METALSGROVE

Annual Report

For the year ended 30 June 2026

MetalsGrove Mining Limited
Annual Report
30 June 2026

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Corporate Directory

Board of Directors

Peter Ledwidge	Independent Non-Executive Chair
Lijun Yang	Managing Director and CEO
Haobo Yuan	Non-Executive Director
Luke Huang	Non-Executive Director

Company Secretary

Susmit Shah

Registered Office

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Telephone: 08 9380 6789
Email: info@metalsgrove.com.au
Website: www.metalsgrove.com.au

Share Registry

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Email: hello@automic.com.au
Website: www.automic.com.au

Auditors

Hall Chadwick WA Audit Pty Ltd
283 Rokeby Road
Subiaco WA 6008

Securities Exchange Listing

Shares and options in MetalsGrove Mining Limited are quoted on the Australian Securities Exchange under trading codes MGA and MGAO respectively.

DIRECTORS' REPORT

Your Directors' present their report on MetalsGrove Mining Limited (the **Company** or **MGA** or **MetalsGrove**) and its controlled entities (together referred to as the **Consolidated Entity** or the **Group**) for the financial year ended 30 June 2026.

Directors

The following persons held office as Directors of MetalsGrove Mining Limited during the financial year.

Name	Title	Appointed	Resigned
Peter Ledwidge	Independent Non-Executive Chair[1]	26/09/2025	
Lijun Yang	Managing Director and CEO	11/04/2024	
Luke Huang	Non-Executive Director	04/09/2024	
Haobo (Andy) Yuan	Non-Executive Director	01/06/2026	
Richard Beazley	Independent Non-Executive Chair	22/12/2021	08/10/2025
Haidong Chi	Non-Executive Director	07/01/2022	01/06/2026
Peter Stern	Independent Non-Executive Director	15/04/2024	24/09/2025
[1]Appointed as a Non-Executive Director on 26/09/2025 and as Non-Executive Chairman on 9/10/2025			

Company Secretary

Mr Susmit Shah replaced Ms Rebecca Broughton as Company Secretary on 27 March 2026.

Information on Directors

Peter Ledwidge	Independent Non-Executive Chair
Qualifications	BSc Geology, MAIG
Experience	Peter Ledwidge is a qualified geologist with over 35 years' experience in the exploration and mining industry. His career has focussed primarily on gold exploration along with some base metals exploration. Peter has worked extensively in Canada, West Africa and Australia, in a variety of roles in exploration, development and mining projects. He was a founder of Côte d'Ivoire focussed Mako Gold Limited where he served as a Managing Director until that company's takeover by Aurum Resources Limited in March 2025. Prior to founding Mako Gold, Peter was a senior manager with ASX-listed Orbis Gold whereby he secured all of Orbis' permits in Burkina Faso and Côte d'Ivoire. Peter played a critical role in the discovery of the Nabanga gold deposit and thereafter contributed geological ideas towards the discovery of the Boungou mine, currently being mined by Lilium Mining. Peter is fluently bilingual in French and English and has established and maintained good professional contacts in Burkina Faso and Cote d'Ivoire in government as well as the private sector.
Interest in MGA Shares, Performance Rights and Options at the date of this report	422,618 Fully paid ordinary shares 900,000 Unlisted options, expiry 19 Nov 2028 of which 300,000 are exercisable at $0.09 each, 300,000 at $0.12 each and 300,000 at $0.15 each
Directorships held in other ASX listed entities in the last three years	Mako Gold Limited – Managing Director from 16/04/2018 to 03/02/2025

Lijun Yang	Managing Director and CEO
Qualifications	B.Geo, MAIG, MSEG
Experience	Mr Yang has over 20 years' experience in geology and mineral exploration in both China and Australia. Mr Yang is bilingual in English and Mandarin and a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Yang has served as exploration geologist, exploration manager, Executive Director and consultant to the board of KalNorth Gold Mines Limited (KGM) from 2013 to 2019.

Information on Directors (continued)

Interest in MGA Shares, Performance Rights and Options at the date of this report	8,416,666 Fully Paid Ordinary Shares 6,250,000 Listed Options at $0.12, expiry 28 May 2027 3,000,000 Performance Rights, expiry 19 Nov 2028, various vesting conditions 900,000 Unlisted options, expiry 19 Nov 2028 of which 300,000 are exercisable at $0.09 each, 300,000 at $0.12 each and 300,000 at $0.15 each
Directorships held in other ASX listed entities in the last three years	Nil

Luke Huang	**Non-Executive Director**
Qualifications	CFA
Experience	Mr Huang is an accomplished Investment Director with extensive experience in Australia's resource operation and investment industry. Mr Huang has a solid background in economics and finance, demonstrated by his leadership as the Managing Director at Au Xingao Investment, where he successfully resolved high-stakes litigation and secured significant assets for his company.
Interest in MGA Shares, Performance Rights and Options at the date of this report	10,628,171 Fully Paid Ordinary Shares 2,628,171 Listed Options at $0.12, expiry 28 May 2027 900,000 Unlisted options, expiry 19 Nov 2028 of which 300,000 are exercisable at $0.09 each, 300,000 at $0.12 each and 300,000 at $0.15 each
Directorships held in other ASX listed entities in the last three years	Nil

Haobo Yuan	**Non-Executive Director**
Qualifications	B.Fin
Experience	Mr Yuan is an accomplished entrepreneur and investor with over 20 years of experience in Australia across food manufacturing, mining investment, and modular housing innovation. With a background in Economics and Management, he has built and led diversified enterprises generating multimillion-dollar revenues while maintaining long-term partnerships with government agencies, hospitals, and institutional clients.
Interest in MGA Shares, Performance Rights and Options at the date of this report	19,832,459 Fully paid ordinary Shares 6,140,000 Listed Options at $0.12, expiry 28 May 2027
Directorships held in other ASX listed entities in the last three years	Baumart Holdings Limited – Executive Director, appointed 10 October 2025

Susmit Shah	**Company Secretary**
Qualifications	BSc Econ
Experience	Mr Shah is an accountant, who over the past 30 years, has been involved with a diverse range of Australian listed public companies in company secretarial and financial roles. His experience includes negotiation and conduct of mining joint ventures, public flotations and mergers and acquisitions.

Meeting of Directors

The numbers of meetings of the Company's Board of Directors held during the financial year ended 30 June 2026, and the numbers of meetings attended by each Director were:

	Board	
	A	B
Mr Peter Ledwidge	4	4
Mr Lijun Yang	6	6
Mr Luke Huang	6	6
Mr Haobo Yuan	-	-
Mr Haidong Chi	6	3
Mr Richard Beazley	2	2
Mr Peter Stern	1	1

A = Number of meetings held during the time the Director held office during the year.
B = Number of meetings attended.

However, matters of Board business have also been resolved by circular resolutions of Directors, which are a record of decisions made at a number of informal meetings of the Directors held to control, implement and monitor the Group's activities throughout the period.

At present, the Company does not have any formally constituted committees of the Board. The Directors consider that the Group is not of a size nor are its affairs of such complexity as to justify the formation of special committees.

Principal Activities

The Group's principal activities for the period ended 30 June 2026 were mineral exploration and project acquisition.

Dividends

No dividends have been declared or paid for the year ended 30 June 2026 (2025: Nil).

Operating Results and Financial Position

The net result of operations for the period ending 30 June 2026 was a loss of $3,919,954 (2025: $2,413,561).

The Group is currently engaged in mineral exploration. A review of the Group's operations, including information on exploration activity and results thereof, financial position, strategies and projects of the Group during the year ended 30 June 2026 is provided in this Annual Report and, in particular, in the "Review of Operations" section in this Directors' Report. The Group's financial position, financial performance and use of funds information for the financial year is provided in the financial statements that follow this Directors' Report.

As an exploration entity, the Group has no operating revenue or earnings and consequently the Group's performance cannot be gauged by reference to those measures. Instead, the Directors consider the Group's performance based on the success of exploration activity, acquisition of additional prospective mineral interests and, in general, the value added to the Group's mineral portfolio during the course of the financial year.

Whilst performance can be gauged by reference to market capitalisation, that measure is also subject to numerous external factors. These external factors can be specific to the Group, generic to the mining industry and generic to the stock market as a whole and the Board and management would only be able to control a small number of these factors.

Review of Operations

Exploration Overview

During FY2026, MetalsGrove Mining Limited redirected its exploration strategy towards gold assets in Côte d'Ivoire, comprising four exploration permits held through two joint ventures (JVs) (Figure 1). The Company progressively advanced its Central West Gold Project in central-west Côte d'Ivoire through systematic on-ground exploration, target generation and ultimately drill-target definition.

Review of Operations (continued)

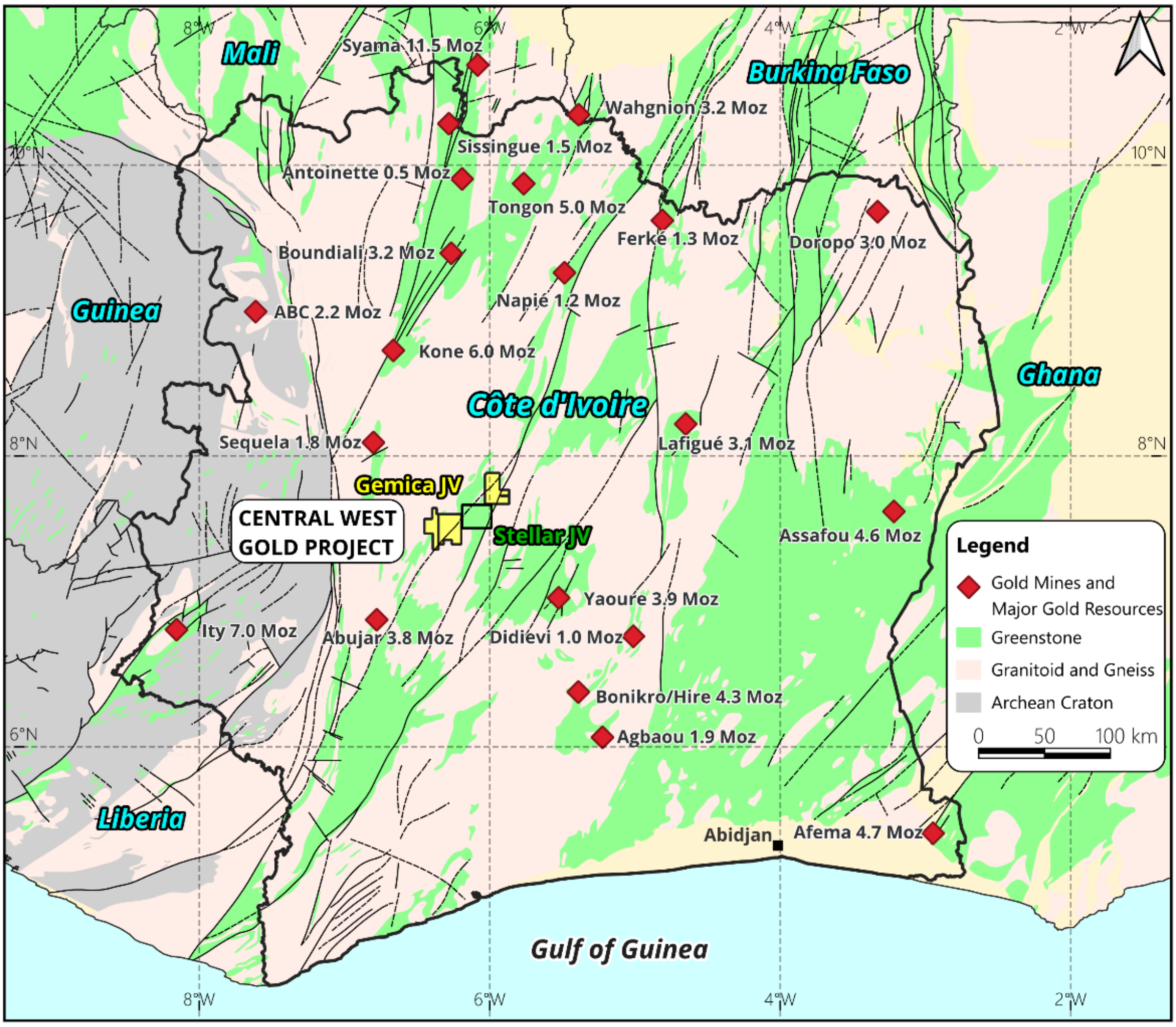

Figure 1. Location of the Central West Gold Project permits in Ivory Coast

At the commencement of the reporting period, the Company was progressing three exploration permit applications under the GEMICA JV, covering approximately 950 km². During the December quarter, the Vavoua permit (PR-454) was formally granted and MetalsGrove entered into a new joint venture over the granted Zuénoula permit (PR-750) (Table 1). These developments expanded the Company's combined project footprint to approximately 1,315 km² across four contiguous permits, covering a 75 km-long major structural corridor along the prospective Abujar–Napié gold trend within the Oumé–Fetekro Birimian greenstone belt.

Table 1. Central West Gold Project permits in Côte d'Ivoire

Jurisdiction	Project	Tenement ID	Holder	Lease Status	MGA Interest
Côte d'Ivoire	**Zuénoula**	PR-750	Aucrest	Granted	earning up to 80%
	Vavoua	PR-454	Gemica	Granted	earning up to 80%
	Kounahiri West	PR-1063	Gemica	Application	90% on grant of permit
	Vavoua West	PR-1102	Gemica	Application	90% on grant of permit

Note: *Gemica and Aucrest are the JV partners for the gold permits controlled in Côte d'Ivoire.*

Systematic exploration commenced with staged soil geochemistry programs across the Zuénoula and Vavoua permits. At Zuénoula, progressive infill soil sampling, integrated with regolith mapping and high-resolution LiDAR-orthophoto data, delineated approximately 18 km of combined northeast-trending gold anomalous corridors (Figure 2). This systematic exploration approach ultimately refined the project into three principal exploration prospects — Fifty-Five, Central and South East — containing six drill targets for follow-up testing.

Review of Operations (continued)

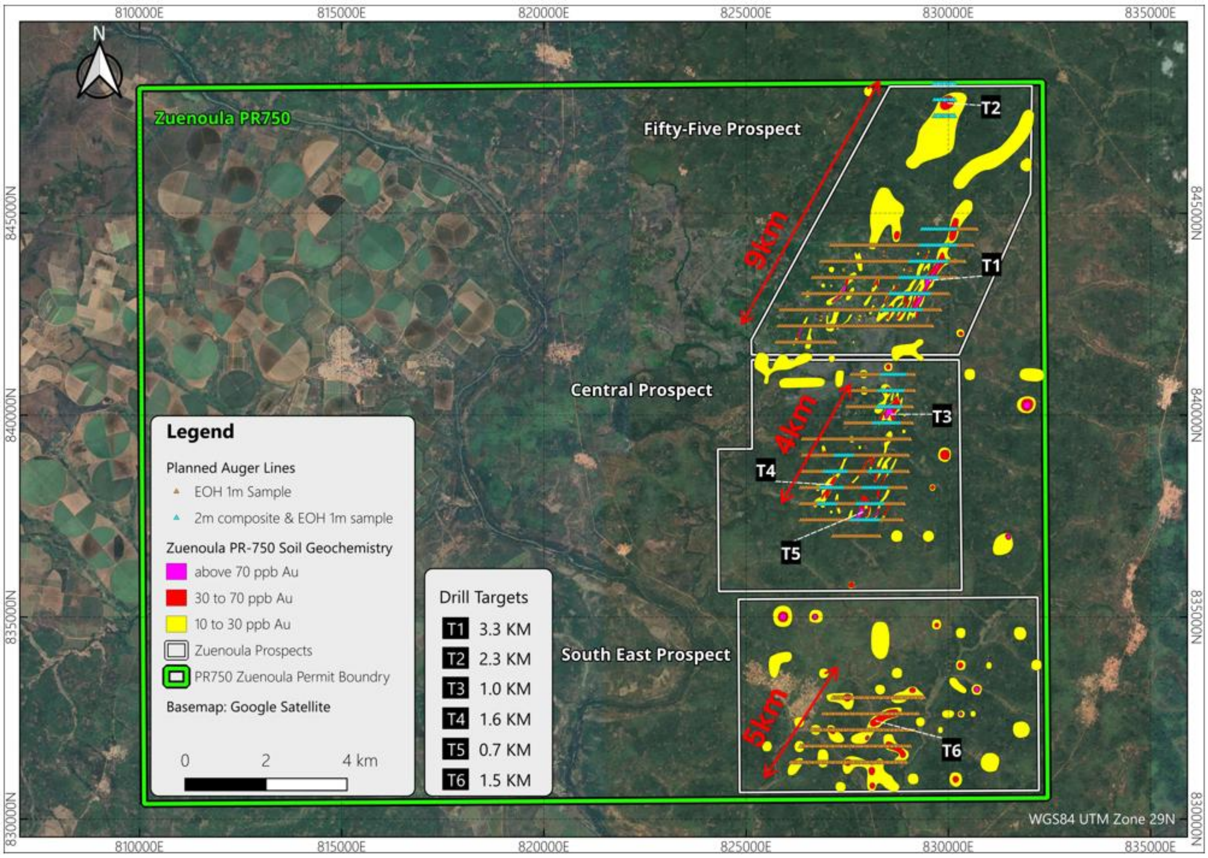

Figure 2. Approximately 18 km of combined gold anomalous corridors were identified across six drill targets within the Fifty-Five, Central and South East prospects at the Zuénoula Permit

The Fifty-Five Prospect emerged as the Company's highest-priority exploration target with a peak gold-in-soil anomaly of 1,324 ppb Au (1.324 g/t Au) within a 3.3 km-long northeast-trending gold anomalous corridor that remained open to the northeast (Figure 3). Based on these encouraging results, a two-stage 10,000 m auger drilling program commenced shortly after 30 June 2026 to systematically test the six drill targets across the Fifty-Five, Central and South East prospects.

Review of Operations (continued)

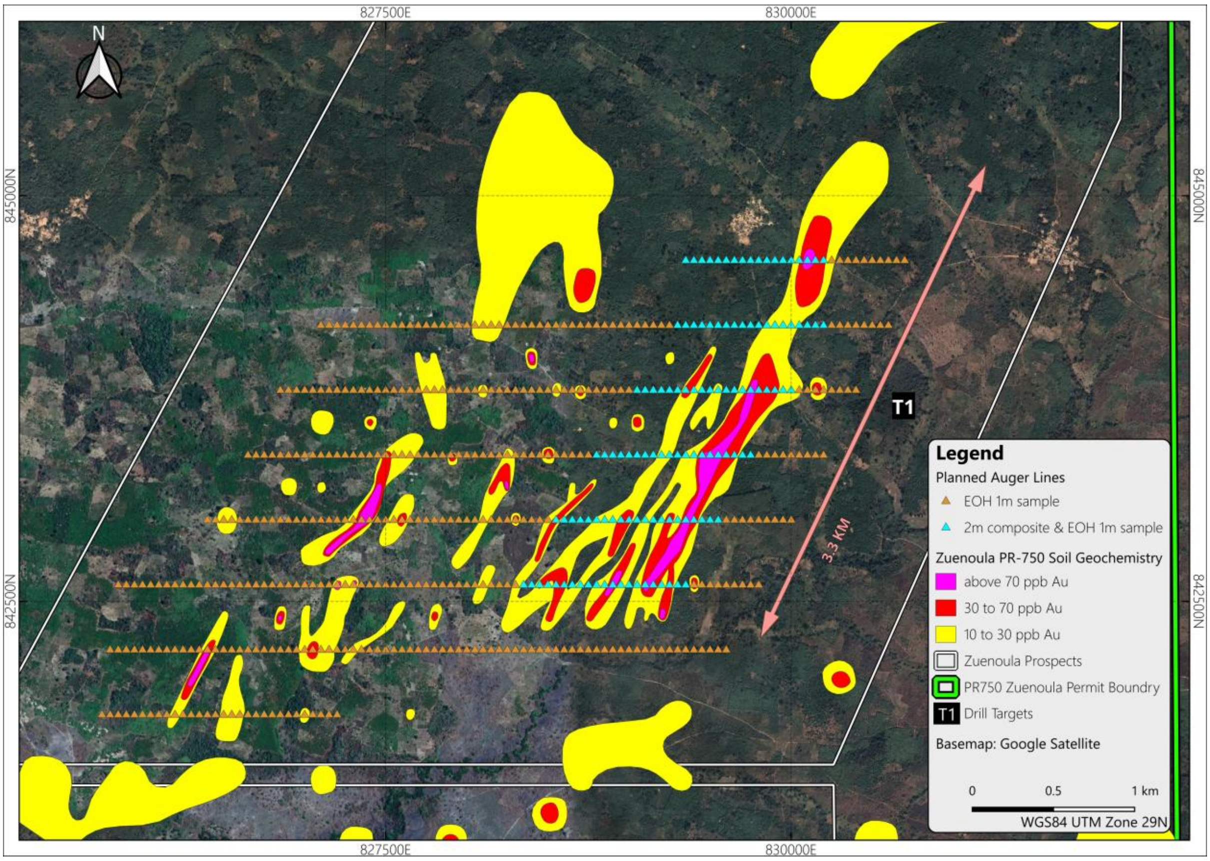

Figure 3. Planned auger drill lines over gold anomalous contours across T1 drill target area within the Fifty-Five Prospect

At Vavoua, initial wide-spaced soil sampling and orientation termite-mound sampling programs were completed during the year. The programs delineated the 35 km² Dubaso Prospect, characterised by a coherent cluster of low-order gold-in-soil anomalies with a peak assay of 90 ppb Au. Geological mapping and interpretation of regional aeromagnetic data confirmed that the prospect is hosted within a 4.5 km-wide northeast-trending belt of sheared intermediate volcanic rocks containing multiple quartz-vein zones, representing a favourable geological setting for gold mineralisation (Figure 4).

Orientation studies in the southwest of the Vavoua permit also demonstrated that termite-mound sampling is the preferred first-pass exploration technique in areas of deeply weathered regolith and identified two additional gold-anomalous target areas associated with a major regional shear zone. These results established a pipeline of targets for follow-up infill sampling, geological mapping and reconnaissance auger drilling.

Review of Operations (continued)

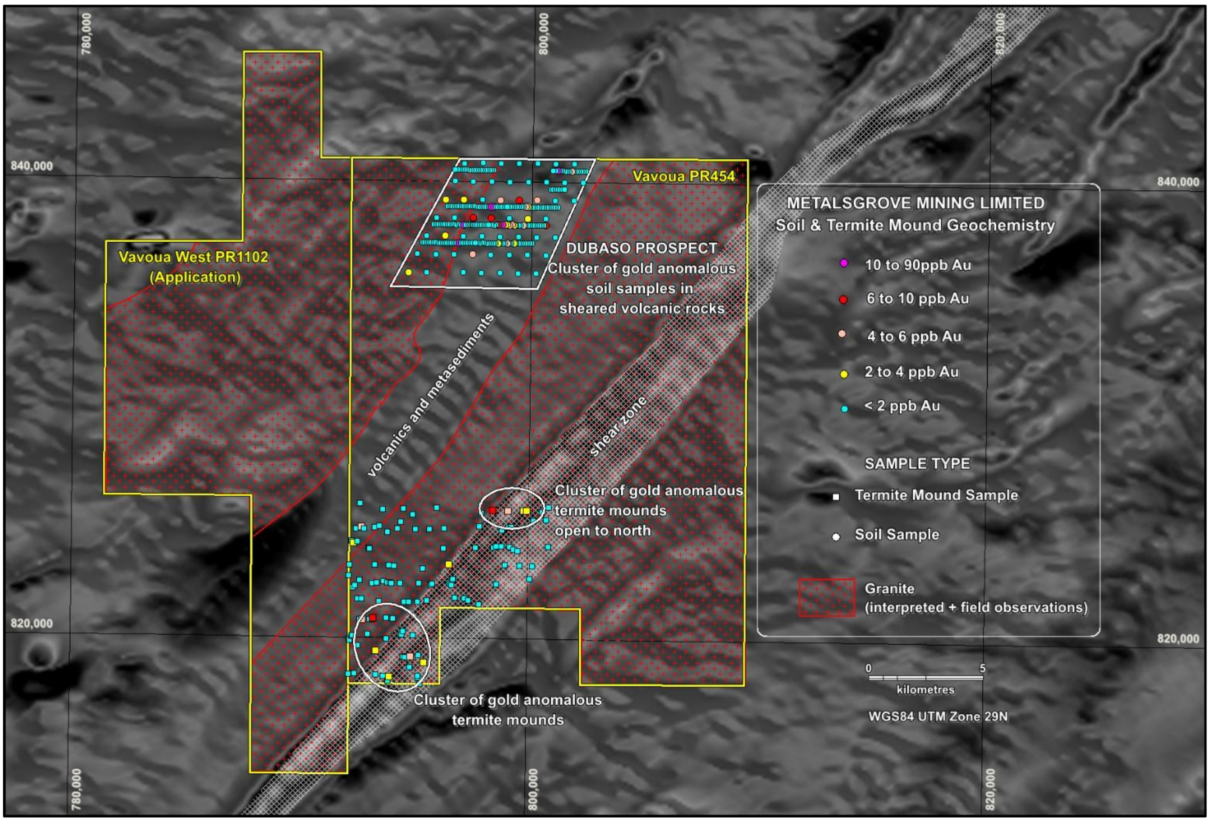

Figure 4. Soil and termite mound geochemistry on Aeromagnetic Image (RTP) at the Vavoua permit

COMPETENT PERSON STATEMENT

The information in this report that relates to Exploration Results is based on, and fairly represents, information compiled by Mr Lijun Yang, who is the Managing Director of MetalsGrove Mining Limited and a Member of the Australian Institute of Geoscientists (MAIG). Mr Yang has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code).

Mr Yang consents to the inclusion of the information contained herein in the form and context in which it appears in this report.

References to previous ASX releases

The information in this report that relates to exploration results was previously reported by the Company in compliance with the 2012 Edition of the JORC Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves in market releases dated as follows:

13 May 2026	Potential Drill Target Identified at Fifty-Five Prospect Zuénoula Project
25 May 2026	18km Combined Multiple Gold Anomalous Trends at Zuénoula
22 June 2026	10,000m Auger Drilling Planned to test 7 Potential Drill Targets Area at the Zuénoula Permit
23 June 2026	Gold anomalous areas emerging from initial sampling programs on Vavoua Permit
13 July 2026	Auger Drilling commenced on refined drill targets at the Zuénoula Permit

The Company confirms that it is unaware of any new information or data that materially affects the information included in the market announcements referred to above and further confirms that all material assumptions underpinning the exploration results contained in those market releases continue to apply and have not materially changed.

Review of Operations (continued)

Corporate

With the Group's business focus changing to mineral exploration in Côte d'Ivoire, there was a significant change in the composition of the Board of Directors (refer to "Information on Directors" above).

Material Business Risks

The Board of Directors review the key risks associated with conducting exploration and evaluation activities and steps to manage those risks. The key materials risks faced by the Group include:

Exploration

The Group's mineral Projects are at various stages of exploration, and stakeholders should understand that mineral exploration and development are high-risk undertakings.

There can be no assurance that future exploration at these projects, or any other mineral projects that may be acquired in the future, will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, local community issues, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company (and/or its joint venture partners) being able to maintain title to the mineral exploration licences comprising the Projects and obtaining all required approvals for their contemplated activities. In the event that exploration programs prove to be unsuccessful this could lead to a diminution in the value of the Projects, a reduction in the cash reserves of the Company and possible relinquishment of one or more of the mineral exploration licences comprising the Projects.

Tenure, Access and Grant of Applications

Mining and exploration tenements are subject to periodic renewal. The renewal of the term of granted tenements is subject to compliance with the applicable mining legislation and regulations and the discretion of the relevant mining authority. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

With the Group's mineral projects now solely in Côte d'Ivoire, there is an added layer of risk comprising sovereign risk, potential for change to mining and fiscal laws, and delays in the renewal of mineral permits and grant of new permits.

The Company considers the likelihood of foreign tenure forfeiture as a material risk in its ongoing operations and incorporates this assessment into its strategic planning and risk management framework. Management evaluates political, legal and regulatory conditions in the relevant jurisdictions, together with the Company's ability to comply with local tenure requirements.

Government Interest in Mineral Projects

In Côte d'Ivoire, the Government has a statutory right to be granted a 10% Free Carried interest in the share capital of the production company (i.e. when the mineral permit is converted from exploration to exploitation). In addition, the Government has the right to acquire a further up to 15% of the production company's share capital however the additional equity must be acquired at a fair value.

Future Funding Risk

Continued exploration and evaluation are dependent on the Company being able to secure future funding from equity markets. The Company will need to undertake equity/debt raisings for continued exploration and evaluation. There can be no assurance that such funding will be available on satisfactory terms or at all at the relevant time. Any inability to obtain sufficient financing for the Group's activities and future projects may result in the delay or cancellation of certain activities or projects, which would likely adversely affect the potential growth of the Group.

Unforeseen Expenditure Risks

Exploration and evaluation expenditures and development expenditures may increase significantly above existing projected costs. Although the Group is not currently aware of any such additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of the Group and its proposed business plans.

Material Business Risks (continued)

Environmental, Weather and Climate Change

The highest priority climate related risks include reduced water availability, extreme weather events, changes to legislation and regulation, reputational risk, and technological and market changes. Mining and exploration activities have inherent risks and liabilities associated with safety and damage to the environment, including the disposal of waste products occurring as a result of mineral exploration and production, giving rise to potentially substantial costs for environmental rehabilitation, damage control and losses. Delays in obtaining approvals of additional remediation costs could affect profitable development of resources.

Cyber Security and IT

The Group relies on IT infrastructure and systems and the efficient and uninterrupted operation of core technologies. Systems and operations could be exposed to damage or interruption from system failures, computer viruses, cyber-attacks, power or telecommunication provider's failure or human error.

Significant Changes in the State of Affairs

During the financial year, the Company issued 45,033,330 new ordinary shares at an issue price of $0.06 each to raise gross proceeds of $2.7 million and commenced exploration activity in Côte d'Ivoire in the second half of the financial year.

There has not been any significant changes in the state of affairs of the Company and its controlled entities during the financial year, other than as noted above or elsewhere in this Annual Report.

Likely Developments and Business Strategies

The Company's objective is to maximise shareholder value through the discovery and delineation of significant mineral deposits. The Company will continue to assess any other opportunities that are available that provide a strategic fit for the Company.

The Directors are unable to comment on the likely results from the Company's planned exploration activities due to the speculative nature of such activities.

Events Subsequent to the End of the Reporting Period

No matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Environmental Regulation

The Group's operations are subject to significant environmental regulation under both foreign, Commonwealth and relevant State legislation in relation to the discharge of hazardous waste and materials arising from any exploration or mining activities and development conducted by the Group on any of its tenements. Subject to ongoing rehabilitation, the Group believes it has complied with all environmental obligations.

Heritage and Community Relations

The Company recognises the importance of establishing relationships that are based on trust and mutual advantage and are respectful of the needs and concerns of the communities located within the regions in which it operates. The Company is committed to building strong relationships by:

- Being open and transparent in its communications;
- Improving cross-cultural awareness through training and education;
- Developing community relations management procedures that include business alliances;
- Being sensitive to the values and heritage issues of the local communities; and
- Being a good neighbour.

AUDITED REMUNERATION REPORT

This report sets out the remuneration arrangements in place for Directors and senior management of the Company and the Group in accordance with the requirements of the *Corporations Act 2001* and its regulations. For the purposes of the report, Key Management Personnel (**KMP**) of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any Director (whether Executive or otherwise) of the Company.

Key Management Personnel Covered in this Report

The names and positions of the KMP of the Company and the Group for the period ending 30 June 2026 were:

Peter Ledwidge	Non-Executive Chair (appointed 26 September 2025)
Lijun Yang	Managing Director & Chief Executive Officer
Luke Huang	Non-Executive Director
Haobo Yuan	Non-Executive Director (appointed 1 June 2026)
Haidong Chi	Non-Executive Director (resigned 1 June 2026)
Richard Beazley	Non-Executive Director (resigned 8 October 2025)
Peter Stern	Non-Executive Director (resigned 24 September 2025)

Overview

Remuneration levels for KMP are competitively set to attract the most qualified and experienced candidates. Details of the Company's remuneration strategy are set out below.

This remuneration report:

- explains the Board's policies relating to remuneration of KMP;
- discusses the relationship between these policies and the Company's performance; and
- sets out remuneration details for each of the KMP.

Remuneration philosophy

The philosophy of the Company in determining remuneration levels is to:

- set competitive remuneration packages to attract and retain high calibre employees;
- link executive rewards to shareholder value creation; and
- establish appropriate, demanding performance hurdles for variable KMP remuneration.

Non-Executive Directors Remuneration Policy

In accordance with best practice corporate governance, the structure of Non-Executive Director and Executive remuneration is separate and distinct. The Company's policy is to remunerate Non-Executive Directors a fixed fee reflecting their time commitment and responsibilities.

Fees provided to Non-Executive Directors are inclusive of superannuation and salary sacrifice, if applicable.

Non-Executive Directors fees are determined within an aggregate Directors' fee pool limit, which is periodically recommended for approval by shareholders. The maximum currently stands at $350,000 per rolling 12-month period and is included in the Company's Constitution adopted on 26 November 2021, with shareholder amendments adopted on 14 February 2022. The Board may apportion any amount up to this maximum amount amongst the Non-Executive Directors as it determines. Non-Executive Directors are also entitled to be paid reasonable travel, accommodation and other expenses incurred in performing their duties as Directors.

From time to time, the Company may grant options, performance rights or other equity-based incentives to Non-Executive Directors, subject to obtaining the relevant shareholder approvals. The grant of options, performance rights or other equity-based incentives is designed to attract and retain suitably qualified Non-Executive Directors. Options, performance rights or other equity-based incentives issued to Non-Executive Directors will not have any performance hurdles in accordance with the ASX Corporate Governance Principles and Recommendations, recognising that this may lead to bias in their decision-making and compromise their objectivity.

Remuneration of Executive Directors

In adopting a remuneration strategy for KMP, at all times the Company strives to seek a balance between preservation of cash proceeds and an equitable remuneration structure. To align KMP interests with that of shareholders, KMP have agreed to sacrifice a portion of their cash remuneration in lieu of performance rights and/or options, subject to market disclosure requirements upon appointment and the approval of shareholders on an annual basis.

In addition to the award of performance rights and/or options, the remuneration strategy comprises a fixed cash salary component, statutory superannuation contributions and where appropriate a potential merit-based performance bonus or other share-based incentives in the Company.

Performance milestones are carefully nominated and weighted according to the management role and its connection with the relevant performance milestone. This structure is intended to provide competitive rewards (subject to performance) to attract and retain high calibre executives.

Performance rights and/or options are offered to KMP's at the discretion of the Board. Length of service with the Company, and the past and potential contribution of the person to the Company are also factors considered when awarding performance rights to employees. The award of discretionary performance bonuses are aligned with the ongoing performance assessment of the incumbent management team, following review and assessment by the Board of Directors.

Criteria used to determine potential merit-based performance bonuses for the Managing Director and other KMP during the exploration phase, is the setting of key objectives for each KMP and measuring performance against these objectives. Key objectives will normally include specific criteria where performance will be measured against progress indicators. These key objectives will largely be determinable by the objective assessment of performance by the Managing Director.

Company Performance

The table below sets out summary information about the movements in shareholder wealth for the financial year ended 30 June 2026.

	30 June 2026 $	30 June 2025 $	30 June 2024 $	30 June 2023 $
Other Income	61,061	81,294	50,386	76,359
Net loss before tax	(3,919,954)	(2,413,561)	(3,349,453)	(871,210)
Net loss after tax	(3,919,954)	(2,413,561)	(3,349,453)	(871,210)
Share price	$0.091	$0.068	$0.05	$0.11

Terms of Employment

The terms of employment of the Managing Director and Chief Executive Officer have been formalised in an Executive Services Agreement and contain the following material terms:

Name	Fixed Remuneration	Variable Remuneration	Notice Period
Lijun Yang	$270,000 pa exclusive of superannuation.	3m performance rights, subject to various vesting conditions. 3 tranches of 300,000 options exercisable at $0.09, $0.12 and $0.15 respectively	Requires a period of 6 months' notice by Company and Employee.

Details of Remuneration

The below table shows the fixed and variable remuneration for KMP:

2026	Short Term Benefit	Long Term Benefit	Share-based Payments	Total	Proportion of remuneration performance related
	Salary & Fees $	Super-annuation $	Performance Rights/Options /Shares $	$	%
Peter Ledwidge	53,493	1,178	24,513	79,184	31%
Lijun Yang[1]	305,462	13,500	150,864	469,826	32%
Luke Huang	51,360	2,400	24,513	78,273	31%
Haobo Yuan [2]	4,480	-	-	4,480	-
Richard Beazley [3]	29,935	3,592	-	33,527	-
Haidong Chi [4]	56,000	6,720	24,513	87,233	28%
Peter Stern [5]	23,273	2,793	-	26,066	-
Total	**524,003**	**30,183**	**224,403**	**778,589**	**29%**

[1]Mr Yang's share based payment of $150,864 for the year includes an amount of $76,526, which represents the accelerated and immediate recognition in the profit and loss account of the remaining un-expensed fair value at date of grant of the 4.5 million performance rights awarded to him in November 2024 but subsequently cancelled by mutual agreement in October 2025. Despite no benefit accruing to him from those cancelled rights, this accounting treatment is required under AASB 2 "Share Based Payments".

[2]Mr Yuan was appointed on 1 June 2026.
[3]Mr Beazley resigned on 8 October 2025.
[4] Mr Chi resigned on 1 June 2026.
[5] Mr Stern resigned on 24 September 2025.
Mr Ledwidge, Mr Yang and Mr Huang were on the Company's payroll up to 30 November 2025, but since then bill the Company through their respective service companies.

2025	Short Term Benefit	Long Term Benefit	Share-based Payments	Total	Proportion of remuneration performance related
	Salary & Fees $	Super-annuation $	Performance Rights $	$	%
Richard Beazley	58,000	6,670	11,112	75,782	15%
Lijun Yang	270,000	31,050	49,418	350,468	14%
Haidong Chi	48,000	5,520	36,777	90,297	41%
Peter Stern	48,000	5,520	-	53,520	-
Luke Huang[1]	39,619	4,556	-	44,175	-
Total	**463,619**	**53,316**	**97,307**	**614,242**	**16%**

[1] Mr Huang was appointed on 4 September 2024.

Share holdings

The relevant interest of each of the KMP in the share capital of the Company as at 30 June 2026 was:

Name	1 July 2025 (or date of appointment if later)	Granted as compensation	On exercise of options/rights	Other Changes	Held at 30 June 2026
Peter Ledwidge	89,285	-	-	333,333	422,618
Lijun Yang	5,000,000	500,000	-	2,916,666	8,416,666
Luke Huang	2,628,171	-	-	5,000,000	7,628,171
Haobo Yuan	19,332,459	-	-	500,000	19,832,459
Haidong Chi	10,660,000	-	-	1,666,666	N/A

Haidong Chi's relevant interest at 30 June 2026 is not provided as he ceased to be a director on 1 June 2026.

Long Term Incentives

Both Non-Executive and Executive Directors are entitled to participate in the Employee Securities Incentive Plan.

The granting of such incentives is subject to Board determination and discretion as to the timing of the grant and the number of shares, options or performance rights which may be granted as well as shareholder approval. As such the long-term incentives are therefore now available to motivate and compensate executives as the Board determines.

Performance Rights

The following table lists the performance rights issued to the Managing Director, Lijun Yang and the vesting criteria:

	Number	Vesting Period	Vesting Condition
Tranche 1	1,000,000	In the period up to 19 November 2028.	Gold interceptions with or above 50 grams per tonne multiplied by metres (g/t x m) like 20 metres at 2.5 g/t.
Tranche 2	1,000,000	In the period up to 19 November 2028.	Gold interceptions with or above 100 grams per tonne multiplied by metres (g/t x m) like 50 metres at 2.0 g/t.
Tranche 3	1,000,000	In the period up to 19 November 2028.	Gold interceptions with or above 150 grams per tonne multiplied by metres (g/t x m) like 50 metres at 3.0 g/t.

The total expenditure recognised in the statement of comprehensive income for FY25/26 for the above performance rights is $7,325.

There are no participating rights or entitlements inherent in the Performance Rights and the holder will not be entitled to participate in new issues of capital offered to shareholders during the currency of the Performance Rights. All shares allotted upon the vesting of Performance Rights will rank pari passu in all respect with other shares.

During the year ended 30 June 2026,4,500,000 performance rights granted previously to the Managing Director were cancelled by mutual agreement.

The following table details the remaining valuation of the remaining Performance Rights:

Director	Balance at 1 July 2025	Granted as Remuneration	Value Granted $	Number Lapsed or Forfeited	Lapsed or Forfeited %	Converted to Shares on Vesting	Held at 30 June 2026	Maximum Value yet to Vest $
L Yang	4,500,000	3,000,000	$36,000	(4,500,000)	100	-	3,000,000	$28,675

Options

Under the terms and conditions of the options issued, each option gives the holder the right to subscribe to one fully paid ordinary share. Any option not exercised before the expiry date will lapse on the expiry date.

There are no participating rights or entitlements inherent in the options and the holders will not be entitled to participate in new issues of capital offered to shareholders during the currency of the options. All shares allotted upon the exercise of options will rank pari passu in all respect with other shares.

The below tables show a reconciliation of unlisted options held by each Director during the year:

Unlisted Options	Balance at 1 July 2025		Granted as compensation	Vested		Lapsed	Held at 30 June 2026	
	Vested and exercisable	Unvested		No.	%		Vested and exercisable	Unvested
P Ledwidge	-	-	900,000	-	-	-	900,000	-
L Yang	-	-	900,000	-	-	-	900,000	-
H Chi	-	-	900,000	-	-	-	900,000	-
L Huang	-	-	900,000	-	-	-	900,000	-

3,600,000 employee incentive options were granted in the year ended 30 June 2026 (2025: Nil), with none being exercised or lapsing. At the date of this Report, 2,700,000 unlisted options are on issue with Haidong Chi's 900,000 options lapsing (since year-end) as he ceased to be a director.

The below tables shows listed options held by Directors during the year:

Listed Options	Balance at 1 July 2025		Granted as compensation	Vested		Other Changes	Held at 30 June 2026	
	Vested and exercisable	Unvested		No.	%		Vested and exercisable	Unvested
L Yang	5,000,000	-	-	-	-	1,250,000	6,250,000	-
H Chi[1]	5,300,000	-	-	-	-	(5,300,000)	N/A	-
H Yuan[2]	N/A	-	-	-	-	6,140,000	6,140,000	-
L Huang	2,628,171	-	-	-	-	-	2,628,171	-

[1]Haidong Chi ceased to be a director on 1 June 2026 and reporting of his holding at 30 June 2026 is not applicable.
[2]Haobo Yuan's 6,140,000 options in the "Other Changes" column is his holding on 1 June 2026, being the date of his appointment.

Other Transactions with KMP and their Related Parties

There were no related party transactions in the year ended 30 June 2026.

There were no other transactions with KMP or related parties during the year.

END OF AUDITED REMUNERATION REPORT

Options Granted over Unissued Shares

As at the date of this report, the following options over ordinary shares are on issue:

Issue Date	Exercise Price $	Expiry	Number
27 May 2024	$0.12	28 May 2027	52,710,000
19 November 2025	$0.09	19 November 2028	900,000
19 November 2025	$0.12	19 November 2028	900,000
19 November 2025	$0.15	19 November 2028	900,000
Total			**55,410,000**

Performance Rights

As at the date of this report, the following performance rights are on issue:

Issue Date	Exercise Price $	Expiry	Number
19 Nov 2025	$0.00	19 Nov 2028	3,000,000
Total			**3,000,000**

Non- Audit Services

The auditor of the Company and the Consolidated Entity is Hall Chadwick WA Audit Pty Ltd (Hall Chadwick).

For the year ended 30 June 2026, Hall Chadwick provided no non-audit services (2025: Nil).

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on the following page.

Indemnification of Auditors

The Company has not indemnified its auditor, Hall Chadwick WA Audit Pty Ltd.

Proceedings on Behalf of the Company

No person has applied to the Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Indemnification and Insurance of Officers

The Company has taken out an insurance policy insuring Directors and Officers of the Company against any liability arising from a claim bought by a third party against the Company or its current or former Directors or Officers and against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in their capacity as a Director or Officer of the Company, other than conduct involving a wilful breach of duty in relation to the Company.

The Company indemnifies each of the Directors and Officers of the Company. Under its Constitution, the Company will indemnify those Directors or Officers against any claim or for any expenses or costs which may arise as a result of work performed in their respective capacities as Directors or Officers of the Company or any related entities.

This report is made in accordance with a resolution of Directors.

Peter Ledwidge
Chairman

Perth, Western Australia
24 September 2026

HALL CHADWICK

To the Board of Directors

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead audit director for the audit of the financial statements of MetalsGrove Mining Limited for the financial year ended 30 June 2026, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours faithfully,

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

D Bell

D M BELL FCA
Director

Dated this 24th day of September 2026
Perth, Western Australia

	Notes	2026 $	2025 $
Other income		61,061	81,294
Share-based payments	13	(224,404)	(97,306)
Administrative & other expenses	5	(1,155,576)	(923,647)
Impairment of exploration expenditure	10	(2,601,035)	(1,473,902)
Loss before income tax		**(3,919,954)**	**(2,413,561)**
Income tax expense	6	-	-
Loss for the year		**(3,919,954)**	**(2,413,561)**
Items that may be reclassified to profit or loss:			
Other comprehensive loss		(1,672)	(11,553)
Total comprehensive loss for the year attributable to owners of the Company		**(3,921,626)**	**(2,425,114)**
Loss per share attributable to ordinary equity holders:			
Basic and diluted loss per share (cents)	7	(3.070)	(2.289)

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

	Notes	2026 $	2025 $
Current assets			
Cash and cash equivalents	8	1,973,431	1,384,870
Other current assets	9	114,209	97,450
Total current assets		2,087,640	1,482,320
Non-current assets			
Exploration and evaluation	10	867,606	2,542,719
Property, plant and equipment		4,275	1,633
Other financial asset		46,947	46,947
Total non-current assets		918,828	2,591,299
Total assets		3,006,468	4,073,619
Current liabilities			
Trade and other payables	11	135,690	114,811
Provisions		-	8,874
Total current liabilities		135,690	123,685
Total liabilities		135,690	123,685
Net assets		**2,870,778**	**3,949,934**
Equity			
Contributed equity	12a	13,427,245	10,766,679
Reserves	12b	90,075	383,681
Accumulated losses		(10,646,542)	(7,200,426)
Total equity		**2,870,778**	**3,949,934**

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

	Contributed equity $	Share-based payment Reserve $	Foreign Currency Translation Reserve $	Accumulated losses $	Total equity $
Balance as at 1 July 2024	**10,766,679**	**300,006**	**(2,078)**	**(4,786,865)**	**6,277,742**
Loss for the year	-	-	-	(2,413,561)	(2,413,561)
Other comprehensive loss	-	-	(11,553)	-	(11,553)
Total comprehensive loss for the year	-	-	(11,553)	(2,413,561)	(2,425,114)
Transactions with owners in their capacity as owners:					
Contributions of equity, net of costs and tax	-	-	-	-	-
Share-based payments issue	-	97,306	-	-	97,306
Balance as at 30 June 2025	**10,766,679**	**397,312**	**(13,631)**	**(7,200,426)**	**3,949,934**
Loss for the year	-	-	-	(3,919,954)	(3,919,954)
Other comprehensive loss	-	-	(1,672)	-	(1,672)
Total comprehensive loss for the year	-	-	(1,672)	(3,919,954)	(3,921,626)
Transactions with owners in their capacity as owners:					
Contributions of equity, net of costs and tax	2,618,066	-	-	-	2,618,066
Share-based payment accelerated recognition relating to cancelled performance rights	-	76,526	-	-	76,526
Share-based payments issue	42,500	105,378	-	-	147,878
Share-based payments adjustment	-	(473,838)	-	473,838	-
Balance as at 30 June 2026	**13,427,245**	**105,378**	**(15,303)**	**(10,646,542)**	**2,870,778**

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

	Notes	2026 $	2025 $
Cash flows from operating activities			
Payments to suppliers and employees		(1,183,533)	(985,780)
Interest received		61,061	81,294
Net cash outflow from operating activities	8	**(1,122,472)**	**(904,486)**
Cash flows from investing activities			
Payments for property, plant and equipment		(4,735)	-
Payments to acquire exploration assets		(156,761)	-
Payments for exploration activities		(715,537)	(397,685)
Net cash outflow from investing activities		**(877,033)**	**(397,685)**
Cash flows from financing activities			
Proceeds from issues of shares		2,702,000	-
Transaction costs from issue of shares		(113,934)	-
Net cash inflow/(outflow) from financing activities		**2,588,066**	**-**
Net increase/(decrease) in cash and cash equivalents		588,561	(1,302,171)
Cash and cash equivalents at the beginning of the period		1,384,870	2,687,041
Cash and cash equivalents at the end of the year	8	**1,973,431**	**1,384,870**

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

1 Corporate information

The consolidated financial report of MetalsGrove Mining Limited for the year ended 30 June 2026 was authorised for issue in accordance with a resolution of the Directors on 24 September 2026. The Board of Directors has the power to amend the consolidated financial statements after issue.

MetalsGrove Mining Limited is a for-profit company limited by shares whose shares are publicly traded on the Australian Securities Exchange. The Company is incorporated and domiciled in Australia. The registered office and principal place of business of the Company is Level 2, 389 Oxford Street, Mount Hawthorn, WA 6016.

2 Reporting entity

The Consolidated Financial Statements comprise of the Company and its subsidiaries.

3 Basis of preparation

The Consolidated Financial Statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. The Consolidated Financial Statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

These financial statements have been prepared under the historical cost convention except for certain financial assets and liabilities which are required to be measured at fair value.

a) Basis of consolidation

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and could affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

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

b) Goods and services tax ('GST')

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a net basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

c) Going Concern

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

For the year ended 30 June 2026 the Consolidated Entity incurred a loss of $3,919,954 (2025: $2,413,561) including non-cash impairment expense of $2,601,035 (2025: $1,473,902) and net cash outflows from operating and investing activities of $1,999,905 (2025: $1,302,171). As at balance date the Consolidated Entity had a working capital surplus of $1,951,950 (2025: $1,358,635) and minimum spend exploration commitments due within twelve months of $1,085,301 (2025: $164,000).

The directors have prepared a cash flow forecast, which indicates that the Consolidated Entity will have sufficient cash flows to meet all commitments and working capital requirements for the 12-month period from the date of signing this financial report.

Based on the cash flow forecasts and other factors referred to above, the Directors are satisfied that the going concern basis of preparation is appropriate, given the Consolidated Entity can defer discretionary expenditure in line with available funds.

3 Basis of preparation (continued)

Should the Group be unable to raise further capital within the next 12 months, a material uncertainty would exist as to whether the Group will be able to continue as a going concern, and it may be required to realise assets and extinguish liabilities other than in the ordinary course of business, with amounts realised potentially differing for those stated in the financial statements.

4 Segment information

Identification of reportable segments

The Group is organised into one operating segment, being exploration. This is based on the internal reports that are being reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers (**CODM**) in assessing performance and in determining the allocation of resources. As a result, the operating segment information is as disclosed in the statements and notes to the financial statements throughout the report.

The Company operates in one reportable segment, being exploration. The Board of Directors review internal management reports on a regular basis that is consistent with the information provided in the statement of profit or loss and other comprehensive income, statement of financial position and statement of cash flows. As a result, no reconciliation is required because the information as presented is what is used by the Board to make strategic decisions.

5 Expenses

	2026 $	2025 $
Administrative expenses		
Investor and corporate costs	481,454	340,346
Insurance	65,727	34,416
Consultants	4,585	775
Administration costs	7,323	6,178
Occupancy costs	45,575	28,638
Personnel costs	550,912	526,370
Unrealised foreign exchange gain	-	(13,076)
	1,155,576	923,647

6 Income tax expense

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

	2026 $	2025 $
Loss from continuing operations before income tax	(3,919,954)	(2,413,561)
Tax at the Australian tax rate of 25% (2025: 25%)	(979,988)	(603,390)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Other non-assessable items	664,884	351,326
Temporary differences not brought to account	315,104	252,064
Tax expense	-	-

The tax rate used in the above reconciliation is the corporate tax rate of 25% payable by Australian corporate entities on taxable profits under Australian Tax Law. There has been no change in this tax rate since the previous reporting period.

Accounting Policy

A deferred tax asset (**DTA**) on the timing differences has not been recognised as they do not meet the recognition criteria as outlined below. A DTA has not been recognised in respect of tax losses either as realisation of the benefit is not regarded as probable.

The taxation benefits will only be obtained if:

a) the Consolidated Entity derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deduction for the loss to be realised;
b) the Consolidated Entity continues to comply with the conditions for deductibility imposed by law; and
c) no changes in tax legislation adversely affect the consolidated entity in realising the benefits from the deductions for the loss.

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

6 Income tax expense (continued)

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the Parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

7 Loss per share

	2026 $	2025 $
Loss used in calculating basic and diluted loss per share	(3,919,954)	(2,413,561)

	2026 Number	2025 Number
Weighted average number of ordinary shares used in the calculation of basic and diluted loss per share	127,686,661	105,420,000

Basic earnings/loss per share is determined by dividing net profit or loss after income tax attributable to members of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year.

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

8 Cash and cash equivalents

	2026 $	2025 $
Cash at bank and in hand	1,973,431	1,384,870
	1,973,431	**1,384,870**

Accounting Policy

Cash and short-term deposits comprise of cash at bank and in hand and short-term deposits with an original maturity of three months or less.

Reconciliation of loss for the year to net cash flows from operations:

	2026 $	2025 $
Loss for the year	(3,919,954)	(2,413,561)
Share-based payment expense	224,404	97,306
Depreciation expense	2,093	4,053
Unrealised foreign exchange gain	-	(13,076)
Impairment exploration expenditure	2,601,035	1,473,902
Changes in operating assets and liabilities		
(Increase)/decrease in receivables	(51,135)	-
(Increase)/decrease in other assets	55,023	(49,723)
(Decrease)/increase in trade and other payables	(25,064)	(12,261)
Increase/(decrease) in provisions	(8,874)	8,874
Net cash flows from operating activities	**(1,122,472)**	**(904,486)**

9 Other current assets

	2026 $	2025 $
Other current assets[1]	114,209	97,450
	114,209	**97,450**

[1] Other current assets represent prepayments, GST receivable and an expense advance.

10 Exploration and evaluation expenditure

	2026 $	2025 $
Opening balance	**2,542,719**	**3,619,735**
Acquisition of Cote d'Ivoire projects[1]	186,761	-
Impairment [2]	(2,601,035)	(1,473,902)
Expenditure incurred	739,161	396,886
Closing balance	**867,606**	**2,542,719**

[1] Initial fees to vendor and intermediary and upfront cash payments to farm-in partner as a result of entering into agreements to acquire mineral interests in the Zuénoula and Vavoua permits. Please refer to Note 17 for further details.

[2] At each reporting date, the Group undertakes an assessment of the carrying amount of its exploration and evaluation assets. Where an indication of impairment exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying value. During the period, the Group identified indicators of impairment to certain exploration and evaluation assets under AASB 6 Exploration and Evaluation of Mineral Resources. As a result of this review, a total impairment loss of $2,601,035 has been recognised in the statement of profit or loss in relation to Australian projects, Edward Creek and Bruce, where the Company has applied to relinquish the mineral licences.

Accounting Policy

The ultimate recoupment of costs carried forward for areas of interest in the exploration and evaluation phases is dependent upon the successful development and commercial exploitation, or sale, of the respective areas of interest. For areas which do not meet the criteria of the accounting policy, those amounts are charged to the Consolidated Statement of Comprehensive Income.

Exploration and evaluation costs related to an area of interest are written off as incurred except they may be carried forward as an item in the consolidated statement of financial position where the rights of tenure of an area are current and one of the following conditions is met:

- the costs are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; and
- exploration and/or evaluation activities in the area of interest have not at the end of each reporting period 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.

Capitalised costs include costs directly related to exploration and evaluation activities in the relevant area of interest. General and administrative costs are allocated to an exploration or evaluation asset only to the extent that those costs can be related directly to operational activities in the area of interest to which the asset relates.

Capitalised exploration and evaluation expenditure is written off where the above conditions are no longer satisfied.

Exploration and evaluation expenditure incurred subsequent to the acquisition in respect of an exploration asset acquired is accounted for in accordance with the policy outlined above.

All capitalised exploration and evaluation expenditure is assessed for impairment if facts and circumstances indicate that an impairment may exist. Exploration and evaluation assets are also tested for impairment once commercial reserves are found, before the assets are transferred to development properties.

11 Trade and other payables

	2026 $	2025 $
Trade and other payables	135,690	114,811
	135,690	**114,811**

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured, non-interest bearing and are usually paid within 30 days of recognition.

11 Trade and other payables (continued)

Accounting Policy

Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

12(a) Contributed equity

Issued share capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised, net of tax, directly in equity as a reduction of the share proceeds received.

	Number of shares	$
As at 1 July 2025	**105,420,000**	**10,766,679**
Issue of shares associated with a placement offer at $0.06	45,033,330	2,702,000
Issue of shares to Managing Director as a bonus	500,000	42,500
Issue of shares as payment for services rendered	500,000	30,000
Transaction costs	-	(113,934)
As at 30 June 2026	**151,453,330**	**13,427,245**

Ordinary shares

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

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

Capital risk management

The Group's debt and capital includes ordinary share capital and debt. There are no externally imposed capital requirements.

Management effectively manages the Group’s capital by assessing the Group’s financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year. This strategy is to ensure that the Group is able to fund its future activities.

12(b) Reserves

	2026 $	2025 $
Share Based Payment Reserve	105,378	397,312
Foreign Currency Translation Reserve	(15,303)	(13,631)
	90,075	**383,681**

13 Share-based payments

The Company provides benefits to employees (including Directors) in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares (equity settled transactions).

The Company currently provides benefits under an Employee Incentive Scheme. During the year, 4,500,000 performance rights previously issued to Managing Director Lijun Yang were cancelled by mutual agreement. In their place, 3,000,000 performance rights were issued with performance milestone based vesting conditions. The Company also issued 3,600,000 unlisted options during the year.

Options

Each option entitles the holder, on exercise, to one fully paid ordinary share in the Company. There is no issue price for the options. The exercise price for the options is such price as determined by the Board. An option may only be exercised after the option has vested and any other conditions imposed by the Board on exercise are satisfied. The board may determine the vesting period, if any.

There are no voting or dividend rights attached the options. There are no voting rights attached to the unissued ordinary shares. Voting rights will be attached to the unissued ordinary share when the options have been exercised.

13 Share-based payments (continued)

Unlisted Options

The number and weighted average exercise prices of the unlisted share options outstanding as at 30 June 2026 is as follows:

	2026		2025	
	Weighted average exercise price $	Number of options	Weighted average exercise price $	Number of options
Outstanding at the beginning of the year	-	-	$0.30	5,500,000
Granted during the year	$0.12[1]	3,600,000	-	-
Exercised during the year	-	-	-	-
Lapsed during the year	-	-	-	(5,500,000)
Outstanding at the end of the year	$0.12	3,600,000	-	-
Exercisable at the end of the year	$0.12	3,600,000	-	-

[1]The options are in three tranches of 1,200,000 with an exercise price per option of $0.09, $0.12 and $0.15 respectively.

Non-market performance conditions are not taken into account in the grant date fair value measurement of the services received.

The 3,600,000 options issued during the year vested immediately and an amount of $98,053 has been recognised as a share based payment expense (2025: nil). The following table lists the inputs to the Black Scholes Valuation Model for the options issued and outstanding during the year:

MGA Options - Inputs				
		Tranche 1 – 1,200,000	Tranche 2 – 1,200,000	Tranche 3 – 1,200,000
Valuation Date		19/11/2025	19/11/2025	19/11/2025
Vesting Date		19/11/2025	19/11/2025	19/11/2025
Expiry Date		19/11/2028	19/11/2028	19/11/2028
Option Life		3 years	3 years	3 years
Stock Price		$0.065	$0.065	$0.065
Exercise Price		$0.09	$0.12	$0.15
Volatility		84.00%	84.00%	84.00%
Risk Free Rate		3.50%	3.50%	3.50%
Calculated value		$0.0313	$0.0269	$0.0235

Listed Options

On 29 April 2024, the Company announced a non-renounceable entitlement offer of one (1) New Share for every one (1) Share held by eligible shareholders at the record date at an issue price of $0.04 per New Share together with one (1) free attaching new option exercisable at $0.12, with an expiry date of 28 May 2027 (Option) for every one (1) new share issued, to raise $2,108,400 (before costs) (**Entitlement Offer**). The Company issued 52,710,000 new listed options. The Options are quoted on the ASX under the code MGAO.

Tranche	Number	Grant Date	Expiry Date	Exercise Price	Fair Value at Grant Date	Vesting Date
MGAO	52,710,000	27 May 24	28 May 27	$0.12	Nil	27 May 24

No share-based payment expenditure was recognised as the options were classified as free attaching securities to the Entitlement Offer.

Performance Rights

There are no participating rights or entitlements inherent in the Performance Rights and the holders will not be entitled to participate in new issues of capital offered to shareholders during the currency of the Performance Rights. All shares allotted upon the vesting of Performance Rights will rank pari passu in all respect with other shares.

Under the terms and conditions of the Performance Rights granted, each Performance Right is converted to one fully paid ordinary share upon meeting the vesting criteria.

13 Share-based payments (continued)

The following table lists the vesting criteria of the performance rights on issue:

	Number	Vesting Period	Vesting Condition
Tranche 1	1,000,000	Up to 19 November 2028	Gold interceptions with or above 50 grams per tonne multiplied by metres (g/t x m) like 20 metres at 2.5 g/t.
Tranche 2	1,000,000	Up to 19 November 2028	Gold interceptions with or above 100 grams per tonne multiplied by metres (g/t x m) like 50 metres at 2.0 g/t.
Tranche 3	1,000,000	Up to 19 November 2028	Gold interceptions with or above 150 grams per tonne multiplied by metres (g/t x m) like 50 metres at 3.0 g/t.

The following table lists the inputs to the Trinomial Valuation Model for the Performance Rights outstanding during the period:

	Tranche 1	Tranche 2	Tranche 3
Dividend yield (%)	0%	0%	0%
Expected volatility (%)	84.0%	84.0%	84.0%
Risk free rate (%)	3.50%	3.50%	3.50%
Expected life (years)	3.0	3.0	3.0
Exercise price ($)	$0.00	$0.00	$0.00
Grant date share price ($)	$0.065	$0.065	$0.065
Expiry date	19/11/2028	19/11/2028	19/11/2028
Number	1,000,000	1,000,000	1,000,000
Value per right	$0.06	$0.06	$0.06
Probability of vesting	30%	20%	10%
Fair value of Performance Right at grant date ($)	$0.018	$0.012	$0.006

During the year ended 30 June 2026, 4,500,000 Performance Rights were cancelled (2025: 950,000 Class A Performance Rights and 800,000 Class B Performance Rights lapsed).

The weighted average contractual life of the outstanding Performance Rights remaining as at 30 June 2026 is 2.39 years (2025: 2.39 years).

The total expenditure recognised in the statement of comprehensive income is $7,325 (2025: $97,306) from the new issue of 3m Performance Rights and $76,526 with respect to the 4.5m cancelled Performance Rights.

Share-based payment expense

The share-based payment expense recognised in the statement of profit or loss and other comprehensive income during the year comprises:

	2026 $	2025 $
Shares issued to the Managing Director as a bonus (Note 12(a))	42,500	-
Unlisted options granted during the year	98,053	-
Performance rights:		
Granted during the year	7,325	-
Granted in prior years[(i)]	76,526	97,306
Total share-based payment expense	**224,404**	**97,306**

[(i)] The 2026 amount represents the accelerated recognition, on cancellation, of the remaining unexpensed grant date fair value of the 4,500,000 performance rights cancelled during the year.

Accounting Policy

The cost of share-based payments is recognised in employee benefits expense, together with a corresponding increase in Share-Based Payments Reserve in equity, over the period in which the performance and/or service conditions are fulfilled (the vesting period).

The cumulative expense recognised for equity settled transactions at each reporting date until vesting date reflects:

(i) the extent to which the vesting period has expired; and
(ii) the number of awards that, in the opinion of the Directors, will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

13 Share-based payments (continued)

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options and rights is reflected as additional share dilution in the computation of earnings per share.

The Group measures the cost of equity-settled share-based payments at fair value at grant date using a Black Scholes option-pricing model (or a trinomial valuation model as may be the case) by taking into account the terms and conditions upon which the instruments were granted.

14 Financial risk management

The Group's activities expose it to a variety of financial risks: interest rate risk; credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

Risk management is carried out by management under policies approved by the Board of Directors. Management identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board provides principles for overall risk management, as well as policies covering specific areas, such as interest rate risk, credit risk, and use of financial instruments and investment of excess liquidity where appropriate.

The Group's financial instruments consist mainly of deposits with banks, accounts receivable and payable and loans to related parties.

Interest rate risk

The Group’s exposure to market risk for changes in interest rates arise from variable interest rate exposure on cash, fixed deposits and interest-bearing liabilities.

The Group’s policy is to manage its exposure to interest rate risk by holding cash in short-term, fixed rate and variable rate deposits with reputable high credit quality financial institutions. With interest bearing liabilities, consideration is also given to the potential renewal of existing positions, alternative financing and the mix of fixed and variable interest rates.

The following table summarises the financial assets and liabilities of the Group, together with the effective interest rates as at the balance date.

2026		Fixed interest maturing in:				Average interest rates	
	Floating interest rate	< 1 year	1 – 5 years	> 5 years	Non-interest bearing	Floating	Fixed
	$	$	$	$	$	%	%
Cash and cash equivalents	1,958,768	-	-	-	14,663	0.90%	-
Other current assets	-	-	-	-	114,209	-	-
Other financial asset	-	-	-	-	46,947	-	-
Trade and other payables	-	-	-	-	135,690	-	-

14 Financial risk management (continued)

2025		Fixed interest maturing in:				Average interest rates	
	Floating interest rate	< 1 year	1 – 5 years	> 5 years	Non-interest bearing	Floating	Fixed
	$	$	$	$	$	%	%
Cash and cash equivalents	1,384,870	-	-	-	-	0.90%	-
Other current assets	-	-	-	-	97,450	-	-
Other financial asset	-	-	-	-	46,947	-	-
Trade and other payables	-	-	-	-	114,811	-	-

As at 30 June 2026, a movement of 1% in interest rates, with all other variables held constant, results in an immaterial movement in post-tax loss and equity.

The movements in loss after income tax are due to higher/lower interest costs from fixed and variable rate debt and cash balances during the relevant year. Reasonably possible movements in interest rates were determined based on observations of historical movements in the past two years.

The net exposure at balance date is representative of what the Group was and is expecting to be exposed to in the next twelve months from balance date.

Credit risk

Credit risk arises from the financial assets of the Group, and its exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of the instruments. The Group's exposure to credit risk is minimal and results only from its exposure in cash and cash equivalents and trade receivables.

Liquidity risk

The Group's objective is to ensure sufficient liquid funds are available to meet the Group's financial commitments in a timely and cost-effective manner.

The Group's treasury function continually reviews the Group's liquidity position including cash flow forecasts to determine the forecast liquidity position and maintain appropriate liquidity levels.

2026	< 1 year $	1 – 5 years $	Total $
Cash and cash equivalents	1,973,431	-	1,973,431
Other current assets	114,209	-	114,209
Trade and other payables	(135,690)	-	(135,690)
Net position	**1,951,950**	**-**	**1,951,950**

2025	< 1 year $	1 – 5 years $	Total $
Cash and cash equivalents	1,384,870	-	1,384,870
Other current assets	97,450	-	97,450
Trade and other payables	(114,811)	-	(114,811)
Net position	**1,367,509**	**-**	**1,367,509**

15 Subsidiaries

The Consolidated Financial Statements include the financial statements of MetalsGrove Mining Limited and the subsidiaries listed in the following table:

Name of Entity	Country Incorporated	Tax Jurisdiction	Class of Shares	2026 Equity Holding	2025 Equity Holding
Territory Lithium Pty Ltd	Australia	Australia	Ordinary	100%	100%
MetalsGrove Global (Private) Limited[1]	Zimbabwe	Zimbabwe	Ordinary	-	100%
MetalsGrove CDI Pty Ltd	Australia	Australia	Ordinary	100%	100%
MetalsGrove Exploration SARL [2]	Cote d'Ivoire	Cote d'Ivoire	Ordinary	100%	-

[1]The Zimbabwean subsidiary was deregistered in early July 2025 and had no assets or liabilities at that time.

[2] MetalsGrove Exploration SARL was incorporated on 5 August 2025.

16 Parent entity information

	2026 $	2025 $
Current assets	2,045,551	1,482,320
Non-current assets	932,450	2,591,299
Current liabilities	(107,222)	(123,683)
Issued capital	13,427,245	10,766,679
Reserves	105,378	397,312
Accumulated losses	(10,661,844)	(7,214,055)
Total equity	**2,870,779**	**3,949,936**
Loss for the year	(3,985,342)	(2,874,667)
Total comprehensive loss for the year	(3,985,342)	(2,874,667)

The Company has no material contingent liabilities.

17 Contingent assets and liabilities

The Group had no contingent assets as at 30 June 2026 (2025: Nil).

The Group had the following contingent liabilities as at 30 June 2026 as a result of the acquisition of mineral interests in Cote d'Ivoire:

a) Vavoua (licence granted), Vavoua West and Kounahiri West (under application) Permits

- $50,000 cash payment upon the grant of either the Vavoua West or Kounahiri West licence, whichever comes first;
- $1,000,000 cash payment on the estimation of a JORC compliant mineral resource of not less than 500,000 ounces of gold (or gold equivalent) and a grade of not less than 1 g/t gold (or gold equivalent) on each of these three permit areas. For the avoidance of doubt, the maximum amount payable is $3 million. Subject to the mutual agreement of the parties, settlement of these payments in whole or in part may be by the issue of MGA shares (subject to MGA shareholder approval or available placement capacity under ASX Listing Rule 7.1); and
- A 1% net smelter royalty in respect of production from these mineral permit areas (Royalty). The Royalty is capped at the greater of $3 million or the amount of the royalty in respect of the first 125,000 ounces of gold production.

b) Zuénoula Permit

- US$1,000,000 payment on estimation of JORC compliant gold resources of 1,000,000 ounces, containing at least 500,000 ounces in the Indicated category.

18 Remuneration of auditors

During the year, the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	2026 $	2025 $
Auditing and reviewing of financial reports	41,750	31,362
	41,750	**31,362**

The auditor of the parent entity for the period ended 30 June 2026 and 30 June 2025 is Hall Chadwick WA Audit Pty Ltd.

19 Commitments

Exploration and evaluation expenditure commitments

In order to maintain current rights of tenure to exploration permits as well as comply with contractual obligations to farm-in/jv partners, the Group is required to meet minimum expenditure requirements. These obligations are subject to renegotiation when applications are made for permit renewals and at other times. These obligations are not provided for in this financial report.

	2026 $
Within one year	1,085,301
Later than one year but not later than five years	7,672,823
Later than five years	-
Total	8,758,124

The amounts noted above are those required to earn a maximum interest (80%) in the two projects that are in existence at year-end. At 30 June 2026, the Group had already met its minimum expenditure commitments under farm-in and joint venture agreements and therefore has the right to withdraw at any time if it decides that continuing exploration is not warranted.

20 Related party transactions

Other transactions with related parties

There were no transactions with related parties for the year ended 30 June 2026 (2025: Nil).

Refer to note 13 for the details of share-based payments granted to the Directors during the period.

There were no other transactions with KMP or related parties during the year.

21 Key management personnel disclosures

Details of key management personnel

The names and positions of the KMP of the Company and the Group during the financial year were:

Peter Ledwidge	Non-Executive Chair (appointed 26 September 2025)
Lijun Yang	Managing Director & Chief Executive Officer
Luke Huang	Non-Executive Director
Haobo Yuan	Non-Executive Director (appointed 1 June 2026)
Haidong Chi	Non-Executive Director (resigned 1 June 2026)
Richard Beazley	Non-Executive Director (resigned 8 October 2025)
Peter Stern	Non-Executive Director (resigned 24 September 2025)

21 Key management personnel disclosures (continued)

Compensation of key management personnel

	2026 $	2025 $
Short-term employee benefits	524,003	463,619
Post-employment benefits	30,183	53,316
Share-based payments	224,403	97,307
	778,589	**614,242**

22 Events occurring after the reporting period

No matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

23 Critical accounting estimates and assumptions

The preparation of the consolidated financial statements requires management to make estimates and assumptions. These estimates and assumptions 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 Group and that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions 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:

Exploration and evaluation

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related area of interest itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors which could impact the future recoverability include the level of reserves and resources, future technological changes which could impact the cost of mining, future legal changes (including changes to environmental obligations) and changes to commodity prices. To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, this will reduce profits and net assets in the period in which this determination is made.

In addition, exploration and evaluation expenditure is capitalised if rights to tenure of the area of interest are current and activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. To the extent that is determined in the future that this capitalised expenditure should be written off, this will reduce profits and net assets in the period in which this determination is made.

24 New accounting standards and interpretations

For the year ended 30 June 2026, the Directors reviewed all new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to the Group and effective for the current annual reporting period. Based on this review, the Directors determined that the adoption of these Standards and Interpretations has not had a material impact on the Group and, accordingly, no changes to the Group's accounting policies were required.

The Group has adopted all new, revised or amending Accounting Standards and Interpretations issued by the AASB that are relevant to its operations and effective for accounting periods beginning on or after 1 July 2025. The new and revised Standards and amendments issued but not yet effective, and considered relevant to the Group, are set out below.

Pronouncement	Impact
Improvements to International Financial Reporting Standards Effective 1 January 2026	The annual improvements process deals with non-urgent, but necessary, clarifications and amendments to accounting standards. The application of this standard is not expected to have a material impact on the Group's consolidated financial statements.
Presentation and Disclosure in Financial Statements (AASB 18) Effective 1 January 2027	AASB 18 replaces AASB 101 and introduces new categories and subtotals in the statement of profit or loss. It also requires disclosure of management defined performance measures and includes new requirements for the location, aggregation and disaggregation of financial information. The application of this standard is not expected to have a material impact on the Group's consolidated financial statements.
Subsidiaries without Public Accountability: Disclosures (AASB 119) Effective 1 January 2027	AASB 119 allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other AASB accounting standards. The application of this standard is not expected to have a material impact on the Group's consolidated financial statements.

Consolidated Entity Disclosure Statement

MetalsGrove Mining Limited (the 'head entity') and its wholly owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime.

Key Assumptions and Judgements: Determination of Tax Residency

Section 295(3A) Corporations Act requires that the tax residency of each entity, which is included in the Consolidated Entity Disclosure Statement (CEDS) be disclosed. In the context of an entity which was an Australian resident, 'Australian resident' has the meaning provided in the Income Tax Assessment Act 1997 (Cth). The determination of tax residency involves judgement as the determination of tax residency is highly fact dependent and there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the Group has applied the following interpretations:

Australian tax residency

The Group has applied current legislation and judicial precedent, including having regard to the Commissioner of Taxation's public guidance in Tax Ruling TR2018/5.

Foreign tax residency

The Group has applied current legislation and where available judicial precedent in the determination of foreign tax residency. Where necessary, the Group has used tax advisers with affiliated offices in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with.

Controlled entities	Type of Entity	Country of Incorporation	Australia Resident or Foreign Resident for Tax Purposes	Foreign Tax Jurisdiction of Foreign Resident	Percentage Ownership 2026	2025
MetalsGrove Mining Limited	Body Corporate	Australia	Australia	n/a	n/a	n/a
MetalsGrove Global (Private) Limited	Body Corporate	Zimbabwe	Australia	Zimbabwe	-	100%
MetalsGrove CDI Pty Ltd	Body Corporate	Australia	Australia	n/a	100%	-
MetalsGrove Exploration SARL	Body Corporate	Cote d'Ivoire	Cote d'Ivoire	Cote d'Ivoire	100%	-
Territory Lithium Pty Ltd	Body Corporate	Australia	Australia	n/a	100%	100%

In the Directors' opinion:

(a) the Consolidated Financial Statements and notes and Remuneration Report are in accordance with the *Corporations Act 2001*, including:

  (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and

  (ii) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2026 and of its performance for the year ended on that date, and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable, and

(c) the financial statements and notes thereto are in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board, and

(d) the attached Consolidated Entity Disclosure Statement is true and correct.

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

This declaration is made in accordance with a resolution of Directors.

Peter Ledwidge
Chairman

Perth, Western Australia
24 September 2026

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF METALSGROVE MINING LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of MetalsGrove Mining Limited and its subsidiaries ("the Consolidated Entity"), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the director's declaration.

In our opinion:

a. the accompanying financial report of the Consolidated Entity is in accordance with the *Corporations Act 2001*, including:

   (i) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2026 and of its financial performance for the year then ended; and

   (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

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

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

Material Uncertainty Related to Going Concern

We draw attention to Note 3(c) in the financial report which indicates that the Consolidated Entity incurred a net loss of $3,919,954 during the year ended 30 June 2026. As stated in Note 3(c), these events or conditions, along with other matters as set forth in Note 3(c), indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. 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 report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the Key Audit Matter
Exploration and evaluation As disclosed in note 10 to the financial statements at balance date, the carrying amount of exploration and evaluation assets was $867,606 following an impairment loss of $2,601,035. The recognition and measurement of exploration and evaluation assets was considered a key audit matter due to: • The carrying value of the assets represents a significant asset of the Consolidated Entity, we considered it necessary to assess whether facts and circumstances existed to suggest the carrying amount of this asset may exceed the recoverable amount; and • Determining whether impairment indicators exist involves significant judgement by management.	Our audit procedures included but were not limited to: • Assessing management's determination of its areas of interest for consistency with the definition in AASB 6 Exploration and Evaluation of Mineral Resources ("AASB 6"); • Assessing the Consolidated Entity's rights to tenure for a sample of tenements; • Testing the Consolidated Entity's exploration costs for the year by verifying a sample of recorded expenditure for consistency to underlying records; • Testing the Consolidated Entity's records with regards to the acquisition occurred during the year; • By testing the status of the Consolidated Entity's tenure and planned future activities, reading board minutes and discussions with management we assessed each area of interest for one or more of the following circumstances that may indicate impairment of the capitalised exploration costs: o The licenses for the rights to explore expiring in the near future or are not expected to be renewed; o Substantive expenditure for further exploration in the area of interest is not budgeted or planned; o Decision or intent by management to discontinue activities in the specific area of interest due to lack of commercially viable quantities of resources; and o Data indicating that, although a development

Key Audit Matter	How our audit addressed the Key Audit Matter
	in the specific area is likely to proceed, the carrying amount of the exploration asset is unlikely to be recorded in full from successful development or sale. • Assessing the appropriateness of the related disclosures in the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Consolidated Entity's annual report for the year ended 30 June 2026, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the remuneration report and our related assurance opinion.

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

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

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error, and the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Consolidated Entity'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 Consolidated Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Consolidated Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Consolidated Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Consolidated Entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Consolidated Entity 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 report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of the Company, for the year ended 30 June 2026, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

DBell

D M BELL FCA
Director

Dated this 24th day of September 2026
Perth, Western Australia

Additional shareholder information required by Australian Securities Exchange Limited and not shown elsewhere in this report is as follows. The information is current as at 22 September 2026.

Issued Equity Capital

	Ordinary Shares	Listed Options
Number of holders	437	80
Number on issue	151,453,330	52,710,000

Voting Rights

Voting rights, on a show of hands, are one vote for every registered holder of Ordinary Shares and on a poll, are one vote for each share held by registered holders of Ordinary Shares. Options and Performance Rights do not carry any voting rights.

Distribution of Holdings of Equity Securities

Holding ranges	Number of Equity Security Holders	
	Ordinary Shares	Units
1 – 1,000	18	2,280
1,001 – 5,000	63	212,607
5,001 – 10,000	83	747,256
10,001 – 100,000	169	6,801,004
100,001 and over	104	143,690,183
Total	**437**	**151,453,330**
	Number of Equity Security Holders	
	Listed Options	**Units**
1 – 1,000	4	2,193
1,001 – 5,000	2	7,755
5,001 – 10,000	7	70,000
10,001 – 100,000	12	355,544
100,001 and over	55	52,274,508
Total	**80**	**52,710,000**

Unmarketable Parcels

The number of shareholders holding less than a marketable parcel (being 174,887 shares based on a share price of $0.10 at 22 September 2026) was 73.

Top 20 Shareholders

Rank	Name	Number of Ordinary Shares	Percentage (%)
1	BRIGHT ELEMENT PTY LTD	19,832,459	13.09%
2	MRS HUI AN	12,666,667	8.36%
3	FOUNTAIN STREAM PTY LTD	11,666,666	7.70%
4	LJY CAPITAL PTY LTD	8,416,666	5.56%
5	BNP PARIBAS NOMINEES PTY LTD	8,121,015	5.36%
6	HERMIT INVESTMENT PTY LTD	7,628,171	5.04%
7	JIA ZHAI	5,833,333	3.85%
8	BC & TT HOLDINGS PTY LTD	5,000,000	3.30%
9	CITICORP NOMINEES PTY LIMITED	4,126,523	2.72%
10	AWAKENING INVESTMENT PTY LTD	3,000,000	1.98%
11	CENTENNIAL FOUNDA MANAGEMENT PTY LTD	2,918,601	1.93%
12	SUNNY LAND HOLDINGS (NSW) PTY LTD	2,750,000	1.82%
13	H2 MIGRATION & EDUCATION PTY LTD	2,211,762	1.46%
14	MR XIN FANG & MRS QIUYI LIN	2,000,000	1.32%
15	TETRAMIN PTY LTD	2,000,000	1.32%
16	HAFA SUPER PTY LTD	1,987,366	1.31%
17	SUNNY LAND HOLDING (NSW) PTY LTD	1,925,640	1.27%
18	MR BO JI	1,891,842	1.25%
19	MR ZIHENG TANG	1,768,385	1.17%
20	GOLDEN HOPE PTY LTD	1,706,454	1.13%
	Total	**109,116,550**	**72.05%**

On Market Buy Back

There is no current on-market buy-back.

Substantial Shareholders

	Number of Ordinary Shares
Bright Element Pty Ltd [1]	19,332,459
Zhaojin International Mining Co. Ltd [2]	8,421,396
LJY Capital Pty Ltd [3]	8,416,666
Hermit Investment Pty Ltd [4]	7,628,171

1. As lodged on ASX on 29 May 2026.
2. As lodged on ASX on 28 November 2025
3. As lodged on ASX on 4 February 2026
4. As lodged on ASX on 5 February 2026

Unquoted Equity Securities

	Number of Units	Number of Holders
Options	2,700,000	3
Performance Rights	3,000,000	1

All securities listed in the table above have been issued under an Employee Incentive Scheme

Corporate Governance

The Company's 2026 Corporate Governance Statement is available for inspection in the Corporate Governance section of the Company's website.

This document is reviewed regularly to address any changes in governance practices and the law.

The below table details the Group's interest in mining tenements as at 30 June 2026.

Project	Tenement ID	Title Holder	Lease Status
Zuénoula	PR 750	Aucrest SARL	Granted
Vavoua	PR 454	GEMICA	Granted
Vavoua West	PR 1102	GEMICA	Application
Kounahiri West	PR 1063	GEMICA	Application

The Group has farm-in and joint venture agreements with Ivorian companies, Aucrest SARL and Générale des Mines et Carrières S.A.R.L.(GEMICA)

EL 31225 (Bruce) held by wholly owned subsidiary, Territory Lithium Pty Ltd is in the process of relinquishment.