note 3 to the financial statements, management performed assessment of potential indicators of impairment at 30 June 2022 in accordance with the accounting policy disclosed in Note 2(q) which required management to make certain estimates and assumptions as to future events and circumstances.

Our procedures included, amongst others:

- Evaluated the Group's accounting policy to ensure the policy complies with the requirements of *SFRS(I) 6 Exploration for and Evaluation of Mineral Resources;*
- Obtained an understanding of the status of ongoing exploration programmes and future intentions for the areas of interest, including future budgeted spend and related work programmes;
- Enquired of management and reviewed ASX announcements and minutes of directors' meetings to ensure the Group had not decided to discontinue exploration and evaluation at its areas of interest;
- Considered management's assessment of potential indicators of impairment;
- Verified sample of additions to the Group's exploration and evaluation assets for the financial year ended 30 June 2022 to support evidence of activities carried out; and
- Verified that each exploration licence remains valid in respect of each tenement through the review of official government documentation.

We also assessed the adequacy of related disclosures made in the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAYUR RESOURCES LTD (continued)

Report on the Audit of the Financial Statements (continued)

Key Audit Matters (continued)

Impairment in an associate ***Refer to Notes 2(f), (o), 3 and 12 to the financial statements***	
As at 30 June 2022, the carrying amount of the Group's and Company's investment in an associate, Adyton Resources Corporation was A$2,696,629 respectively. The fair value of the Group's interest in Adyton Resources Corporation on 30 June 2022 was A$2,696,629 based on the quoted market price available on the TSX Venture Exchange. As described in Note 3 to the financial statements, management assessed the recoverable amount of investment in associate based on fair value less cost of disposal of the investment in associate. The determination of fair value less cost of disposal is based quoted market prices. As a result, the Group has recognised an impairment loss of A$4,086,502 to the profit and loss for the current financial year ended 30 June 2022.	Our procedures included, amongst others: ▪ Obtained an understanding on management's judgement to determine impairment indicators and management's policies and procedures to determine the recoverable amount of investment; ▪ Discussed with management to understand the associate's business performance and business plans; ▪ Evaluated the appropriateness of management's basis to determine the valuation methodology, taking into consideration current business development of the associate and the basis for the change in valuation methodology from the prior year; ▪ Tested mathematical accuracy for the recoverable amount using the fair value less cost of disposal method. We also assessed the adequacy of related disclosures made in the financial statements.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement as set out on pages 1 to 4, which we obtained prior to the date of this auditor's report but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements 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 statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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 that regard.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the management and take appropriate actions in accordance with SSAs.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAYUR RESOURCES LTD (continued)

Report on the Audit of the Financial Statements (continued)

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly unauthorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The director's responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the SSAs 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 these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAYUR RESOURCES LTD (continued)

Report on the Audit of the Financial Statements (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements 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 Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Chan Sek Wai.

Baker Tilly TFW LLP
Public Accountants and
Chartered Accountants
Singapore

23 September 2022

MAYUR RESOURCES LTD AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the financial year ended 30 June 2022

		Group	
	Note	**2022 A$**	2021 A$
Continuing operations			
Revenue and other income	4	**2,761**	58,656
Less: expenses			
Consultants and contractors		**(825,660)**	(472,683)
Remuneration to directors and key management		**(773,744)**	(340,578)
Travel expenses		**(128,198)**	(113,527)
Impairment of exploration and evaluation expenditure	10	**(57,282)**	(7,018,469)
Impairment of investment in associate	12	**(4,086,502)**	–
Listing and share registry expenses		**(129,062)**	(113,879)
Auditors’ remuneration	5	**(204,997)**	(140,447)
Share-based payments expense	17(b)	**(1,849,114)**	(730,214)
Insurance expense		**(139,194)**	(133,356)
Investor and public relations expense		**(100,850)**	(122,332)
Depreciation expense	9(b)	**(17,260)**	(28,078)
Foreign currency exchange losses, net		**(178,662)**	(119,010)
Finance charges		**(365,108)**	(2,497)
Professional fees		**(946,444)**	(243,541)
Project expenditure		**(362,220)**	–
Other operating expenses		**(987,167)**	(352,271)
Share of results of associate	12	**(4,471,770)**	(966,099)
Loss before income tax expense from continuing operations		**(15,620,473)**	(10,838,325)
Tax expense from continuing operations	7	**–**	–
Loss for the year from continuing operations		**(15,620,473)**	(10,838,325)
Discontinued operations			
Profit from discontinued operations, net of tax	11(d)	**–**	8,624,711
Loss for the year		**(15,620,473)**	(2,213,614)
Other comprehensive loss:			
Share of other comprehensive loss of associate		**(126,977)**	(273,925)
Total comprehensive loss for the year attributable to owners of the Company		**(15,747,450)**	(2,487,539)
(Loss)/earnings per share			
From continuing operations			
- Basic and diluted	8	**(6.81) cents**	(5.65) cents
From discontinued operations			
- Basic and diluted	8	**–**	4.50 cents
From continuing and discontinued operations			
- Basic and diluted	8	**(6.81) cents**	(1.15) cents

The accompanying notes form an integral part of these financial statements and should be read in conjunction with the financial statements.

MAYUR RESOURCES LTD AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
At 30 June 2022

	Note	Group **2022** **A$**	2021 A$
Non-current assets			
Property, plant, and equipment	9	**3,222,591**	3,152,305
Exploration and evaluation expenditure	10	**32,790,295**	28,186,048
Investment in associate	12	**2,696,629**	11,381,878
Security deposits		**118,494**	–
Total non-current assets		**38,828,009**	42,720,231
Current assets			
Cash and cash equivalents	13	**3,050,864**	4,535,828
Other receivables	14	**311,113**	321,562
Total current assets		**3,361,977**	4,857,390
Total assets		**42,189,986**	47,577,621
Current liabilities			
Trade and other payables	15	**2,127,913**	1,270,792
Total current liabilities		**2,127,913**	1,270,792
Non-current liabilities			
Provisions		**58,732**	–
Other payables	15	**4,351,143**	–
Total non-current liabilities		**4,409,875**	–
Total liabilities		**6,537,788**	1,270,792
Net assets		**35,652,198**	46,306,829
Equity			
Equity attributable to owners of the Company			
Share capital	16	**59,497,618**	56,729,839
Reserves	17	**6,363,498**	4,165,435
Accumulated losses		**(30,208,918)**	(14,588,445)
Total equity		**35,652,198**	46,306,829

The accompanying notes form an integral part of these financial statements and should be read in conjunction with the financial statements.

MAYUR RESOURCES LTD AND ITS SUBSIDIARIES
BALANCE SHEET
At 30 June 2022

		Company	
		2022	2021
	Note	**A$**	A$
Non-current assets			
Property, plant, and equipment		**21,681**	6,265
Investments in subsidiaries	11(b)	**12,243,898**	12,243,898
Investment in associate	12	**2,696,629**	12,621,902
Total non-current assets		**14,962,208**	24,872,065
Current assets			
Cash and cash equivalents	13	**2,891,333**	3,787,964
Other receivables	14	**136,269**	199,445
Receivables from subsidiaries	19	**10,433,107**	18,197,632
Total current assets		**13,460,709**	22,185,041
Total assets		**28,422,917**	47,057,106
Current liabilities			
Trade and other payables	15	**1,082,629**	750,278
Total current liabilities		**1,082,629**	750,278
Non-current liabilities			
Provisions		**58,732**	–
Other payables	15	**4,351,143**	–
Total non-current liabilities		**4,409,875**	–
Total liabilities		**5,492,504**	750,278
Net assets		**22,930,413**	46,306,828
Equity			
Equity attributable to owners of the Company			
Share capital	16	**59,497,618**	56,729,839
Reserves	17	**13,309,716**	10,984,676
Accumulated losses		**(49,876,921)**	(21,407,687)
Total equity		**22,930,413**	46,306,828

The accompanying notes form an integral part of these financial statements and should be read in conjunction with the financial statements.

MAYUR RESOURCES LTD AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the financial year ended 30 June 2022

Group

2022	**Share capital A$**	**Reserves A$**	**Accumulated losses A$**	**Total Equity A$**
Balance as at 1 July 2021	**56,729,839**	**4,165,435**	**(14,588,445)**	**46,306,829**
Loss for the year	–	–	**(15,620,473)**	**(15,620,473)**
Other comprehensive loss				
Share of other comprehensive loss of associate	–	**(126,977)**	–	**(126,977)**
Total comprehensive loss for the year	–	**(126,977)**	**(15,620,473)**	**(15,747,450)**
Transactions with owners in their capacity as owners:				
Issue of ordinary shares	**2,850,000**	–	–	**2,850,000**
Costs of shares issuance	**(82,221)**	–	–	**(82,221)**
Share based payments (Note 17(b))	–	**2,325,040**	–	**2,325,040**
Total transactions with owners in their capacity as owners	**2,767,779**	**2,325,040**	–	**5,092,819**
Balance as at 30 June 2022	**59,497,618**	**6,363,498**	**(30,208,918)**	**35,652,198**

Group

2021	**Share capital A$**	**Reserves A$**	**Accumulated losses A$**	**Total Equity A$**
Balance as at 1 July 2020	49,048,549	1,414,698	(12,284,745)	38,178,502
Loss for the year	–	–	(2,213,614)	(2,213,614)
Other comprehensive loss				
Share of other comprehensive loss of associate	–	(273,925)	–	(273,925)
Total comprehensive loss for the year	–	(273,925)	(2,213,614)	(2,487,539)
Transactions with owners in their capacity as owners:				
Issue of ordinary shares	8,026,494	–	–	8,026,494
Costs of shares issuance	(345,204)	–	–	(345,204)
Transfer of reserve on loss of control of subsidiary	–	90,086	(90,086)	–
Share based payments (Note 17(b))	–	2,934,576	–	2,934,576
Total transactions with owners in their capacity as owners	7,681,290	3,024,662	(90,086)	10,615,866
Balance as at 30 June 2021	56,729,839	4,165,435	(14,588,445)	46,306,829

The accompanying notes form an integral part of these financial statements and should be read in conjunction with the financial statements.

MAYUR RESOURCES LTD AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN EQUITY
For the financial year ended 30 June 2022

Company

2022	**Share capital A$**	**Reserves A$**	**Accumulated losses A$**	**Total Equity A$**
Balance as at 1 July 2021	**56,729,839**	**10,984,676**	**(21,407,687)**	**46,306,828**
Loss for the financial year	–	–	**(28,469,234)**	**(28,469,234)**
	–	–		
Total comprehensive loss for the financial year	–	–	**(28,469,234)**	**(28,469,234)**
Transactions with owners in their capacity as owners:				
Issue of ordinary shares	**2,850,000**	–	–	**2,850,000**
Costs of shares issuance	**(82,221)**	–	–	**(82,221)**
Share based payments (Note 17(b))	–	**2,325,040**	–	**2,325,040**
Total transactions with owners in their capacity as owners	**2,767,779**	**2,325,040**	–	**5,092,819**
Balance as at 30 June 2022	**59,497,618**	**13,309,716**	**(49,876,921)**	**22,930,413**

Company

2021	**Share capital A$**	**Reserves A$**	**Accumulated losses A$**	**Total Equity A$**
Balance as at 1 July 2020	49,048,549	8,050,100	(18,941,243)	38,157,406
Loss for the financial year	–	–	(2,466,444)	(2,466,444)
Total comprehensive loss for the financial year	–	–	(2,466,444)	(2,466,444)
Transactions with owners in their capacity as owners:				
Issue of ordinary shares	8,026,494	–	–	8,026,494
Costs of shares issuance	(345,204)	–	–	(345,204)
Share based payments (Note 17(b))	–	2,934,576	–	2,934,576
Total transactions with owners in their capacity as owners	7,681,290	2,934,576	–	10,615,866
Balance as at 30 June 2021	56,729,839	10,984,676	(21,407,687)	46,306,828

The accompanying notes form an integral part of these financial statements and should be read in conjunction with the financial statements.

MAYUR RESOURCES LTD AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
For the financial year ended 30 June 2022

	Note	**Group 2022 A$**	Group 2021 A$
Loss before tax		**(15,620,473)**	(2,213,614)
Adjustments for:			
Interest income	4	**(2,761)**	(162)
Share based payments expense	17(b)	**1,849,114**	730,214
Finance charges		**365,108**	2,497
Depreciation expense	9(b)	**17,260**	28,078
Impairment of capitalised exploration and evaluation expenditure	10	**57,282**	7,018,469
Impairment of investment in associated entity	12	**4,086,502**	–
Share of results of associate	12	**4,471,770**	966,099
Profit on disposal of discontinued operations	11(d)	–	(8,740,760)
Net foreign exchange gain		**178,662**	93,291
Total adjustments		**11,022,937**	97,726
Operating cash flows before changes in working capital		**(4,597,536)**	(2,115,888)
Changes in working capital:			
Decrease in receivables / current assets		**64,936**	80,783
Increase in trade and other payables		**760,564**	100,018
Total changes in working capital		**825,500**	180,801
Cash flows used in operating activities		**(3,772,036)**	(1,935,087)
Interest received		**2,761**	162
Net cash flows used in operating activities		**(3,769,275)**	(1,934,925)
Cash flow from investing activities			
Payments for property, plant, and equipment	9(c)	**(412,753)**	(477,380)
Payments for exploration and evaluation expenditure	10	**(3,759,594)**	(2,589,912)
Payments for security deposits		**(118,494)**	–
Transaction costs incurred on loss of control of subsidiary	11(d)	–	(950,965)
Cash disposed on loss of control of subsidiary	11(d)	–	(88,644)
Proceeds from advance (Santos Facility)	15	**4,351,143**	–
Net cash flows from/(used in) investing activities		**60,302**	(4,106,901)
Cash flow from financing activities			
Proceeds from share issue	16	**2,850,000**	7,976,494
Cost of issuing shares	16	**(82,221)**	(291,204)
Finance charges - costs of borrowing paid		**(120,000)**	–
Finance charges - interest paid (Note A)		**(245,108)**	(2,497)
Proceeds from borrowings (Note A)		**3,000,000**	–
Repayment of borrowings (Note A)		**(3,000,000)**	–
Net cash flows provided by financing activities		**2,402,671**	7,682,793

The accompanying notes form an integral part of these financial statements and should be read in conjunction with the financial statements.

MAYUR RESOURCES LTD AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
For the financial year ended 30 June 2022

	Note	Group **2022** **A$**	 2021 A$
Reconciliation of cash and cash equivalents			
Cash and cash equivalents at beginning of financial year		**4,535,828**	2,988,147
Net (decrease)/increase in cash and cash equivalents		**(1,306,302)**	1,640,967
Foreign exchange difference on cash and cash equivalents		**(178,662)**	(93,286)
Cash and cash equivalents at end of financial year	13	**3,050,864**	4,535,828

Supplementary disclosures:

Note A:

During the financial year, a third party had provided an A$3 million loan facility to the Company. The A$3 million loan facility initially had a term of 2 years with an interest rate of 8% per annum, with interest payable quarterly in arrears. The loan was however repaid in full in June 2022. Finance charges of $245,108 were incurred on this loan facility during the financial year ended 30 June 2022.

The accompanying notes form an integral part of these financial statements and should be read in conjunction with the financial statements.

MAYUR RESOURCES LTD AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 June 2022

1. Corporate information

Mayur Resources Ltd (the “Company” or “Mayur”) (Co. Reg. No. 201114015W), is a limited liability company incorporated in Singapore.

The registered office of the Company is located at 80 Robinson Road #02-00 Singapore 068898. The principal place of business is Level 7, 300 Adelaide Street, Brisbane QLD, 4000, Australia.

The principal activity of the Company is investment holding. The Group is involved in exploration and evaluation activities with a focus on Cement and Lime, Iron and Industrial Sands, and Renewable Energy / Carbon Credits. The Group has exploration licenses and prospective projects in Papua New Guinea. The principal activities of the subsidiaries and associate are disclosed in Notes 11 and 12 to the financial statements respectively.

The Company’s shares are listed on the Australian Stock Exchange under the ticker code MRL.

2. Summary of significant accounting policies

a) Basis of preparation

The financial statements are expressed in Australian dollars (“A$”), which is the Company’s functional currency. The financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Singapore Companies Act 1967 (the “Act”) and Singapore Financial Reporting Standards (International) (“SFRS(I)”). The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting form that disclosure is not material.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is 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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the group considers the characteristics of the asset or liability which market participants would consider when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of SFRS(I) 2 Share-Based Payments and measurements that have some similarities to fair value but are not fair value, such as value in use in SFRS(I) 1-36 Impairment of Assets. In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

(a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
(b) Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
(c) Level 3 inputs are unobservable inputs for the asset or liability.

The preparation of financial statements in conformity with SFRS(I) requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management’s best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.
The Company’s separate financial statements have been prepared on the same basis, and as permitted by the Act, the Company’s separate statement of profit or loss and other comprehensive income is not presented.

2. Summary of significant accounting policies (continued)

a) Basis of preparation (continued)

Use of estimates and judgements

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Critical accounting estimates and assumptions used that are significant to the financial statements, and areas involving a major degree of judgement or complexity, are disclosed in Note 3.

The carrying amounts of cash and cash equivalents, trade and other current receivables and payables approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

b) New and revised standards

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group and the Company have adopted all the new and amended SFRS(I) and SFRS(I) Interpretations ("SFRS(I) INT") which are relevant to the Group and the Company and are effective for annual financial periods beginning on or after 1 July 2021. The adoption of these standards did not have any material effect on the financial performance or position of the Group and the Company.

New standards, amendments to standards and interpretations that have been issued at the balance sheet date but are not yet effective for the financial year ended 30 June 2022 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Group and the Company.

c) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

In the Company's balance sheet, investments in subsidiaries are accounted for at cost less accumulated impairment losses. On disposal of the investments, the difference between disposal proceeds and the carrying amount of the investments are recognised in profit or loss.

d) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the balance sheet date. Subsidiaries are consolidated from the date on which the Group obtains control and continue to be consolidated until the date that such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting date as the parent company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

Intragroup balances and transactions, including income, expenses, and dividends, are eliminated in full. Profits and losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant, and equipment, are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

e) Basis of combination

Business combinations are accounted for using the acquisition method. The consideration transferred for the acquisition comprises the fair value of the assets transferred, the liabilities incurred, and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary.

2. Summary of significant accounting policies (continued)

e) Basis of combination (continued)

Acquisition-related costs are recognised as expenses as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Any excess of the fair value of the consideration transferred in the business combination, the amount of any non-controlling interest in the acquiree (if any) and the fair value of the Group's previously held equity interest in the acquiree (if any), over the fair value of the net identifiable assets acquired is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the date of acquisition.

Non-controlling interests are that part of the net results of operations and of net assets of a subsidiary attributable to the interests which are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and balance sheet. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if the subsidiary incurred losses and the losses allocated exceed the non-controlling interests in the subsidiary's equity.

For non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation, the Group elects on an acquisition-by-acquisition basis whether to measure them at fair value, or at the non-controlling interests' proportionate share of the acquiree's net identifiable assets, at the acquisition date. All other non-controlling interests are measured at acquisition-date fair value or, when applicable, on the basis specified in another standard.

In business combinations achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners).

When a change in the Company's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific SFRS(I).

If the Group loses control over a subsidiary, it derecognises the related assets, liabilities, non-controlling interest, and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

f) Investments in associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting.

Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment separately.

The statement of profit or loss reflects the Group's share of the results of operations of the associate. Any change in other comprehensive income of those investees is presented as part of the Group's other comprehensive income. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity.

2. Summary of significant accounting policies (continued)

f) Investments in associates (continued)

Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss within “Share of profit of an associate” in the statement of profit or loss.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

In the Company’s separate financial statements, investments in associates are carried at cost less accumulated impairment loss. On disposal of an investment in an associate, the difference between the disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

g) Foreign currency

Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (“the functional currency”). The financial statements of the Group and the Company are presented in Australian dollars, which is the Company’s functional currency.

Transactions and balances

Transactions in a currency other than the functional currency (“foreign currency”) are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Currency translation gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except for currency translation differences on net investment in foreign operations and other currency instruments qualifying as net investment hedges for foreign operations, which are included in the currency transaction reserve within equity in the consolidated financial statements.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

Translation of Group entities’ financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the Group’s presentation currency are translated into the presentation currency as follows:

(a) Assets and liabilities are translated at the closing rates at the date of the balance sheet;
(b) Income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and
(c) All resulting exchange differences are recognised in the currency translation reserve within equity.

2. Summary of significant accounting policies (continued)

g) Foreign currency (continued)

On consolidation, exchange differences arising from the translation of the net investment in foreign operations (including monetary items that, in substance, form part of the net investment in foreign entities), and other currency instruments designated as hedges of such investments, are taken to the foreign currency translation reserve.

On disposal of a foreign group entity, the cumulative amount of the currency translation reserve relating to that foreign entity is reclassified from equity and recognised in profit or loss when the gain or loss on disposal is recognised.

h) Revenue

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

Interest income is recognised when it becomes receivable on a proportional basis taking into account the interest rates applicable to the financial assets.

i) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to items recognised outside profit or loss, either in other comprehensive income or directly in equity in which the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity respectively).

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided using the liability method, on all temporary differences at the end of the reporting period arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except where the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination, and at the time of the transaction, affects neither the accounting nor taxable profit or loss.

Deferred income tax is provided on temporary differences arising on investment in subsidiaries and associates except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on currently enacted or substantively enacted tax rates at the balance sheet date.

j) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits, and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. These also include bank overdrafts, if any, that form an integral part of the Group's cash management.

2. Summary of significant accounting policies (continued)

k) Share capital and share issuance expenses

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

l) Contingencies

A contingent liability is:

a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

b) a present obligation that arises from past events but is not recognised because:

  (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

m) Financial assets

Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date - the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value of the financial assets on initial recognition. Transaction costs directly attributable to acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

Classification and measurement

All financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. The Group classifies its financial assets based on the Group's business model for managing the financial asset and the contractual cash flow characteristics of the financial assets. The Group's financial assets are classified at amortised cost which comprise other receivables and cash and cash equivalents.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified, or impaired. Interest income from these financial assets is included in interest income using the EIR method.

Impairment

The Group recognises an allowance for expected credit losses ("ECLs") for financial assets carried at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

2. Summary of significant accounting policies (continued)

m) Financial assets (continued)

Impairment (continued))

The impairment methodology applied depends on whether there has been a significant increase in credit risk. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Group recognises an impairment gain or loss in profit or loss for all financial assets with a corresponding adjustment to their carrying amount through a loss allowance account.

Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset, and the net amount presented on the balance sheet when, and only when the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

n) Financial liabilities

Financial liabilities include trade and other payables. Financial liabilities are recognised on the balance sheet when, and only when, the Group becomes a party to the contractual provisions of the financial instruments. Financial liabilities are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost, comprising original debt less principal payments and amortisation.

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in profit or loss when the liabilities are derecognised and through the amortisation process. Financial liabilities are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

o) Impairment of non-financial assets

At each reporting date, the Group and the Company review the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group and the Company estimate the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the profit or loss.

p) Property, plant, and equipment

Property, plant, and equipment are stated at cost and subsequently carried at cost less accumulated depreciation and any impairment in value.
The cost of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

2. Summary of significant accounting policies (continued)

p) Property, plant, and equipment (continued)

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Dismantlement, removal, or restoration costs are included as part of the cost of property, plant, and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

On disposal of an item of property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to the profit or loss.

The depreciable amount of all property, plant and equipment is depreciated over their estimated useful lives on a straight-line method commencing from the time the asset is held ready for use. Useful lives of property, plant and equipment typically range from 3 to 5 years.

Fully depreciated assets are retained in the financial statements until they are no longer in use.

The residual values, estimated useful lives and depreciation method are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in the profit or loss when the changes arise.

q) Exploration and evaluation expenditure

Exploration and evaluation costs, including the costs of acquiring licences, are capitalised as exploration and evaluation assets on an area of interest basis. Costs incurred before the Group has obtained legal rights to explore an area are expensed in the profit or loss.

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

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

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

Once technical feasibility and commercial viability of the area of interest are demonstrable, exploration and evaluation assets attributable to that area are first tested for impairment and then reclassified from exploration and evaluation assets to property and development assets within property, plant, and equipment or intangible, as applicable.

r) Share based compensation

The economic entity makes equity-settled share-based payments to directors, employees and other parties for services provided for the acquisition of exploration assets. Where applicable, the fair value of the equity is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price. The fair value of options is ascertained using the Black Scholes option valuation pricing model which incorporates all market vesting conditions. Where applicable, the number of shares and options expected to vest is reviewed and adjusted at each reporting date such that the amount recognised for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

Where the fair value of services rendered by other parties can be reliably determined, this is used to measure the equity-settled payment.

2. Summary of significant accounting policies (continued)

s) Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the balance sheet and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments. When the grant relates to an expense item, it is recognised in profit or loss over the period necessary to match them on a systematic basis to the costs that it is intended to compensate.

t) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incurs expenses, including revenues and expenses that relate to transactions with other components of the Group. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the directors.

u) Employee benefits

Employee leave entitlement

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long-service leave as a result of services rendered by employees up to the balance sheet date.

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund and will have no legal or constructive obligation to pay further contributions once the contributions have been paid. Contributions to defined contribution plans are recognised as an expense in the period in which the related service is performed.

v) Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

w) Provisions for other liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic resources will be required to settle that obligation and the amount can be estimated reliably. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the balance sheet date. Where the effect of the time value of money is material, the amount of the provision shall be discounted to present value using a pre-tax discount rate that reflects the current market assessment of the time value of money and risks specific to the obligation.

When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost in the profit or loss.

3. Key sources of estimation uncertainty and critical accounting judgements

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

3. Key sources of estimation uncertainty and critical accounting judgements (continued)

Impairment of investment in associate

As at 30 June 2022, the carrying value of the Group's and the Company's investment in associate was A$2,696,629 (2021: A$11,381,878) and A$2,696,629 (2021: A$12,621,902) respectively (Note 12). The investment in associate is assessed for impairment in accordance with the accounting policy described in Note 2(o).

As at 30 June 2022, the fair value of the Group's investment in the associate based on quoted market prices was A$2,696,629.

As at 30 June 2022, the Group and the Company determined recoverable amount of investment in associate using fair value less cost of disposal method and an impairment loss of A$4,086,502 is recognised as at 30 June 2022. The fair value of investment is determined based on the quoted share price of the associate as at 30 June 2022 and the fair value measurement is categorised in Level 1 of the fair value hierarchy.

As at 30 June 2021, the Group had determined that no impairment of the investment in the associate was necessary as it was considered at that time the recoverable amount of the investment, determined using fair value less cost of disposal, exceeded the carrying value of the investment in the associate. In making that assessment of the recoverable amount of the investment at 30 June 2021, management considered commonly used valuation metrics for junior mineral exploration companies such as economic value per resource ounce applied to the publicly reported mineral resources of the associate as determined in accordance with Canadian National Instrument 43-101. The fair value measurement is categorised in Level 3 of the fair value hierarchy.

Shared based payments

The Group measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. Fair value is calculated using the Black Scholes valuation model, considering the terms and conditions upon which the options were granted. The assumptions used in these valuation models are set out in Note 17(b).

Where the vesting of share-based payments contains performance based and market-based milestones, in estimating the number and fair value of the equity instruments issued, the Group assesses the probability of the milestones being met, and therefore the probability of the instruments vesting. Management applies judgement to arrive at the probabilities that are applied to these instruments. These estimates will be adjusted over time to reflect actual performance and management's best estimates of the conditions being met.

Calculation of loss allowance

When measuring the expected credit loss ("ECL"), the Group and the Company uses reasonable and supportable forward-looking information, which is based on assumptions and forecasts of future economic conditions with consideration on the impact of COVID-19 pandemic and how these conditions are expected to affect the Group's and the Company's ECL assessment. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions, and expectations of future conditions.

As the calculations of loss allowances on other receivables and receivables from related parties are subject to assumptions and forecasts, any changes to these estimations will affect the amounts of loss allowance recognised and the carrying amounts of receivables. Details of ECL measurement and carrying value of other receivables and receivables from subsidiaries at the end of the financial year are disclosed in Notes 14, 19 and 20 respectively.

3. Key sources of estimation uncertainty and critical accounting judgements (continued)

Calculation of cost of investment in associate and consideration on loss of control of subsidiary

Notes 11 and 12 describe transactions entered into by the Company during the financial year ended 30 June 2021, pursuant to which the Group acquired a 42.75% ownership interest in Adyton Resources Corporation as consideration for the Group's disposal of its 100% ownership interest in MR Exploration PNG Pte Ltd and Mayur Exploration PNG Limited. The shares in Adyton Resources Corporation that were received by the Company are subject to resale restrictions.

In estimating the fair value of the Adyton Resources Corporation shares received as consideration, the Company was required to adjust the fair value of the Adyton Resources Corporation shares to reflect the resale restrictions. The directors assessed that the appropriate methodology for making this adjustment was the use of an option pricing model that incorporated the duration of the restriction and the characteristics of the underlying shares. To achieve this a Black Scholes option pricing model was used which required determination of the most appropriate inputs to the valuation model including the expected duration of the restriction, volatility and dividend yield and making assumptions about them. The fair value measurement of consideration is classified in Level 3 of the fair value hierarchy.

Critical accounting judgements

In the process of applying the Group's accounting policies, management has made the following judgements that have the most significant effect on the amounts recognised in the financial statements (apart from those involving estimations which are described in the preceding paragraphs).

Going concern assumption

As at 30 June 2022 the Group had cash reserves of A$3,050,864 (2021: A$4,535,828). net current assets of A$1,234,064 (2021: A$3,586,598) and net assets of A$35,652,198 (2021: A$46,306,829),

The Group incurred a loss from continuing operations for the year ended 30 June 2022 of A$15,620,473 (2021 loss: A$10,838,325), net cash outflows from operating activities of A$3,769,275 (2021: A$1,934,925 outflows) and net inflows from investing activities of A$60,302 (2021: A$4,106,901 outflows).

These conditions give rise to material uncertainty which may cast significant doubt over the Group's ability to continue as a going concern.

The ability of the Group to continue as a going concern is principally dependent upon the following:

(a) the ability of the Company to raise additional funding in the future;
(b) the successful implementation of the Group's disaggregation strategy; and
(c) the successful exploration and subsequent exploitation and development of the Group's tenements.

These conditions give rise to material uncertainty which may cast significant doubt over the Group's ability to continue as a going concern.

Based on the success of previous capital raisings combined with the potential to attract farm-in partners for projects, the potential sale or disaggregation of the current portfolio of exploration assets held and the ability of the Group to reduce or defer uncommitted expenditure, the directors have prepared the financial statements on a going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the ordinary course of business. The directors are confident of securing funds as and when necessary to meet the Group's obligations as and when they fall due.

If the Group is unable to continue in operational existence for the foreseeable future, the Group may be unable to discharge its liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the balance sheet. In addition, the Group may have to provide for further liabilities that might arise and to reclassify non-current assets as current assets. No such adjustments have been made to these financial statements.

3. Key sources of estimation uncertainty and critical accounting judgements (continued)

Critical accounting judgements (continued)

Impairment of exploration and evaluation expenditure

At 30 June 2022, the carrying value of exploration and evaluation assets of the Group was A$32,790,295 (2021: A$28,186,048). Exploration and evaluation assets are assessed for impairment in accordance with the accounting policy disclosed in Note 2(q). The accounting policy requires management to make certain estimates and assumptions as to future events and circumstances. These estimates and assumptions may change as new information becomes available. If, after having capitalised expenditure under the accounting policy, a judgement is made that recovery of the expenditure is unlikely, the relevant capitalised amount will be expensed in the statement of profit or loss and other comprehensive income.

As at 30 June 2022, six of the Group's mineral exploration licences were under application for renewal. The Group believes it has complied with all licence conditions, including minimum expenditure requirements, and is not aware of any matters or circumstances that have arisen that would result in the Group's application for renewal of the exploration licences not being granted in the ordinary course of business. The Group has determined that no impairment of the capitalised exploration and evaluation expenditure relating to these exploration licences is necessary as it is considered that there is a reasonable basis to expect that the renewal applications will be granted and that the Group is otherwise proceeding with exploration and development activities on the exploration licences. Should any of the exploration licences not be renewed, the relevant capitalised amount as at 30 June 2022 will be expensed in the statement of profit or loss and other comprehensive income. Exploration and evaluation assets are set out in Note 10. During the year ended 30 June 2022 the Group impaired A$57,282 (2021: A$7,018,469) in relation to several mineral exploration tenements that were relinquished by the Group following a strategic review of the Group's portfolio of exploration tenements. The remaining licences were renewed subsequent to the end of the reporting period.

Deferred tax assets

No members of the Group have generated taxable income in the financial year and as such the Group continues to carry forward tax losses that give rise to deferred tax assets. Given that the Group's projects remain in early exploration stages, it is unlikely that the Group will generate taxable income in the foreseeable future in the absence of asset sales.

Taking account of the above, the deferred tax assets have not been recognised in the financial statements as management does not believe that the members of the Group satisfy the recognition criteria set out in SFRS(I) 1-12.

Santos Facility (Refer to Note 15)

On 20 June 2022, Mayur announced that it had executed an Expression of Interest (EOI) with Santos Ventures Pty Ltd (Santos), a subsidiary of Santos Limited (ASX: STO), a third party, to jointly develop a portfolio of nature-based carbon offset projects in Papua New Guinea (Carbon Projects).

Under the terms of the EOI, Mayur has agreed to provide Santos with an exclusive period of 180 days (Exclusivity Period) during which Santos and Mayur are to negotiate in good faith and if agreed, enter into binding transaction documents (Transaction Documents) to jointly develop Carbon Projects. The Carbon Projects focus on preserving 1.4 million hectares of pristine rainforest in Papua New Guinea through avoided deforestation. Phase 1 development is already being progressed which includes up to 800,000 hectares in the Western Province. The EOI includes a framework for the future commercialisation of the Carbon Projects contingent on executing Transaction Documents along with remaining confirmatory due diligence. In conjunction with that announcement, Santos has provided Mayur with a US$3 million non-interest bearing advance (at exchange rate on 30 June 2022 - A$4,351,143) on 16 June 2022 to, amongst other things, fund ongoing detailed feasibility and landholder consent work on the Carbon Projects.

3. Key sources of estimation uncertainty and critical accounting judgements (continued)

Critical accounting judgements (continued)

Santos Facility (Refer to Note 15) (continued)

If the Transaction Documents are not entered before the conclusion of the Exclusivity Period (being 17 December 2022), the Convertible Securities issued under the facility on 16 June 2022 will convert on the date that is 5 business days after the third anniversary of the execution of the EOI (provided no shareholder approval is required) or such other date as the parties may agree to issue ordinary fully paid shares in Mayur based on a 30-day Volume Weighted Average Price (VWAP) calculated three years from the date of execution of the EOI (being 20 June 2025).

If the Transaction Documents are entered before the conclusion of the Exclusivity Period (being 17 December 2022), the loan facility will be repayable by Mayur to Santos by not later than 16 June 2032.

If the Transaction Documents are entered before the conclusion of the Exclusivity Period (being 17 December 2022), in certain circumstances, the facility may be forgiven by Santos, based on project performance criteria, the commercial terms of which have been agreed between Santos and Mayur in the EOI.

Loss of control over MR Exploration PNG Pte Ltd and Mayur Exploration PNG Limited

Note 11 describes that on 18 February 2021 (during the financial year ended 30 June 2021) the Group was considered to have disposed of its 100% ownership interests in MR Exploration PNG Pte Ltd and Mayur Exploration PNG Limited which held the Group's portfolio of copper and gold mineral exploration tenements located in Papua New Guinea even though the Group obtained a 42.75% ownership interest in Adyton Resources Corporation as consideration for the disposal of its ownership interest in MR Exploration PNG Pte Ltd and Mayur Exploration PNG Limited. The remaining 57.25% of the ownership interests in Adyton Resources Corporation are held by shareholders that are unrelated to the Group.

The directors of the Company assessed whether the Group lost control over MR Exploration PNG Pte Ltd and Mayur Exploration PNG Limited as a result of the transaction with Adyton Resources Corporation. In making their judgement, the directors considered the Group's ownership interest in Adyton Resources Corporation and the representation of appointees of the Company's appointees on the Board of Directors of Adyton Resources Corporation. After assessment, the directors concluded that the Group does not have a sufficiently dominant voting interest to direct the relevant activities of Adyton Resources Corporation and therefore the Group lost control over MR Exploration PNG Pte Ltd and Mayur Exploration PNG Limited.

Having concluded that the 42.75% ownership interest in Adyton Resources Corporation did not provide the Company with control over Adyton Resources Corporation, the directors of the Company assessed whether the Company has significant influence over Adyton Resources Corporation.

Note 12 describes that the directors assessed that the Company does have significant influence over Adyton Resources Corporation by virtue of its 42.75% ownership interest and has classified Adyton Resources Corporation as an associate and the Group has accounted for it for it using the equity method of accounting.

4. Revenue and other income – continuing operations

	Group	
	2022	2021
	A$	A$
Interest income - cash and cash equivalents	**2,761**	162
COVID-19 government grant	–	50,000
Recovery of finance charges	–	8,494
	2,761	58,656

In 2021, the COVID-19 government grant received was a non-refundable grant received from the Australian government as part of its economic response to the COVID-19 pandemic.

5. Auditor's remuneration – continuing operations

	Group	
	2022	2021
	A$	A$
Audit fees:		
- Auditor of the Company	**66,168**	50,000
- Other auditors*	**83,829**	90,447
Non-audit fee:		
- Other auditors*	**55,000**	–
	204,997	140,447

There are no non-audit fees paid to other auditors in the years ended 30 June 2022 and 30 June 2021.

* Includes independent member firms of the Baker Tilly International network.

6. Segment information

For management purposes, the Group is organised into the following business units:

- Cement and Lime which includes limestone and the Central Cement and Lime Project;
- Iron and Industrial Sands which includes construction sands, magnetite sand and heavy mineral sands. The focus of this business unit is the development of the Orokolo Bay Iron and Industrial Sands Project located along the southern coast of Papua New Guinea;
- Coal and power comprising the Depot Creek coal resource in the Gulf Precinct of Papua New Guinea and which is developing a proposal for vertically integrated domestic power projects in Papua New Guinea with an initial focus on the Lae region;
- Renewables which comprises investment in nature based forestry carbon credit projects, and proposed future solar and geothermal projects; and
- Corporate which provides Group-level corporate services, investment and treasury functions.

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments. Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on actual expenditure incurred, including capitalised expenditure which differs from operating profit or loss reported in the consolidated financial statements.

6. Segment information (continued)

Accounting policies adopted

The Chief Operating Decision Maker assesses the performance of the operating segments based on a measure of gross expenditure that includes both expenditure that is capitalised in these financial statements and expenditure that is expensed in the statement of profit or loss and other comprehensive income in these financial statements. The measurement of gross expenditure does not include the impairment of exploration expenditure or non-cash items such as depreciation expense and share based payments expense. Interest and other items of revenue are allocated to the Corporate segment.

	Cement and Lime A$	Iron and Industrial Sands A$	Coal and Power A$	Renewables A$	Corporate A$	Consolidated Financial Statements A$
Group						
2022						
Results:						
Interest income	–	–	–	–	**2,761**	**2,761**
Impairment of exploration and evaluation expenditure	**(52,970)**	**(4,312)**	–	–	–	**(57,282)**
Impairment of investment in associate	–	–	–	–	**(4,086,502)**	**(4,086,502)**
Forgiveness of intercompany loans	**4,970,522**	**20,121,617**	**897,938**	**153,543**	**(26,143,620)**	–
Share of result of associate	–	–	–	–	**(4,471,770)**	**(4,471,770)**
Segment profit/(loss)	**4,435,326**	**19,965,166**	**326,438**	**(463,776)**	**(8,642,681)**	**(15,620,473)**
Assets:						
Exploration and evaluation Expenditure	**9,917,683**	**17,463,472**	**5,409,140**	–	–	**32,790,295**
Investment in associate	–	–	–	–	**2,696,629**	**2,696,629**
Segment assets	**9,942,544**	**18,104,769**	**9,176,619**	**132,594**	**4,833,460**	**42,189,986**
Segment assets include:						
Non-cash expenditure capitalised	**404,731**	**51,539**	**33,120**	–	–	**489,390**
Additions to property, plant, and equipment	–	–	**67,546**	–	**20,000**	**87,546**
Additions to exploration and evaluation expenditure	**1,863,062**	**2,562,070**	**236,397**	–	–	**4,661,529**
Segment liabilities	**5,826,916**	**1,070,162**	**9,777,416**	**596,370**	**(10,733,076)**	**6,537,788**

6. Segment information (continued)

	Cement and Lime A$	Iron and Industrial Sands A$	Coal and Power A$	Corporate A$	Copper and Gold (discontinued) A$	Consolidated Financial Statements A$
Group						
2021						
Results:						
Interest income	–	–	–	162	–	162
Impairment of exploration and evaluation expenditure	–	(4,243,889)	(2,774,580)	–	–	(7,018,469)
Profit from discontinued operation	–	–	–	–	8,624,711	8,624,711
Share of result of associate	–	–	–	(966,099)	–	(966,099)
Segment (loss)/profit	(49,744)	(4,566,250)	(2,897,537)	(3,324,794)	8,624,711	(2,213,614)
Assets:						
Exploration and evaluation Expenditure	8,123,699	14,889,606	5,172,743	–	–	28,186,048
Investment in associate	–	–	–	11,381,878	–	11,381,878
Segment assets	8,130,166	15,359,510	8,712,865	15,375,080	–	47,577,621
Segment assets include:						
Non-cash expenditure capitalised	694,917	1,077,799	407,863	–	23,783	2,204,362
Additions to property, plant, and equipment	–	–	689,527	–	–	689,527
Additions to exploration and evaluation expenditure	2,045,231	2,292,868	322,919	–	131,037	4,792,055
Segment liabilities	167,826	254,312	378,648	470,006	–	1,270,792

Geographical information

The Group's non-current assets are all located in Papua New Guinea ("PNG") where all of the exploration and proposed development activities are carried out.

Information about major customer

The Group is still in the pre-commercialisation stage of its exploration and proposed development activities and therefore no revenue is generated.

7. Tax expense

	Group	
	2022 **A$**	2021 A$
Tax expense attributable to loss of the Group is made up of:		
Current year income tax	–	–

The income tax expense on the results of the financial year varies from the amount of income tax determined by applying the Singapore statutory rate of income tax to profit/(loss) before tax due to the following factors:

7. Tax expense (continued)

The income tax expense on the results of the financial year varies from the amount of income tax determined by applying the Singapore statutory rate of income tax to profit/(loss) before tax due to the following factors:

	Group	
	2022	2021
	A$	A$
Loss before income tax from:		
Continuing operations	**(15,620,473)**	(10,838,325)
Discontinued operations (Note 11(d))	**–**	8,624,711
	(15,620,473)	(2,213,614)
Effect of tax rates in other jurisdictions	**97,831**	(491,826)
Tax calculated at a tax rate of 17% (2021: 17%)	**(2,655,480)**	(376,314)
Expenses not deductible for tax purposes	**479,464**	2,021,256
Effect of results of equity		
– accounted investee presented net of tax	**–**	251,186
Effect of change in tax rates	**(182,713)**	(212,289)
Income not assessable for tax purposes	**(1,578,110)**	(13,000)
Movement in unrecognised deferred tax assets	**3,839,008**	(1,179,013)
Tax expense	**–**	–

The applicable rate of income tax in a jurisdiction other than Singapore in which the Group is subject to tax rate ranges from 25% to 30% for the year ended 30 June 2022 (30 June 2021: 26% to 30%).

Include in expenses not deductible for tax purposes is non-deductible impairment of exploration and evaluation expenditure of A$57,282 (2021: A$7,018,469).

	Group	
	2022	2021
	A$	A$
Accruals	**41,869**	33,455
Provisions	**54,760**	37,591
Capital raising costs	**–**	14,431
Investment in associate	**1,700,481**	(560,885)
Others	**(7,890)**	(45,655)
Tax losses available for offset against future taxable income	**–**	1,990,890
Net deferred tax assets	**1,789,220**	1,469,827
Deferred tax assets not recognised	**(1,789,220)**	(1,469,827)
	–	–

Deferred tax assets do not expire under current legislation.

8. Earnings per share

The earnings per share was calculated based on net loss attributable to equity shareholders divided by the weighted average number of ordinary shares. The basic and diluted loss per share is the same for the years ended 30 June 2022 and 30 June 2021 as the Group incurred losses from continuing operations for both years, and the share options are anti-dilutive.

The following tables reflect the loss and share data used in the computation of basic and dilute earnings per share for the financial years ended 30 June:

	Group	
	2022	2021
	A$	A$
Loss from continuing operations attributable to owners	**(15,620,473)**	(10,838,325)
Profit from discontinued operations attributable to owner	**–**	8,624,711
Loss from continuing and discontinued operations attributable to owners	**(15,620,473)**	(2,213,614)
	Number of shares	
Weighted average number of ordinary shares outstanding for basic and diluted earnings per share	**229,316,028**	191,711,997

9. Property, plant, and equipment

	Group	
	2022	2021
	A$	A$
Power plant assets, at cost	**2,863,520**	2,795,974
Plant and equipment, net of depreciation	**359,071**	356,331
	3,222,591	3,152,305

(a) Power plant assets at cost

The Group continued feasibility studies and negotiations to obtain approvals for a coal fired electricity power plant to operate in Lae, Morobe Province and supply electricity to PNG Power Limited. The capitalised costs relate to expenditure incurred as at 30 June 2022 in respect of the proposed project. Depreciation of these costs has not commenced as the assets are not ready for use.

	Group	
	2022	2021
	A$	A$
Balance at 1 July	**2,795,974**	2,106,447
Additions	**67,546**	689,527
Balance at 30 June	**2,863,520**	2,795,974

(b) Plant and equipment, net of depreciation

	Group	
	2022	2021
	A$	A$
Balance at 1 July	**356,331**	384,409
Additions	**20,000**	–
Depreciation	**(17,260)**	(28,078)
Carrying value at 30 June	**359,071**	356,331
Cost		
- At 1 July	**443,429**	443,429
- At 30 June	**463,429**	443,429
Accumulated depreciation		
- At 1 July	**(87,098)**	(59,020)
- At 30 June	**(104,358)**	(87,098)
Carrying value at 30 June	**359,071**	356,331

Plant and equipment consist of office equipment and machineries which are individually insignificant.

(c) Non-cash transactions

	Group	
	2022	2021
	A$	A$
Aggregate cost of property, plant and equipment acquired	**87,546**	689,527
Add: Share-based reversal (Note 17(b))	**13,464**	–
Less: Share-based payment (Note 17(b))	**–**	(212,305)
Add/less: Change in other payables for additions	**311,743**	158
Net cash outflow for purchase of property, plant, and equipment	**412,753**	477,380

10. Exploration and evaluation expenditure

	Group	
	2022	2021
	A$	A$
Exploration and evaluation phases	**32,790,295**	28,186,048

Exploration and Evaluation Assets

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phase is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Movements in the net carrying amount of exploration and evaluation assets during the financial year are summarised below:

	Group	
	2022	2021
	A$	A$
Balance at beginning of financial year	**28,186,048**	33,260,840
Exploration and evaluation expenditure capitalised during the financial year	**4,661,529**	4,792,055
Impairment of exploration and evaluation expenditure	**(57,282)**	(7,018,469)
Exploration and evaluation expenditure disposed of on loss of control of subsidiary (Note 11(d))	**–**	(2,848,378)
Balance at end financial year	**32,790,295**	28,186,048

Impairment charges for the year represent the impairment of capitalised exploration in relation to tenements that the Group has, or intends to, relinquish. Movements in impairment charges are summarised below:

	Group	
	2022	2021
	A$	A$
Movement of impairment of exploration and evaluation expenditure		
At 1 July	**7,238,196**	219,727
Impairment charge during the financial year	**57,282**	7,018,469
At 30 June	**7,295,478**	7,238,196

Non-cash transactions

	Group	
	2022	2021
	A$	A$
Aggregate cost of exploration and evaluation expenditure	**4,661,529**	4,792,055
Less: Share-based payment (Note 17(b))	**(489,390)**	(1,992,057)
Add: Change in other payables for additions	**(412,545)**	(210,086)
Net cash outflow for exploration and evaluation expenditure	**3,759,594**	2,589,912

11. Subsidiaries

a) The Group's significant subsidiaries

The table below presents the Group's ownership interests in subsidiaries as at 30 June 2022 and 30 June 2021.

Subsidiaries of Mayur Resources Ltd:	Country of incorporation	Principal activity	Effective ownership interest held by the Group	
			2022	2021
			%	%
MR Iron PNG Pte Ltd#	Singapore	Investment holding	**100**	100
MR Energy PNG Pte Ltd#	Singapore	Investment holding	**100**	100
MR Industrials PNG Pte Ltd#	Singapore	Investment holding	**100**	100
MR Power Generation Pte Ltd#	Singapore	Investment holding	**100**	100
MR Renewables PNG Pte Ltd#*	Singapore	Investment holding	**100**	–
Ortus Resources Limited^^	Australia	Investment holding	**100**	–
MR Renewables PNG Sales Company Pty Ltd^^	Australia	Renewable energy	**100**	–
Mayur Iron PNG Limited^^	Papua New Guinea	Mineral exploration	**100**	100
Mayur Energy PNG Ltd^^	Papua New Guinea	Coal exploration	**100**	100
Mayur Industrials PNG Ltd^^	Papua New Guinea	Steel	**100**	100
Mayur Power Generation PNG Limited^^	Papua New Guinea	Power generation	**100**	100
Waterford Limited^^	Papua New Guinea	Coal exploration	**100**	100
Mayur Renewables PNG Ltd^^	Papua New Guinea	Renewable energy	**100**	–
Mayur Renewables PNG Carbon Trading Company Ltd^^	Papua New Guinea	Renewable energy	**100**	–

\# Audited by Baker Tilly TFW LLP

^^ Audited by independent overseas member firms of Baker Tilly International for consolidation purposes.

@ During the year ended 30 June 2021 the Group ceased to have a controlling interest in MR Exploration PNG Pte Ltd and Mayur Exploration PNG Limited. Refer Note 11(d).

* Non-audited

b) Investment in subsidiaries

	Company	
	2022	2021
	A$	A$
Unquoted equity shares at cost		
Balance at beginning of financial year	**12,243,898**	13,859,295
Disposal of subsidiaries	**–**	(1,615,397)
Balance at end of financial year	**12,243,898**	12,243,898

c) Non-controlling interests

As at 30 June 2022 and 30 June 2021, there were no non-controlling interests in subsidiaries.

In 2019, MR Iron PNG Pte Ltd (MIPP) entered into an agreement with China Titanium Resources Holdings Limited (CTRH) pursuant to which CTRH could earn up to a 49% ownership interest in MR Iron PNG Pte Ltd by providing up to US$25 million in funding for the Orokolo Bay industrial sands project. The agreement provides that CTRH will receive a 2% equity interest in MIPP for each US$1 million in funding contributed by CTRH, provided that CTRH's total equity interest in MIPP is capped at 49%. As at 30 June 2022, CTRH had not acquired any equity interest in MIPP under the terms of the agreement. The agreement was terminated during financial year ended 30 June 2022.

11. Subsidiaries (continued)

d) Losing control over subsidiaries and discontinued operations in 2021

On 18 February 2021 (during the financial year ended 30 June 2021) the Group disposed of its 100% ownership interests in MR Exploration PNG Pte Ltd and Mayur Exploration PNG Limited which held the Group's portfolio of copper and gold mineral exploration tenements located in Papua New Guinea.

The consideration for the disposals was received in the form of shares in Adyton Resources Corporation. Refer Note 12 for further information regarding the investment in Adyton Resources Corporation. No tax charge or credit arose in relation to the disposal.

As at 18 February 2021, the carrying amounts of the net assets of MR Exploration PNG Pte Ltd and Mayur Exploration PNG Limited were as follows:

	2021 A$
Non-current assets	
Exploration and evaluation expenditure (Note 10)	2,848,378
Current assets	
Cash	88,644
Other current assets	11,369
Current liabilities	
Trade and other payables	(18,214)
Net assets at date of loss of control	2,930,177
Value of share consideration received	12,621,902
Less: Transaction costs	(950,965)
Consideration, net of transaction costs	11,670,937
Gain on disposal, net of transaction costs	8,740,760

The gain on disposal is included in the profit for the year from discontinued operation in the consolidated statement of profit or loss as follows:

	Group 2021 A$
Other revenue – foreign currency exchange gain, net	25,719
Audit fees	–
Professional fees	(8,465)
Travel	(28,844)
Premises costs	(37,028)
Other operating expenses	(66,881)
Director remuneration	(550)
Loss from discontinued operation before tax	(116,049)
Tax expense	–
Loss from discontinued operations, after tax	(116,049)
Gain on disposal	
Profit on disposal before tax	8,740,760
Tax expense	–
Profit on disposal after tax	8,740,760
Profit for the year from discontinued operations	8,624,711

11. Subsidiaries (continued)

d) Losing control over subsidiaries in 2021 and discontinued operations (continued)

Cash flows for MR Exploration PNG Pte Ltd and Mayur Exploration PNG Limited for the 2021 year until the date of disposal and for the 2020 year are summarised as follows:

	Group 2021 A$
Operating activities	(105,713)
Investing activities	(98,635)
Cash flows from discontinued operations	(204,348)

12. Investment in associate

	Group		Company	
	2022 **A$**	2021 A$	**2022** **A$**	2021 A$
Investment in associate	**2,696,629**	11,381,878	**2,696,629**	12,621,902
	2,696,629	11,381,878	**2,696,629**	12,621,902

On 18 February 2021, the Group acquired a 42.75% ownership interest in Adyton Resources Corporation as the consideration of the Group's disposal of its 100% ownership interest in MR Exploration PNG Pte Ltd and Mayur Exploration PNG Limited (refer Note 11(d)). Adyton Resources Corporation is incorporated in Canada with its principal place of business at Level 14, 167 Eagle Street Brisbane QLD Australia. The principal activity of Adyton Resources Corporation is mineral exploration for gold and copper in Papua New Guinea.

The Group accounts for its investment in Adyton Resources Corporation using the equity method as set out in the Group's accounting policies in Note 2. The financial year end date of Adyton Resources Corporation is 31 December, and it presents its financial statements in Canadian dollars. For the purposes of applying the equity method of accounting, the financial statements of Adyton Resources Corporation for the six months ended 30 June 2022 have been used, and appropriate adjustments have been made to exclude the effects of transactions prior to 18 February 2021 being the date on which Adyton Resources Corporation became an associate of the Group.

The fair value of the Group's interest in Adyton Resources Corporation on 30 June 2022 was A$2,696,629 million based on the quoted market price available on the TSX Venture Exchange. The fair value measurement is classified with Level 1 of the fair value hierarchy.

The Group did not receive any dividends from Adyton Resources Corporation during the financial year.

As at 30 June 2022, the Group and the Company determined recoverable amount of investment in associate using fair value less cost of disposal method and an impairment loss of A$4,086,502 is recognised as at 30 June 2022. The fair value of investment is determined based on the quoted share price of the associate as at 30 June 2022 and the fair value measurement is categorised in Level 1 of the fair value hierarchy.

As at 30 June 2021, the Group had determined that no impairment of the investment in the associate is necessary as it was considered at that that the recoverable amount of the investment, determined using fair value less cost of disposal, exceeded the carrying value of the investment in the associate. In making that assessment of the recoverable amount of the investment at 30 June 2021, management considered commonly used valuation metrics for junior mineral exploration companies such as economic value per resource ounce applied to the publicly reported mineral resources of the associate as determined in accordance with Canadian National Instrument 43-101. The fair value measurement is categorised in Level 3 of the fair value hierarchy.

12. Investment in associate (continued)

Summarised financial information in respect of Adyton Resources Corporation is set out below. The summarised information below represents amounts in Adyton Resources Corporation's financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"), modified for fair value adjustments on acquisition.

	2022 A$	2021 A$
Non-current assets		
Exploration and evaluation expenditure	**15,478,548**	21,732,591
Property, plant, and equipment	**77,377**	71,233
Current assets		
Cash	**366,298**	6,022,472
Other current assets	**192,264**	421,726
Current liabilities		
Trade and other payables	**(247,514)**	(1,623,746)
Net assets at 30 June	**15,866,973**	26,624,276
Revenue	**Nil**	**Nil**
Loss for the financial year/period from 18 February 2021 to 30 June 2021	**(10,460,281)**	**(2,259,882)**
Other comprehensive income		
Exchange differences on translation to presentation currency for the financial year/period from 18 February 2021 to 30 June 2021	**(297,022)**	**(640,760)**
Total comprehensive income		
Total comprehensive income for the financial year/period from 18 February 2021 to 30 June 2021	**(10,757,303)**	**(2,900,642)**

The financial statements of the associate are reviewed by an independent member firm of Baker Tilly International for equity accounting purposes.

Reconciliation of the above summarised financial information to the carrying amount of the interest in Adyton Resources Corporation recognised in the consolidated financial statements is as follows:

	2022 A$	2021 A$
Net assets of Adyton Resources Corporation at 30 June	**15,866,973**	26,624,276
Group's share of net assets (42.75%)	**6,783,131**	11,381,878
Less: Allowance for impairment	**(4,086,502)**	–
Carrying amount of the Group's interest in the associate	**2,696,629**	11,381,878

13. Cash and cash equivalents

	Group		Company	
	2022 **A$**	2021 A$	**2022** **A$**	2021 A$
Unrestricted bank balances	**3,050,864**	4,535,828	**2,891,333**	3,787,964
	3,050,864	4,535,828	**2,891,333**	3,787,964

14. Other receivables

	Group		Company	
	2022	2021	**2022**	2021
	A$	A$	**A$**	A$
Goods and services tax receivables	**227,456**	114,520	**–**	–
Other current receivables				
- Third parties	**83,657**	207,042	**81,783**	199,445
- Subsidiaries	**–**	–	**54,486**	–
	311,113	321,562	**136,269**	199,445

15. Trade and other payables

	Group		Company	
	2022	2021	**2022**	2021
	A$	A$	**A$**	A$
Trade creditors and accruals	**2,127,913**	1,270,792	**1,082,629**	750,278
Non-interest bearing advance (Santos Facility)	**4,351,143**	–	**4,351,143**	–
	6,479,056	1,270,792	**5,433,772**	750,278
Presented as:				
Current	**2,127,913**	1,270,792	**1,082,629**	750,278
Non-current	**4,351,143**	–	**4,351,143**	–
	6,479,056	1,270,792	**5,433,772**	750,278

Santos Facility

On 20 June 2022, Mayur announced that it had executed an Expression of Interest (EOI) with Santos Ventures Pty Ltd (Santos), a subsidiary of Santos Limited (ASX: STO), a third party, to jointly develop a portfolio of nature-based carbon offset projects in Papua New Guinea (Carbon Projects).

Under the terms of the EOI, Mayur has agreed to provide Santos with an exclusive period of 180 days (Exclusivity Period) during which Santos and Mayur are to negotiate in good faith and if agreed, enter into binding transaction documents (Transaction Documents) to jointly develop Carbon Projects. The Carbon Projects focus on preserving 1.4 million hectares of pristine rainforest in Papua New Guinea through avoided deforestation. Phase 1 development is already being progressed which includes up to 800,000 hectares in the Western Province. The EOI includes a framework for the future commercialisation of the Carbon Projects contingent on executing Transaction Documents along with remaining confirmatory due diligence. In conjunction with that announcement, Santos has provided Mayur with a US$3 million non-interest bearing advance (at exchange rate on 30 June 2022 - A$4,351,143) on 16 June 2022 to, amongst other things, fund ongoing detailed feasibility and landholder consent work on the Carbon Projects.

If the Transaction Documents are not entered before the conclusion of the Exclusivity Period (being 17 December 2022), the Convertible Securities issued under the facility on 16 June 2022 will convert on the date that is 5 business days after the third anniversary of the execution of the EOI (provided no shareholder approval is required) or such other date as the parties may agree to issue ordinary fully paid shares in Mayur based on a 30-day Volume Weighted Average Price (VWAP) calculated three years from the date of execution of the EOI (being 20 June 2025).

If the Transaction Documents are entered before the conclusion of the Exclusivity Period (being 17 December 2022), the facility will be repayable by Mayur to Santos by not later than 16 June 2032.

15. Trade and other payables (continued)

***Santos Facility* (continued)**

If the Transaction Documents are entered before the conclusion of the Exclusivity Period (being 17 December 2022), in certain circumstances, the facility may be forgiven by Santos, based on project performance criteria, the commercial terms of which have been agreed between Santos and Mayur in the EOI.

The facility is secured over the Mayur Renewables business, by:

- A charge issued via a Security Deed, over all of the shares held by Mayur in MR Renewables PNG Pte Ltd, including any additional future shares that may be issued, and all related rights to those shares (including but not limited to dividends, warrants, options, and the like);
- A charge issued via a Security Deed, over all of the shares held by MR Renewables PNG Pte Ltd in Mayur Renewables PNG Limited, including any additional future shares that may be issued, and all related rights to those shares (including but not limited to dividends, warrants, options, and the like); and
- A charge issued via a Security Deed, over all of the assets and undertakings, future and present, in Mayur Renewables PNG Limited.

16. Share capital

	Group and Company	
	2022	2021
	A$	A$
Issue and fully paid-up capital		
Share capital	**59,497,618**	56,729,839

Movements in ordinary shares on issue in the year to 30 June were:

	2022		2021	
	Number	**A$**	Number	A$
At beginning of financial year	**217,135,969**	**56,729,839**	177,017,923	49,048,549
Issuance of shares pursuant to capital raising	**14,250,000**	**2,850,000**	28,147,127	7,976,494
Issuance of shares in settlement of capital raising costs	**–**	**(82,221)**	250,000	50,000
Shares issued on the exercise of options and performance rights	**4,796,628**	**–**	11,720,919	–
Issuance of shares as payment for services received	**861,066**	**–**	–	–
Issue of loan funded shares to executives	**4,500,000**	**–**	–	–
Cost of issuing shares	**–**	**–**	–	(345,204)
At end of financial year	**241,543,663**	**59,497,618**	217,135,969	56,729,839

16. Share capital (continued)

Ordinary shares, which have no par value, carry one vote per share and carry a right to dividends as and when declared by the Company.

Reconciliation of proceeds from share issue and costs of issuing shares to cash flow from financing activities

	Group 2022 A$	Group 2021 A$
Issuance of shares pursuant to capital raising	**2,850,000**	7,976,494
Proceeds from share issue in the consolidated statement of cash flows	**2,850,000**	7,976,494
Cost of issuing shares	**(82,221)**	(345,204)
Issuance of shares in settlement of capital raising costs	–	50,000
Capital raising costs accrued but not paid at the end of the period	–	4,000
Cost of issuing shares in the consolidated statement of cash flows	**(82,221)**	(291,204)

Options issued

During the financial year ended 30 June 2022, the Group granted the following unlisted options (financial year ended 30 June 2021 – NIL options issued during the year or in existence as at 30 June 2021) :

- On 20 December 2021, Mayur announced that it had executed Loan Facilities of $AUD 3 million with Equity Trustees Ltd as the responsible entity for Tribeca Global Natural Resources Fund ARSN 607 181 715 and Tribeca Global Natural Resources Limited ACN 627 596 418, with a term of 2 years, with an interest rate of 8% per annum, with interest payable quarterly in arrears. The Loan Facilities had full option coverage via the issue of 10,000,000 3-year unlisted options over fully paid ordinary shares in the Company with a strike price of A$0.30 per share and an expiry date of 21 December 2024; and
- On 23 February 2022, Mayur executed a Mandate Agreement with Fivemark Capital Pty Ltd (Fivemark) for the provision by Fivemark of strategic, investor relations, market and media communications advice services ("services") to the Company. The agreement is for a period of 12 months which is capable of being extended by mutual agreement between the parties. Mayur and Fivemark agreed on a fee structure comprising a cash component of $5,500 plus GST per month, and an equity fee component comprising 1,200,000 unlisted options over fully paid ordinary shares in the Company with a strike price of $0.45 per share and an expiry date of 30 November 2024. The services had been ceased during the financial year.

The following table illustrates the number and movements in share options issued during the financial year:

	Tribeca Options		**Advisor Options**	
	2022	2021	**2022**	2021
On issue at beginning of the year	–	–	–	–
Options issued	**10,000,000**	–	**1,200,000**	–
On issue at end of the year	**10,000,000**	–	**1,200,000**	–
Weighted average exercise price of options	**A$0.13647**	–	**A$0.0506**	–
Weighted average share price on the date options exercised	**Nil exercised**	–	**Nil exercised**	–

The options do not have any voting rights, any entitlement to dividends or any entitlement to the proceeds on liquidation in the event of a winding up.

17. Reserves

	Group		Company	
	2022	2021	**2022**	2021
	A$	A$	**A$**	A$
Capital reserve (a)	**(6,545,316)**	(6,545,316)	–	–
Share of foreign currency translation reserve of an associate	**(400,902)**	(273,925)	–	–
Share based payments reserve (b)	**13,309,716**	10,984,676	**13,309,716**	10,984,676
	6,363,498	4,165,435	**13,309,716**	10,984,676

(a) Capital reserve

	Group	Group
	2022	2021
	A$	A$
Balance at the beginning of the financial year	**(6,545,316)**	(6,635,402)
Equity attributable to owners of the Company:		
Transfer to accumulated losses	–	90,086
Balance at the end of the financial year	**(6,545,316)**	(6,545,316)

(b) Share based payments reserve

The share-based payments reserve is used to record the fair value of shares or options issued to employees/contractors and other service providers.

	Group and Company	
	2022	2021
	A$	A$
Balance at 1 July	**10,984,676**	8,050,100
Share based payments made during the year (i)	**2,325,040**	2,934,576
Balance at 30 June	**13,309,716**	10,984,676

The share-based payments made during the year were accounted for as follows:

	Group and Company	
	2022	2021
	A$	A$
Recognised as share-based payments expense in the Consolidated Statement of Profit or Loss and Other Comprehensive Income	**1,849,114**	730,214
Capitalised as exploration and evaluation expenditure (Note 10)	**489,390**	1,992,057
(Reverse)/Capitalised as property, plant, and equipment (Note 9(c))	**(13,464)**	212,305
	2,325,040	2,934,576

17. Reserves (continued)

(b) Share based payments reserve (continued)

The share-based payments reserve is used to record the fair value of shares or options issued to employees/contractors and other service providers.

(i) Share based payments made during the year

The following share-based payment transactions were recognised during the year:

	2022	
	Number issued	***A$***
Vested performance rights awarded to employees as salary (Salary Sacrifice Rights) (ii)	**5,670,565**	**857,620**
Loan funded shares (iii)	**1,000,000**	**185,000**
Tribeca options (vi)	**10,000,000**	**1,364,700**
Fivemark options (vii)	**1,200,000**	**60,749**
Long term incentive rights subject to vesting conditions (v)	**21,600,000**	**399,573**
Amounts recognised in relation to share based payments issued in the current year		**2,867,642**
Amounts recognised in the current year in relation to share based payments issued in previous financial years		**(542,602)**
		2,325,040

	2021	
	Number issued	***A$***
Vested performance rights awarded to employees as salary (Salary Sacrifice Rights) (ii)	**3,391,603**	**1,003,171**
Loan funded shares (iii)	**3,500,000**	**645,956**
Shares awarded as bonus payment (iv)		**171,139**
Long term incentive rights subject to vesting conditions (v)	**15,500,000**	**1,055,400**
Amounts recognised in relation to share based payments issued in the current year		**2,875,666**
Amounts recognised in the current year in relation to share based payments issued in previous financial years		**58,910**
		2,934,576

(ii) Salary sacrifice rights

Performance rights are granted to employees and contractors to receive shares in respect of a portion of their agreed remuneration. Each performance right will entitle the holder to receive one share. The performance rights vest annually over four equal instalments and can be exercised for no consideration at any time after vesting but prior to the expiry date of the rights.

The number of performance rights to be issued at each grant date is determined by dividing the salary amount to be paid in the form of performance share rights divided by the prevailing share price (rounded down to the nearest whole number). Any new employees/contractors or employees/contractors that have not worked on behalf of the Company for a minimum of 12 months shall be restricted in exercising their performance rights until such time they have worked for and/or on behalf of the Company for a year of 12 months.

During the financial year, 5,670,565 salary sacrifice rights were issued in respect of remuneration totalling A$857,260 (2021: 3,391,603 salary sacrifice rights issued in respect of remuneration totalling A$1,003,171).

17. Reserves (continued)

(iii) Loan funded shares

During the year the Company granted loan funded shares to the value of A$185,000 (2021: A$645,956) to eligible employees selected by the Board. Pursuant to the terms of the Employee Incentive Plan, employees are granted an interest free limited recourse loan to assist in the purchase of Shares, with the Shares acquired at their market value. The loan will be limited recourse so that at any time the employee may divest their Shares in full satisfaction of the loan balance. In accordance with the requirements of applicable SFRS(I)' the loan funded shares are to be accounted for as an option granted to the employee with an exercise price equal to the market price of the Company's shares at the grant date. Consequently, the loan funded shares have been valued using an option pricing model using the following inputs:

Grant date	20/02/2022
Exercise price	$0.185
Term	10 years
Grant date share price	$0.185
Fair value per option	$0.158
Number of shares issued during the year	1,000,000

(iv) Shares as awarded as a bonus payment

During the financial year ended 30 June 2021 the Group entered into a contractual arrangement to issue shares to the value of A$171,139 to an employee as a bonus payment. (2022: A$Nil).

(v) Long term incentive rights subject to vesting conditions

Performance rights are also offered as part of a Long-Term Incentive Plan to employees, executive and non-executive directors, contractors, and consultants, to acquire shares in the Company. The rights will vest subject to the relevant performance measures being met and the participant remaining employed.

Unless otherwise noted, the milestones / performance conditions attached to the long-term incentive rights are non-market-based conditions. Non-market conditions are considered by adjusting the number of rights included in the measurement of the transaction amount using a probability of vesting assumption so that, ultimately, the amount recognised shall be based on the number of rights that eventually vest.

(vi) Tribeca options

During the year the Company entered into agreement with Tribeca Investment Partners in partnership in building inventory in nature-based carbon credits. Following which a full option coverage via the issue of 3-year options with a strike price of A$0.30 per MRL share being a 50% premium to the capital raise placement price of A$0.20 cents. Proceeds from the exercise of the options will be used to repay the Loan Facility. The loan had been fully repaid and the option had been fully vested as at 30 June 2022.

(vii) Fivemark options

During the year the Company entered into agreement with Fivemark capital for granting 1,200,000 unlisted options in exchange for strategic, investor relations, market and media communications advice services to be performed by Fivemark. 600,000 options had been vested as at 30 June 2022.

17. Reserves (continued)

The following tables are disclosures in relation to the financial year ended 30 June 2022:

At the Annual General Meeting of the Company held on 16 December 2021, the following Long Term Incentive Performance Rights were approved by Shareholders for issue to Directors. All LTI Rights have an expiry date of five years from the grant date:

Milestone / Performance Condition	Number Granted	Vesting Probability	Vesting Date	Value Per LTI	%% Recognised
Financial Closure of CCL Project (Lime or Cement)	2,925,000	0%	31/03/2022	$0.22	100%
Share Price $0.80 cents per share trading for 120 day volume weighted average price (**VWAP**) or in the event of an IPO the combined value look through is equivalent to the MRL share price plus the new IPO company	3,025,000	100%	30/06/2022	$0.02	100%
Share Price $1.20 per share trading for 120 day VWAP or in the event of an IPO the combined value look through is equivalent to the MRL share price plus the new IPO company	3,025,000	100%	31/12/2022	$0.01	52%
Share Price $1.80 per share trading for 120 day VWAP or in the event of an IPO the combined value look through is equivalent to the MRL share price plus the new IPO company	2,975,000	100%	31/12/2023	$0.02	26%
Total	**11,950,000**				

17. Reserves (continued)

On 17 January 2022, the Company restructured a number of the Long Term Incentive Performance Rights on issue to executive and other staff members, and issued additional Long Term Incentive Performance Rights to executive and other staff members, resulting in the following Long Term Incentive Performance Rights being on issue. All LTI Rights have an expiry date of five years from the grant date:

Milestone / Performance Condition	Number Granted	Vesting Probability	Vesting Date	Value Per LTI	%% Recognised
Successful IPO of Ortus Resources, or equivalent funding package secured on acceptable terms, to enable full development of Orokolo Bay project in accord with current DFS, to fund to point of achievement of first positive operating cash flows	1,112,500	60%	31/10/2022	$0.21	57%
Successful and positive management of all community and landowner issues as relevant to Iron Sands business, with minimal community or landowner unrest, disruptions or negative incidents	637,500	100%	31/03/2023	$0.21	37%
Successful shipment of first commercial product sales from Orokolo Bay Project to external customers	300,000	60%	31/12/2022	$0.21	0%
Funding package secured on acceptable terms, to enable development of Phase 1 of CCL Project in accord with DFS, to fund to point of achievement of first positive operating cash flows	1,012,500	85%	31/10/2022	$0.21	57%
Successful and positive management of all community and landowner issues as relevant to CCL business, with minimal community or landowner unrest, disruptions or negative incidents	587,500	100%	31/03/2023	$0.21	37%
Ensure the Mayur group companies remains fully compliant to Australian, Singapore, and PNG company reporting, regulations, and taxation requirements	450,000	100%	31/03/2023	$0.21	37%
All tenements and licences all held in good standing, all reporting up to date and on time, and in full compliance	350,000	100%	31/03/2023	$0.21	37%
Transformational activities in current assigned role and tasks, including incorporation of positive technological changes, personal development, and streamlining of work flows and activities	125,000	100%	31/03/2023	$0.21	37%
Share price of $0.60 per share (VWAP) over 120 days	2,537,500	100%	31/12/2022	$0.01	47%
Share price of $1.20 per share (VWAP) over 120 days	2,537,500	100%	31/12/2023	$0.02	23%
TOTAL	**9,650,000**				

On 14 June 2022, the Company cancelled the following Long Term Incentive Performance Rights that were issued on 17 January 2022:

Milestone / Performance Condition	Number Granted
Successful IPO of Ortus Resources, or equivalent funding package secured on acceptable terms, to enable full development of Orokolo Bay project in accord with current DFS, to fund to point of achievement of first positive operating cash flows	600,000
Successful and positive management of all community and landowner issues as relevant to Iron Sands business, with minimal community or landowner unrest, disruptions or negative incidents	300,000
Successful shipment of first commercial product sales from Orokolo Bay Project to external customers	300,000
Share price of $0.60 per share (VWAP) over 120 days	600,000
Share price of $1.20 per share (VWAP) over 120 days	600,000
TOTAL	**2,400,000**

17. Reserves (continued)

The following tables are disclosures in relation to the financial year ended 30 June 2021:

Milestone / Performance condition	Number granted	Vesting probability	Vesting Date	Value per LTI	% recognised
Financial closure of the Central Cement & Lime Project.	870,000	Nil	30/06/2021	$ 0.34	100%
Financial close for the Lae Power Project.	870,000	Nil	30/09/2021	$ 0.34	68%
The Company's share price achieving a 120-day VWAP of $0.80 or in the event of an IPO, the combined value look through is equivalent to the MRL share price plus the new IPO Company.	1,740,000	N/a^	30/06/2021	$ 0.014^	100%
The Company's share price achieving a 120-day VWAP of $1.20 or in the event of an IPO, the combined value look through is equivalent to the MRL share price plus the new IPO Company.	1,740,000	N/a^	30/12/2021	$ 0.026^	52%
The Company's share price achieving a 120-day VWAP of $1.80 or in the event of an IPO, the combined value look through is equivalent to the MRL share price plus the new IPO Company.	1,740,000	N/a^	30/12/2021	$ 0.009^	52%
Completion of the Copper Gold spin out by 30 March 2021 that results in a look monetisation value of additional shares of at least 20% on top of MRL's value on a 120-day VWAP prior to spin out.	1,740,000	Nil	30/03/2021	$ 0.34	100%
	8,700,000				

^ The market conditions associated with these LTIs, upon which vesting is conditioned, have been considered when estimating the fair value of the rights granted as follows:

	$0.80 120-day VWAP target	**$1.20 120-day VWAP target**	**$1.80 120-day VWAP target**
Exercise price	A$Nil	A$Nil	A$Nil
Share price target (adjusted for 120-day VWAP condition)	A$1.45	A$2.18	A$3.26
Expected volatility	85.33%	85.33%	85.33%
Risk-free interest rate	0.10%	0.10%	0.10%
Expected life of share options	195 days	380 days	380 days
Grant date share price	$0.34	$0.34	$0.34
Fair value per option	A$0.014	A$0.026	A$0.009

17. Reserves (continued)

On 27 January 2021, the Group granted 2,000,000 long term incentive rights to an employee. The rights were subject to certain milestones as follows:

Milestone / Performance condition	Number granted	Vesting probability	Vesting Date	Value per LTI	% recognised
First shipment of bulk sample iron sands from Orokolo Bay project by September 2021.	200,000	Nil	30/09/2021	$0.33	63%
Pre IPO-Seed strategic investor invests in the Amazon Bay Vanadium Titano Magnetite project in accordance with parameters agreed with the Board.	200,000	Nil	31/12/2021	$0.33	46%
The Group's 51% ownership interest in MIPP to be listed on the ASX by 31 December 2021	900,000	Nil	31/12/2021	$0.33	46%
If the Amazon Bay project is not included in the listing of MIPP on the ASX, list the Amazon Bay Project on the ASX by 31 December 2022 in accordance with parameters agreed with the Board.	500,000	50%	31/12/2022	$0.33	22%
Satisfaction of other performance milestones as agreed with the Managing Director.	200,000	Nil	31/12/2022	$0.33	22%
	2,000,000				

On 12 February 2021, the Group granted 3,050,000 long term incentive rights to employees, contractors, and consultants. The rights were subject to certain milestones as follows:

Milestone / Performance condition	Number granted	Vesting probability	Vesting Date	Value per LTI	% recognised
First shipment of bulk sample iron sands from Orokolo Bay project by September 2021.	50,000	Nil	30/09/2021	$0.30	60%
The Group's 51% ownership interest in MIPP to be listed on the ASX by 31 December 2021.	300,000	Nil	31/12/2021	$0.30	43%
Secure mining lease for Central Cement and Lime Project.	250,000	100%	30/06/2021	$0.30	100%
Secure binding offtake agreements for in aggregate > 1,000,000 tons of clinker, cement, and quicklime production with a minimum of 100,000 tons of quicklime.	125,000	Nil	30/06/2021	$0.30	100%
Financial closure of Central Cement and Lime Project (Lime or Cement).	695,000	Nil	30/09/2021	$0.30	60%
Secure the mining lease for the Orokolo Bay Project before 30 July 2021.	550,000	Nil	30/06/2021	$0.30	82%
Reach financial investment decision for the Orokolo Bay Project before 30 December 2021.	720,000	Nil	31/12/2021	$0.30	43%
Delineate maiden JORC resource estimate for the Amazon Bay project before 30 November 2021.	100,000	Nil	30/11/2021	$0.30	47%
Financial closure of the Lae Power Project by 30 September 2021.	160,000	Nil	30/09/2021	$0.30	60%

17. Reserves (continued)

(b) Share based payments reserve (continued)

Milestone / Performance condition	Number granted	Vesting probability	Vesting Date	Value per LTI	% recognised
Complete IPO or spin out of copper and gold portfolio by 30 March 2021.	50,000	Nil	30/06/2021	$0.30	100%
Satisfaction of other performance milestones as agreed with the Managing Director.	50,000	100%	31/12/2022	$0.30	20%
	3,050,000				

On 27 May 2021, the Group granted 1,750,000 long term incentive rights to rights to an employee. The rights were subject to certain milestones as follows:

Milestone / Performance condition	Number granted	Vesting probability	Vesting Date	Value per LTI	% recognised
Binding offtake agreements secured for cement / clinker for 600,000 tonnes per year and quick lime 200,000 tonnes per year.	525,000	18%	28/02/2022	$0.23	12%
Offtake agreements for 500,000 tonnes per year limestone and an agreed finance solution for construction of a start-up quarry	262,500	90%	30/11/2021	$0.23	18%
First quarry production and sales achieved	262,500	Nil	28/02/2022	$0.23	12%
Port Moresby Lime and Cement Project achieves financial investment decision or is successfully IPO'd at a valuation that enables the requisite equity component to be raised to enable a financial investment decision to be achieved	350,000	Nil	31/05/2022	$0.23	9%
Port Moresby Lime and Cement Project achieves financial investment decision or is successfully IPO'd at a valuation that enables the requisite equity component to be raised to enable a financial investment decision to be achieved	350,000	100%	31/05/2025	$0.23	2%
	1,750,000				

All LTI Rights have an expiry date of five years from the grant date.

The Group did not issue any long-term incentive rights subject to vesting conditions in the 2020 year.

18. Capital commitments

To maintain current rights of tenure to exploration tenements, including tenements that had expired and were the subject of renewal applications by the Group as at 30 June 2022, the Group is required to perform exploration work to meet minimum expenditure requirements as specified by the Papua New Guinea Mineral Resources Authority. The following table sets out the minimum expenditure commitments:

	Group and Company	
	2022	2021
	A$	A$
Payable:		
- not later than one year	**724,393**	605,491
- later than one year and not later than five years	**372,766**	213,088
	1,097,159	818,579

19. Receivables from subsidiaries

	Company	
	2022	2021
	A$	A$
Receivables from subsidiaries	**14,228,052**	34,802,863
Less: Allowance for credit loss (Note 20(j))	**(3,794,945)**	(16,605,231)
Net receivables from subsidiaries	**10,433,107**	18,197,632

Receivables from subsidiaries are non-trade in nature, unsecured, repayable on demand and are non-interest bearing.

	Company	
	2022	2021
	A$	A$
Balance at 1 July	**18,197,632**	21,742,571
Advances to subsidiaries	**5,092,883**	4,351,514
Share-based payment	**475,926**	2,204,355
Commercial debt forgiveness on loans to subsidiary companies	**(26,143,620)**	–
Commercial forgiveness of debt on loss of control of subsidiary	–	(6,948,461)
Reversal of allowance for credit loss on loss of control of subsidiary	–	5,067,687
Allowance for credit loss	–	(8,219,834)
Written- off	**12,810,286**	–
Balance at 30 June	**10,433,107**	18,197,832

Commercial Debt Forgiveness

Parties:

- Mayur Resources Limited
- MR Iron PNG Pte Ltd
- Mayur Power Generation PNG Ltd
- Mayur Energy PNG Ltd
- Mayur Industrials PNG Ltd
- Waterford Limited
- Mayur Renewables PNG Ltd

On 16 May 2022, the above-listed Parties entered into a Deed of Release of Debt (“Deed”) under which a number of the Parties agreed to release a number of the other Parties from any requirement to repay any existing intercompany loan balances that were in existence on 1 May 2022.

19. Receivables from subsidiaries (continued)

Commercial Debt Forgiveness (continued)

The following loan balances were released from any current or future requirement to pay, with effect from 1 May 2022:

	Owing by Mayur Iron PNG Ltd to : (A$)	Owing to Mayur Iron PNG Ltd by : (A$)	Creditor	Debtor
Mayur Resources Limited	23,763,470	–	Mayur Resources Limited	Mayur Iron PNG Ltd
MR Iron PNG Pte Ltd	4,995,034	–	MR Iron PNG Pte Ltd	Mayur Iron PNG Ltd
Mayur Power Generation PNG Ltd	–	66,265	Mayur Iron PNG Ltd	Mayur Power Generation PNG Ltd
Mayur Energy PNG Ltd	–	312,498	Mayur Iron PNG Ltd	Mayur Energy PNG Ltd
Mayur Industrials PNG Ltd	–	4,970,522	Mayur Iron PNG Ltd	Mayur Industrials PNG Ltd
Waterford Ltd	–	519,176	Mayur Iron PNG Ltd	Waterford Ltd
Mayur Renewables PNG Ltd	–	153,543	Mayur Iron PNG Ltd	Mayur Renewables PNG Ltd

	Owing by MR Iron PNG Pte Ltd to : (A$)	Owing to MR Iron PNG Pte Ltd by : (A$)	Creditor	Debtor
Mayur Resources Limited	2,380,150	–	Mayur Resources Limited	MR Iron PNG Pte Ltd

20. Financial risk management

The Group's principal financial instruments comprise cash and cash equivalents, receivables and trade and other payables. The Group does not currently have any projects in production and as such the main purpose of these financial instruments is to provide liquidity to finance the Group's development and exploration activities. It is, and has been throughout the financial year, the Group's policy that no trading in speculative financial instruments shall be undertaken. The main risks arising from the Group's use of financial instruments are foreign currency risk, interest rate risk, credit risk and liquidity risk. During the financial year, the Group has had some transactional currency exposures, principally to the Papua New Guinea Kina ("PGK"). The Group has not entered into forward currency contracts to hedge these exposures due to the short time frame associated with the currency exposure and the relatively modest overall exposure at any one point in time.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in Note 2. Primary responsibility for identification and control of financial risk rests with the Board of Directors. However, the day-to-day management of these risks is under the control of the Managing Director. The Board agrees the strategy for managing future cash flow requirements and projections.

20. Financial risk management (continued)

a) Categories of financial instruments

The carrying values of the Group's financial instruments at the balance sheet date are as follows:

	Group		Company	
	2022	2021	**2022**	2021
	A$	A$	**A$**	A$
Financial assets				
Financial assets at amortised cost	**3,134,520**	4,742,870	**2,973,116**	22,185,041
Financial liabilities				
Financial liabilities at amortised cost	**1,908,875**	1,220,900	**809,105**	750,278

b) Foreign currency risk

The Group is exposed to foreign currency risk mainly arising from various currency exposures, including Papua New Guinea Kina ("PGK"). The Group's policy is to convert its local currency to the foreign currency at the time of the transaction. Foreign currency risk arises from future commercial transactions.

The Group manages foreign currency risk on an as-needs basis. The risk is measured using sensitivity analysis and cash-flow forecasting. The Group's exposure to foreign currency risk, expressed in Australian dollars at the reporting date, was as follows:

	PGK	
	2022	2021
	A$	A$
Financial assets		
Cash and cash equivalents	**157,750**	746,083
Net currencies exposure	**157,750**	746,803

The following table details the Group's sensitivity to a 10% increase and decrease in the Australian dollar against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. A positive number in the table represents a decrease in the operating loss after tax and increase equity where the Australian dollar strengthens against the relevant currency. For a 10% weakening of the Australian dollar against the relevant currency, there would be a comparable impact on the loss or equity, and the balances below would be negative.

	Increase/(decrease) profit or loss	
	2022	2021
	A$	A$
- 10% increase	**15,750**	74,608
- 10% decrease	**(15,750)**	(74,608)

20. Financial risk management (continued)

c) Interest rate risk

The Group's exposure to interest rate risk arises predominantly from cash and cash equivalents bearing variable interest rates. At the end of the reporting period, the Group maintained the following variable rate accounts:

	30 June 2022		30 June 2021	
	Weighted average interest rate	**Balance**	Weighted average interest rate	Balance
	%	**A$**	%	A$
Cash and cash equivalents	**0.15**	**3,050,864**	0.10	4,535,828

At the end of the reporting period, if the interest rates had changed, as illustrated in the table below, with all other variables remaining constant, after-tax loss and equity would have been affected as follows:

	After-tax loss (higher)/lower		**Equity (higher)/lower**	
	2022	2021	**2022**	2021
	A$	A$	**A$**	A$
2022 +0.5 (50bp)/(2021:+0.5% (50bp))	**15,254**	22,679	**15,254**	22,679
2022 -0.5 (50bp)/(2021: -0.5% (50bp))	**(15,254)**	(22,679)	**(15,254)**	(22,679)

d) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit ratings of its counterparties are continuously monitored.

Concentration of credit risk exists when changes in economic, industry or geographical factors similarly affect group of counterparties whose aggregate exposure is significant in relation to the Group's total credit exposure. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, credit guarantee insurance cover is purchased.

The following sets out the Group's internal credit evaluation practices and basis for recognition and measurement of expected credit losses (ECL):

Description of evaluation of financial assets	**Basis for recognition and measurement of ECL**
Counterparty has a low risk of default and does not have any past due amounts	12-month ECL
There has been a significant increase in credit risk since initial recognition.	Lifetime ECL - not credit-impaired
There is evidence of credit impairment	Lifetime ECL - credit-impaired
There is evidence indicating that the Company has no reasonable expectation of recovery of payments such as when the debtor has been placed under liquidation or has entered into bankruptcy proceedings	Write-off

20. Financial risk management (continued)

e) Significant increase in credit risk

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information, such as future economic and industry outlook, that is available without undue cost or effort.

The risk that the borrower will default on a demand loan depends on whether the borrower:
(i) has sufficient cash or other liquid assets to repay the loan immediately; or
(ii) does not have sufficient cash or other liquid assets to repay the loan immediately.

The Group performs this assessment qualitatively by reference to the borrower's immediate cash flow and liquid asset position. Relying on the 30 days past due rebuttable presumption is not considered an appropriate indicator given the lack of contractual payment obligations.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increases in credit risk before the amount becomes past due.

The Group also assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the end of the reporting period. A financial instrument is determined to have low credit risk; the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

f) Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes. Where information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).

This is assessed based on a number of factors including key liquidity and solvency ratios. Relying on the 90 days past due rebuttable presumption is not considered an appropriate indicator given the lack of contractual payment obligations due throughout the life of the loan.

g) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred such as evidence that the borrower is in significant financial difficulty, there is a breach of contract such as default or past due event; there is information that it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for that financial asset because of financial difficulties; or the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

h) Estimation techniques and significant assumptions

There has been no change in the estimation techniques or significant assumptions made during the current financial year for recognition and measurement of credit loss allowances.

20. Financial risk management (continued)

i) Maximum exposure and concentration of credit risk

The Group and the Company do not have concentration of credit risk at 30 June 2022 and 30 June 2021, except for receivables from subsidiaries of the Company.

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the balance sheet.

The credit loss for cash and cash equivalents and other receivables are immaterial as at 30 June 2022 and 30 June 2021.

j) Other financial assets at amortised cost

Other financial assets at amortised costs include other receivables, other current assets (excluding goods and services tax receivables) and cash and cash equivalents.

The table below details the credit quality of the Group's and the Company's financial assets:

30 June 2022	12-month or lifetime ECL	Gross carrying amount A$	Loss allowance A$	Net carrying amount A$
Group				
Other receivables and deposits	N.A. Exposure Limited	83,657	--	83,657
Cash and cash equivalents	N.A. Exposure Limited	3,050,864	--	3,050,864
Company				
Other receivables and deposits	N.A. Exposure Limited	136,269	--	136,269
Receivables from subsidiaries	Lifetime	14,228,052	(3,794,945)	10,433,107
Cash and cash equivalents	N.A. Exposure Limited	2,891,333	--	2,891,333

30 June 2021	12-month or lifetime ECL	Gross carrying amount A$	Loss allowance A$	Net carrying amount A$
Group				
Other receivables	N.A. Exposure Limited	207,042	–	207,042
Cash and cash equivalents	N.A. Exposure Limited	4,535,828	–	4,535,828
Company				
Other receivables	N.A. Exposure Limited	199,445	–	199,445
Receivables from subsidiaries	Lifetime	34,802,863	(16,605,231)	18,197,632
Cash and cash equivalents	N.A. Exposure Limited	3,787,964	–	3,787,964

20. Financial risk management (continued)

k) Movements in credit loss allowance

There are no movements in the allowance for impairment of financial assets under SFRS (I) 9 during the financial year for the Group and the Company except for the following.

	Receivables from subsidiaries	
	2022	2021
	A$	A$
Company		
Balance at 1 July	**16,605,231**	13,453,084
Loss allowance measured		
- Lifetime ECL:		
- Credit impaired, net	–	3,152,147
Receivables written off as uncollectable	**(12,810,286)**	–
Balance at 30 June (Note 19)	**3,794,945**	16,605,231

l) Liquidity risk

The ability of Group to operate as a going concern and meet its obligations as and when they fall due is principally dependent upon the ongoing support from its shareholders, the ability of the Group to successfully raise capital as and when necessary and the ability to complete successful exploration and subsequent exploitation of the areas of interest. This is to ensure the continuance of its activities and to meet its financial obligations as and when they fall due.

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents in order to meet the Group's forecast requirements. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Surplus funds are generally only invested in bank deposits. At the reporting date, the Group did not have access to any undrawn borrowing facilities.

The table below summaries the maturity profile of the Group's financial liabilities at the balance sheet date based on contractual undiscounted repayment obligations.

Group

	1 year or less A$	**Total A$**
2022		
Trade and other payables	**1,908,875**	**1,908,875**
	1,908,875	**1,908,875**
2021		
Trade and other payables	1,270,792	1,270,792
	1,270,792	1,270,792

20. Financial risk management (continued)

l) Liquidity risk (continued)

Company

	1 year or less A$	Total A$
2022		
Trade and other payables	**890,105**	**890,105**
	890,105	**890,105**
2021		
Trade and other payables	750,278	750,278
	750,278	750,278

21. Fair value estimation

The carrying amount of financial assets (net of any allowance for impairment) and financial liabilities as disclosed in Note 20(a) are assumed to approximate their fair values primarily due to their short maturities.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

22. Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern to provide returns for shareholders and maintain an optimal capital structure to reduce the cost of capital.

The Group defines capital as being share capital plus reserves. The Board of Directors monitors the level of capital as compared to the Group's long-term debt commitments.

The Group is not subject to any externally imposed capital requirements.

No changes were made to the Group's and the Company's capital management objectives or policies during the financial years ended 30 June 2022 and 30 June 2021.

23. Related party transactions

(a) Compensation of key management personnel

	Group	
	2022 A$	2021 A$
Short term employee benefits	**554,289**	416,250
Superannuation contributions	**53,429**	39,544
Share based payments	**(143,896)**	1,278,885
	463,822	1,734,679
Includes amounts paid to:		
Non-executive directors of the Company	**157,969**	133,556
Executive Directors	**305,853**	1,601,123
	463,822	1,734,679

23. Related party transactions (continued)

(a) Compensation of key management personnel (continued)

Total key management personnel compensation represents gross compensation paid or payable and includes amounts capitalised to exploration and evaluation expenditure and property, plant, and equipment.

The following awards were made to directors of the Company during the current and prior financial years pursuant to the Company's Employee Incentive Plan are as follows:

2022	**Salary Sacrifice Rights Number**	**Long Term Incentive Rights Number**
Charles Anthony Candlin Fear	**--**	**1,800,000**
Christopher Indermaur	**--**	**1,450,000**
Hubert Namani	**--**	**--**
Paul Levi Mulder	**756,705**	**4,500,000**
Timothy Elgon Savile Crossley	**1,798,500**	**4,200,000**
	2,555,205	**11,950,000**

2021	**Salary Sacrifice Rights Number**	**Long Term Incentive Rights Number**
Rob Neale	98,724	–
Frank Terranova	49,760	–
Paul Levi Mulder	712,390	4,500,000
Timothy Elgon Savile Crossley	880,009	4,200,000
	1,740,883	8,700,000

The following awards were exercised and converted into one share in the Company for which award exercised, by directors of the Company pursuant to the Company's Employee Incentive Plan:

2022	**Salary Sacrifice Rights Number**	**Long Term Incentive Rights Number**	**Options Number**
Paul Levi Mulder	**1,206,369**	–	–
Timothy Elgon Savile Crossley	**1,759,867**	–	–
	2,966,236	–	–

2021	**Salary Sacrifice Rights Number**	**Long Term Incentive Rights Number**	**Options Number**
Paul Levi Mulder	1,088,752	3,000,000	3,000,000
Timothy Elgon Savile Crossley	1,026,536	1,925,000	–
	2,115,288	4,925,000	3,000,000

24. Contingent liabilities

In September 2015, the Group entered into a Development Management Deed with a third party. Under this deed and its subsequent addendums, the third party is to provide services relating to the Lae power project and any subsequent power projects undertaken by the Group. In addition to the amounts paid to the third party for their services, they are entitled to contingent compensation of A$140,000 payable upon financial close of the Lae power project (and likewise for any other subsequent projects).

In June 2017, the Group entered into two additional Deeds of appointment with third parties, regarding the power projects. Under these deeds, the third parties are to provide services relating to Lae power project. As compensation for their services, they are entitled to various payments and/or interests in MR Power Generation PNG Pte Ltd and MR Energy PNG Pte Ltd, contingent upon the achievement of certain milestones/investor introductions. These amounts include:

Third party 1

(a) A$50,000 fee upon signing of the Power Purchasing Agreement.
(b) A$700,000 fee upon financial close of the Lae power project.
(c) 8% equity in MR Power Generation PNG Pte Ltd and MR Energy PNG Pte Ltd upon operation commencement and approval of first shareholder dividend payment; and
(d) Introduction fee of 3% of proceeds for any investors introduced which result in funds being received.

Third party 2

(a) Upon achievement of the signing of the Power Purchase Agreement and subsequent government guarantees by a defined date to be determined, 5% interest in MR Power Generation PNG Pte Ltd and MR Energy PNG Pte Ltd; and
(b) Introduction fee of 3% of proceeds for any investors introduced which result in funds being received.

These amounts have not been recognised in the financial statements due to their payment being contingent upon future events not wholly within the control of the Group.

25. Subsequent events

Except as noted below, there has been no matter or circumstance which has arisen since the end of the financial year that has significantly affected, or may significantly affect the Group’s operations, the result of those operations or the Group’s state of affairs:

- On 21 July 2022, Mayur announced that on 20 July 2022 that Mayur had received notices from the Papua New Guinea Forest Authority (PNGFA) of cancellation of forest carbon concessions which had been issued in January 2022. This related to the area of approximately 800,000 hectares referred to in Mayur's announcement of 12 January 2022. The notices do not make reference to the contractual arrangements that MR has in place with the PNGFA, the Papua New Guinea Climate Change and Development Authority (CCDA) and the relevant landowner company. Mayur is seeking legal advice about the notices received from the PNGFA, and the current intention is to vigorously challenge the notices through applicable legal processes, with a view to continuing its carbon offset projects in all of the areas covered by its agreements. Mayur notes that the purported change in position of the PNGFA arose during the final period of the current government during which a new Forests Minister and Chairperson was appointed. PNG’s general election is currently in progress and the appointment of Ministers in the new PNG government;

- On 16 September 2022, Mayur announced that Mr Wee Choo Peng has resigned as a director of the Company and each of its Singaporean based subsidiary companies, with effect from that date; and

- On 16 September 2022, Mayur announced that Mr Benjamin Szeto Yu Hwei has been appointed as a director of the Company and each of its Singaporean based subsidiary companies, with effect from that date.

26. Authorisation of financial statements

The consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company for the financial year ended 30 June 2022 were authorised for issue in accordance with a resolution of the directors dated 23 September 2022.

Shareholder Information

The shareholder information set out below was applicable at 26 October 2022.

A Distribution of securities

Analysis of the number of equity securities by size of holding:

Holding Ranges	Holders
above 0 up to and including 1,000	40
above 1,000 up to and including 5,000	178
above 5,000 up to and including 10,000	131
above 10,000 up to and including 100,000	240
above 100,000	173
Totals	762

There were 138 holders of less than a marketable parcel of listed shares (based on a share price of $0.15 per share).

B Equity security holders

Twenty largest quoted equity security holders

Holder Name	Holding	% IC
DTJ CO PTY LTD	46,303,209	15.84%
QMP NOMINEES PTY LTD	15,268,036	5.22%
GLENEAGLE SECURITIES NOMINEES PTY LIMITED	15,000,000	5.13%
LEVEL 280 RIVERSIDE PTY LTD	13,897,190	4.75%
CS FOURTH NOMINEES PTY LIMITED HSBC CUST NOM AU LTD 11 A/C	9,278,290	3.17%
MR PAUL LEVI MULDER	7,198,243	2.46%
TIMMOO PTY LTD <THE MAHONY FAMILY S/F A/C>	6,968,958	2.38%
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	6,243,361	2.14%
MR THOMAS JONATHAN CHARLTON <THE CHARLTON FAMILY A/C>	6,193,056	2.12%
NERO RESOURCE FUND PTY LTD <NERO RESOURCE FUND A/C>	5,598,755	1.91%
ASHER CAPITAL PTY LTD <NKF A/C>	5,265,944	1.80%
QUALITY LIFE PTY LTD <THE NEILL FAMILY A/C>	5,050,000	1.73%
CURAWEENA PTY LTD <CURRAWEENA INVESTMENT A/C>	5,000,000	1.71%
LANDSDOWNE (AUSTRALIA) NOMINEES PTY LTD	5,000,000	1.71%
RELESAH PASTORAL HOLDINGS PTY LTD <THE HASELER ESTATES A/C>	4,585,985	1.57%
CERTANE CT PTY LTD <MAYUR RESOUR ESP ALLOC A/C>	4,584,122	1.57%
MR TIMOTHY ELGON SAVILE CROSSLEY	3,926,174	1.34%
QM FINANCIAL SERVICES PTY LTD <QM SECURITIES A/C>	3,600,000	1.23%
SAK SUPERANNUATION PTY LTD <THE KING SUPER FUND A/C>	3,473,318	1.19%
MR TIMOTHY ELGON SAVILE CROSSLEY	3,165,573	1.08%
MRS JANELLE MARIE MULDER	2,896,791	0.99%
Total	**178,497,005**	**61.04%**
Total issued capital - selected security class(es)	**292,408,171**	**100.00%**

Unquoted equity securities

Security	Number on issue	Number of holders	Number of holders of more than 20% of securities
Long Term Incentive Rights	20,386,875	12	2
Salary Sacrifice Performance Rights	7,303,876	16	-
Unlisted Options	21,200,000	3	2

Unlisted Long-Term Incentive Rights, Performance Rights and Unlisted Options represent rights to acquire ordinary shares.

Each right or option entitles the holder to acquire one ordinary share.

The names of the holders of more than 20% the unlisted long-term Incentive Rights, Performance Rights and Unlisted Options are:

	Long Term Incentive Rights		Salary Sacrifice Performance Rights	
Security Holder	Number on issue	% of total on issue	Number on issue	% of total on issue
Paul Mulder	4,500,000	22.07%	478,680	6.55%
Tim Crossley	4,200,000	20.60%	1,185,409	16.23%

	Unlisted Options	
Security Holder	Number on issue	% of total on issue
Tribeca Global Resources	10,000,000	47.17%
Fivemark Partners	1,200,000	5.66%
Barra Resources Limited	10,000,000	47.17%

C Substantial shareholders

Substantial shareholders (>5%) in the company are set out below:

Name	Shares	% IC
DTJ CO PTY LTD	46,303,209	15.84%
QMP NOMINEES PTY LTD	15,268,036	5.22%
GLENEAGLE SECURITIES NOMINEES PTY LIMITED	15,000,000	5.13%

D. Listed shares subject to escrow

Not applicable

E. Voting rights

The voting rights attaching to each class of equity securities are set out below:

- *CDI's*

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

- *Options, Long Term Incentive Rights, Salary Sacrifice Rights and Performance Rights*

  No voting rights.

F. ASX Listing Rule 4.10.19

Mayur Resources Ltd has used the cash and assets in a form readily convertible into cash at the time of admission in a manner consistent with its business objectives.

Corporate Directory

Board of Directors (as 26 October 2022)

Mr Craig Ransley	Executive Chairman
Mr Paul Mulder	Managing Director
Mr Tim Crossley	Executive Director
Mr Chris Indermaur	Independent Non-Executive Director
Mr Charles Fear	Independent Non-Executive Director
Mr Benjamin Szeto Yu Hwei	Independent Non-Executive Director

Company Secretary (Australia)

Mr Kerry Parker
Telephone: +61 7 3157 4400

Company Secretary (Singapore)

Tricor Singapore Pte Ltd
80 Robinson Road #02-00
Singapore 068898
Telephone: +(65) 6236 3333

Registered Office (Singapore)

Tricor Singapore Pte Ltd
80 Robinson Road #02-00
Singapore 068898
Telephone: +(65) 6236 3333

Principal Place of Business (Australia)

Level 7
300 Adelaide Street
Brisbane QLD 4000
Telephone: +61 7 3157 4400

Postal address

PO Box 10985
Brisbane QLD 4000

Website:

www.mayurresources.com

Share Registry

Automic Pty Ltd
Level 5, 126 Phillip Street
Sydney NSW 2000

Telephone:

+61 1300 288 664

Stock Exchange

Australian Securities Exchange
20 Bridge Street
Sydney, NSW 2000

ASX Code

MRL

Auditors

Baker Tilly TFW