



Malabar Resources Limited

ABN 29 151 691 468

Interim Financial Report for the half year ended
31 December 2024

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DIRECTORS' REPORT

The Directors present their report, together with the financial statements of the consolidated entity consisting of Malabar Resources Limited and its controlled entities (together referred to as 'the Company', 'Malabar' or 'the Group') for the half year ended 31 December 2024.

DIRECTORS

Board of Directors

The directors of the Company during or since the end of the financial period are:

Wayne Seabrook	Executive Chairman
Brian Beem	Non-Executive Director
Anthony (Tony) Galligan	Non-Executive Director
Anthony (Tony) Haggarty	Non-Executive Director
Allan Davies (OAM)	Non-Executive Director
Robert (Rob) Bishop	Non-Executive Director
Matthew Hunter	Non-Executive Director
Jim Middleton	Non-Executive Director

REVIEW OF OPERATIONS

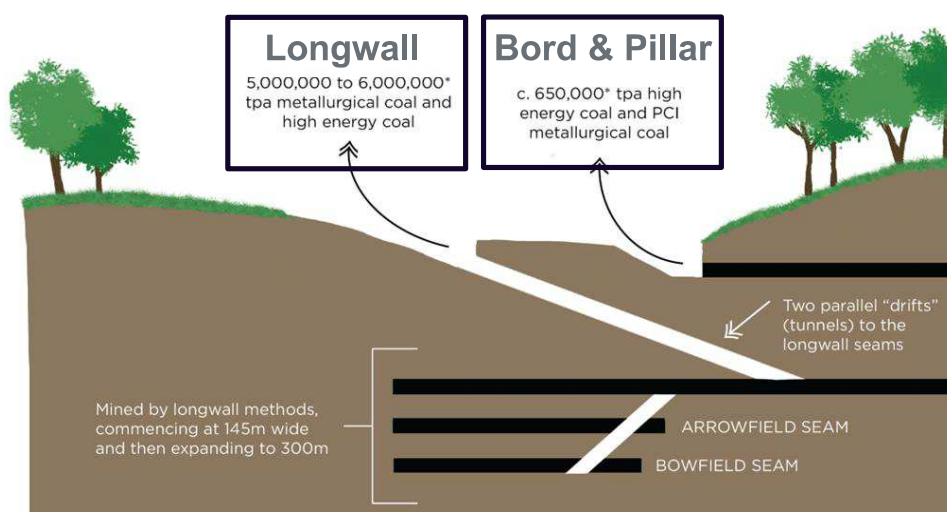
Health and Safety

Malabar is committed to achieving zero harm to its people. Management continues to strive for continued improvement in safety performance across its operations. Safety performance continues to improve following a "reset" implemented across Malabar's operations. The Total Recordable Injury Frequency Rate (TRIFR) was 12.58 for the rolling 12 months to 31 December 2024, an improvement of c. 54% on the 12 months to 31 December 2023.

Maxwell Underground Mine

The Maxwell Underground Mine comprises of:

- A Bord & Pillar operation which is mining the Whynot seam;
- A Longwall operation that will mine the Woodlands Hill, Arrowfield and Bowfield seams; and
- Downstream infrastructure with ample capacity to ensure the mining operations are unconstrained (this includes ventilation systems, underground conveyors, overland conveyor, intermediate stockpiles, and the washing and product handling facilities).



*Washed/product coal

DIRECTORS' REPORT

Longwall Operation

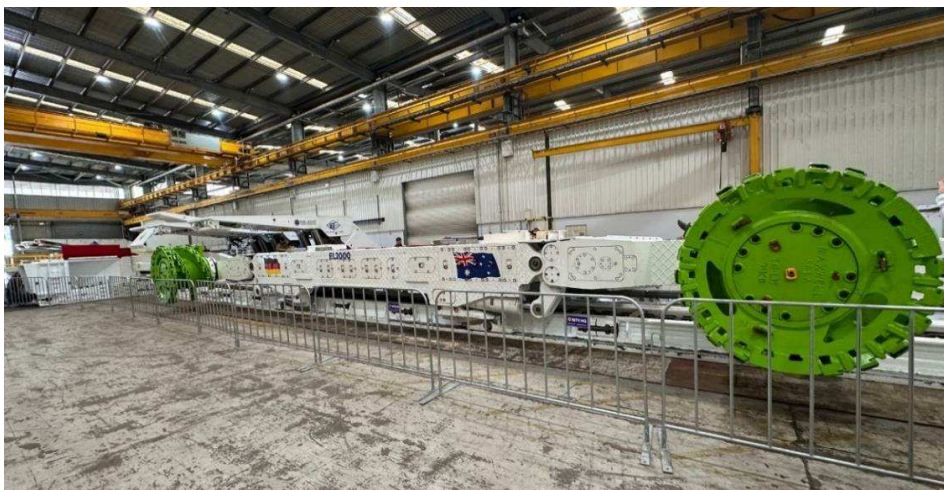
A number of significant milestones were achieved at the longwall operation during the half year including:

- Completion of the two parallel drifts to the Woodlands Hill seam. In total 2,670m of tunnelling was undertaken;
- Boring of the ventilation shaft to a depth of 145m was completed. (This 5.5m diameter shaft has subsequently been entirely steel lined);
- Longwall compatibility testing commenced;
- 72 longwall roof supports were delivered to the Maxwell Mine site;
- Installation and commissioning of the drift conveyor;
- A significant recruitment drive; and
- Taking possession of the first development fleet for constructing permanent underground “headings” and for creating underground roads for the first longwall panel. (A “development fleet” comprises of; a continuous miner, shuttle car, feeder beaker, and ancillary equipment. Additional fleets of development equipment will be commissioned in line with the development schedule.)



First continuous miner arriving at site

Longwall machinery compatibility testing commenced at the manufacturer’s facility in Beresfield NSW. This involves assembling the longwall components to ensure all components work together seamlessly. The next stage of the longwall commissioning is an on-site “mini-build” to facilitate further compatibility testing and commence operator training. These activities are expected to be completed by mid-year.



Longwall at manufacturer’s facility in Beresfield

DIRECTORS' REPORT

Longwall panel development commenced in early January 2025 to establish the life-of-mine pit bottom infrastructure (ventilation, water, power, etc.), and expand the underground area to allow for the introduction of additional development fleets.

A significant recruitment drive for more than two hundred team members for the Maxwell longwall mine was substantially progressed. The first intake to operate the longwall mine was completed and on-boarding continues so that the staged increase to our team matches the ramp up of underground activities.



Bord and Pillar Operation

Production at the Bord and Pillar operation continued to ramp up during the period with mining rates increasing following the;

- Establishment of mine entries, ventilation and conveyor systems;
- Commissioning of two low-height continuous mining machines and associated low-height mobile roof bolters;
- Development of pit room and production panels to achieve greater productivities; and
- Continued recruitment and training.

As a result Bord & Pillar production increased with ~213,000 tonnes of ROM coal produced in the half year. Malabar's focus at the Bord and Pillar operation remains on increasing productivity and preparing for pillar extraction which is scheduled to commence in the second half of this financial year.

Surface Infrastructure

Construction of surface infrastructure continued during the period including;

- sealing of the c.10km internal access road;
- contractor mobilisation and ordering long lead time items for the 9.5km overland conveyor that will transport ROM coal from the underground mine entry area to the existing process plant.

Sales

Malabar's products continue to be well received by customers with sales of ~137,000 tonnes in the half year period. All coal was sold into the Japanese market, receiving an average price of US\$153/tonne, representing an 11% premium above Newcastle benchmark prices.

DIRECTORS' REPORT

Community Engagement

Malabar continues to engage with our community through the Community Consultative Committee ('CCC'). The CCC is composed of dedicated community representatives and key stakeholders who meet regularly with our executives and senior management to discuss important project updates and other matters of interest. The CCC plays a vital role in maintaining open communication and engagement with our local community and key stakeholders.

Malabar supports a wide range of local groups, businesses and charities through sponsorships and involvement of our staff in local activities. During the period Malabar made community contributions to more than twenty local organisations and social enterprises.

Environment

Environmental stewardship remains a priority for Malabar. Rehabilitation of the areas previously mined by open cut methods by prior owners continued. To date, Malabar has rehabilitated over 830 hectares and planted over 334,000 trees.

Malabar continues to undertake extensive land management activities including weed eradication, erosion control and feral animal management on the mine and exploration leases and within the Company's biodiversity offset areas. Other activities undertaken during the period included preparation for spring tree planting, and the establishment of vegetation and pastures at the underground mine entry area. Malabar remains committed to sustainable operations.

Malabar Renewables

Malabar is continually looking at ways to reduce its emissions and impact on the local environment. Malabar is developing two renewables projects which are both located in the NSW Government designated Hunter-Central Coast Renewable Energy Zone (REZ).

1. Maxwell Solar Farm

The Maxwell Solar Farm is an approved solar farm, to be constructed on land that Malabar has rehabilitated from past open cut mining operations. Malabar is considering a proposal from a power supplier to provide a whole-of-mine solution involving the Maxwell Solar Farm "behind-the-meter" supplemented with grid supply.

2. Edderton Solar Farm and Battery Energy Storage System (BESS)

Malabar is exploring options for the development of the c. 350MW Edderton Solar Farm and associated BESS.

FINANCIAL OVERVIEW

Financial Performance

The Company's consolidated loss after tax for the period ended 31 December 2024 was \$13.3 million (31 December 2023: profit of \$1.8 million). The loss for the period includes a foreign exchange loss of \$16.7 million (31 December 2023: gain of \$1.2 million). This is primarily an unrealised loss as a result of foreign currency fluctuations, with Malabar's USD denominated debt facilities being retranslated into the presentation currency of Australian dollars at the closing AUD:USD rate of 0.6241 at 31 December 2024 (30 June 2024: 0.6624).

Malabar's net assets decreased by \$11.3 million during the period, from \$535.0 million as at 30 June 2024 to \$523.7 million at 31 December 2024, primarily due to the foreign exchange loss for the period (see above).

Malabar's cash, which includes financial assets, decreased from \$184.1 million as at 30 June 2024 to \$99.4 million as at 31 December 2024 as construction of the Maxwell Underground Mine continued.

DIRECTORS' REPORT

Debt Facilities

The Company has a USD \$120 million Senior Debt Facility. As at 31 December 2024 USD \$80 million of this facility was drawn, of which USD \$56 million was drawn in the half year.

The Company also has a USD \$55 million facility in place to provide bank guarantees including the provision of environmental bonding guarantees to the NSW Government and infrastructure suppliers. As at 31 December 2024, USD \$44.5 million of this facility has been utilised.

Coal Prepayment

Malabar has received a USD \$55 million coal prepayment from a reputable customer. The amount is included as Unearned Revenue in the Consolidated Statement of Financial Position. Revenue is being recognised from Unearned Revenue as coal is delivered to the customer over the term of the agreement.

Dividends

There were no dividends paid to members during the current or prior financial years.

EVENTS SUBSEQUENT TO REPORTING DATE

No other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect Malabar's operations, the results of those operations, or its state of affairs in future financial years.

PROCEEDINGS ON BEHALF OF COMPANY

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

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under s 307C of the *Corporations Act 2001* is set out on page 8. This Directors' Report is signed in accordance with a resolution of the Board of Directors.



Wayne Seabrook
Chairman

Dated: 20 February 2025



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

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2024, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Malabar Resources Limited and the entities it controlled during the half year.

A handwritten signature in black ink that reads 'PKF' in a stylized, cursive font.

PKF BRISBANE AUDIT

A handwritten signature in black ink that reads 'C. Bradley' in a cursive font.

CAMERON BRADLEY
PARTNER

20 FEBRUARY 2025
BRISBANE

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	Note	31 Dec 2024 \$'000	31 Dec 2023 \$'000
Revenue from continuing operations			
Coal sales revenue		29,737	6,670
Share in profits of associates		1,552	1,478
Other income		914	803
Foreign exchange gain	2	-	1,152
Total income		32,203	10,103
Expenses			
Operating expenses	4	(21,468)	(5,332)
Coal purchases		(1,974)	-
Selling and distribution expenses		(1,626)	(375)
Royalty expenses		(2,860)	(463)
Other expenses		(762)	(667)
Foreign exchange loss	2	(16,687)	-
Depreciation and amortisation		(5,511)	(2,012)
Total expenses		(50,888)	(8,849)
(Loss)/profit before financial income and expenses		(18,685)	1,254
Interest income		2,994	2,323
Finance costs	2	(3,255)	(1,215)
(Loss)/profit before income tax		(18,946)	2,362
Income tax benefit/(expense)		5,685	(590)
(Loss)/profit for the period		(13,261)	1,772
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss (net of tax)</i>			
Net gain on cash flow hedges		1,996	2,013
Total comprehensive (loss)/profit for the period attributable to members of the parent entity		(11,265)	3,785

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Note	31 Dec 2024 \$'000	30 Jun 2024 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents		99,239	93,932
Financial assets		131	90,131
Trade and other receivables	3	16,652	6,838
Other financial assets		-	138
Other assets		10,503	2,591
Inventory		10,383	10,882
Total Current Assets		136,908	204,512
Non-Current Assets			
Property, plant and equipment	4	664,968	502,704
Intangible assets		4,801	4,801
Exploration and evaluation assets	5	46,505	45,747
Investments in associates		16,094	16,094
Other assets		3,946	3,946
Deferred tax assets		19,721	14,703
Total Non-Current Assets		756,035	587,995
Total Assets		892,943	792,507
LIABILITIES			
Current Liabilities			
Trade and other payables	6	27,984	33,357
Provisions	7	2,060	1,547
Lease liabilities		1,790	1,414
Unearned revenue		4,962	2,277
Borrowings	8	2,564	-
Other financial liabilities		-	1,849
Total Current Liabilities		39,360	40,444
Non-Current Liabilities			
Provisions	7	61,059	60,691
Lease liabilities		3,928	3,875
Unearned revenue		82,807	80,230
Borrowings	8	182,121	72,283
Total Non-Current Liabilities		329,915	217,079
Total Liabilities		369,275	257,523
Net Assets		523,668	534,984
EQUITY			
Share capital		543,283	543,283
Other reserves		8,698	8,775
Hedge reserve		-	(1,996)
Retained earnings (accumulated losses)		(28,313)	(15,078)
Total Equity		523,668	534,984

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

Note	Share Capital	Other reserves	Hedge reserve	Retained Earnings / (Accumulated Losses)	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 July 2023	368,363	8,729	(3,085)	(16,396)	357,611
Profit for the period	-	-	-	1,772	1,772
Other comprehensive income	-	-	2,013	-	2,013
Total comprehensive income for the period	-	-	2,013	1,772	3,785
Transactions with owners in their capacity as owners:					
Share-based payments	-	42	-	-	42
Balance at 31 December 2023	368,363	8,771	(1,072)	(14,624)	361,438
Balance at 1 July 2024	543,283	8,775	(1,996)	(15,078)	534,984
Loss for the period	-	-	-	(13,261)	(13,261)
Other comprehensive income for the period	-	-	1,996	-	1,996
Total comprehensive income for the period	-	-	1,996	(13,261)	(11,265)
Transactions with owners in their capacity as owners:					
Share-based payment expense	-	211	-	-	211
Settlement of share-based payments	-	(262)	-	-	(262)
Transfer on issue of share-based payments	-	(26)	-	26	-
Balance at 31 December 2024	543,283	8,698	-	(28,313)	523,668

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	Note	31 Dec 2024 \$'000	31 Dec 2023 \$'000
Cash flows from operating activities			
Receipts from customers		18,291	7,521
Payments to suppliers and employees		(16,282)	(923)
Interest received		4,422	2,528
Interest paid		(676)	(490)
Net cash from operating activities		5,755	8,636
Cash flows from investing activities			
Proceeds from/(payments for) investment in short term deposits		90,000	(5,509)
Payments for property, plant and equipment		(175,513)	(102,399)
Payments for exploration expenditure	5	(758)	(581)
Dividends received from associate		1,552	1,478
Net cash used in investing activities		(84,719)	(107,011)
Cash flows from financing activities			
Payments for lease liabilities		(540)	(115)
Payments for short-term funding facilities		(3,509)	(2,210)
Proceeds from borrowings		87,954	-
Net cash provided by/(used in) financing activities		83,905	(2,325)
Net increase/(decrease) in cash held		4,941	(100,700)
Net foreign exchange difference		366	(81)
Cash and cash equivalents at beginning of financial period		93,932	117,577
Cash and cash equivalents at the end of financial period ¹		99,239	16,796

¹ "Cash and cash equivalents" does not include "Financial assets" (term deposits with original maturities greater than three months).

The accompanying notes form part of these financial statements.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

These consolidated interim financial statements and notes represent those of Malabar Resources Limited and its controlled entities (the “Company”, “Malabar” or the “Group”).

The separate financial statements of the parent entity, Malabar Resources Limited, have not been presented within this financial report as permitted by the *Corporations Act 2001*.

The interim financial statements were authorised for issue on 20 February 2024 by the Directors of the Company.

1. Summary of material accounting policies

1.1. Basis of preparation

The half-year financial report is a general-purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Malabar Resources Limited and its controlled entities (referred to as the “Consolidated Group” or “Group”). As such, it does not contain information that represents relatively insignificant changes occurring during the year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2024 together with any public announcements made during the interim reporting period.

All financial information has been presented in Australian dollars and rounded to the nearest thousand dollars unless otherwise stated.

1.2. Material accounting policies, critical estimates and judgements

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements. No new or amended standards were adopted by the Group.

1.3. New or amended Accounting Standards and Interpretations adopted

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

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

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

2. Profit for the period

	31 Dec 2024	31 Dec 2023
	\$'000	\$'000
(Loss)/profit before income tax from continuing operations includes the following:		
Auditors' remuneration	67	50
Share-based payments ¹	-	-
Foreign exchange (loss)/gain ²	(16,687)	1,152
Finance costs:		
Facility fees	(1,862)	(515)
Interest expense – borrowings	(121)	(71)
Interest expense – lease liabilities	(196)	(29)
Interest expense – unwinding of provision	(1,076)	(600)
Total finance costs	(3,255)	(1,215)

¹Share-based payment expenses of \$211,000 (2023: \$42,000) were capitalised to mine development costs during the period.

²The foreign exchange loss for the period is primarily an unrealised loss as a result of foreign currency fluctuations, with Malabar's USD denominated debt facilities being retranslated into the presentation currency of Australian dollars at the closing AUD:USD rate of 0.6241 at 31 December 2024 (30 June 2024: 0.6624).

3. Trade and other receivables

	31 Dec 2024	30 Jun 2024
	\$'000	\$'000
Trade receivables	5,729	832
Other receivables	10,755	4,409
Interest receivable	168	1,597
	16,652	6,838

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

4. Property, Plant and Equipment

	Freehold Land	Buildings	Subtotal Land & Buildings	Plant & Equipment	Mining Property & Development	Right-of-use Asset	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At Cost							
Cost	25,683	4,134	29,817	68,738	426,426	6,478	531,459
Impairment	(5,770)	(692)	(6,462)	-	-	-	(6,462)
Accumulated depreciation	-	(581)	(581)	(7,971)	(12,876)	(865)	(22,293)
Balance at 30 June 2024	19,913	2,861	22,774	60,767	413,550	5,613	502,704
Cost	25,683	4,134	29,817	70,674	612,587	7,623	720,701
Impairment	(5,770)	(692)	(6,462)	-	-	-	(6,462)
Accumulated depreciation	-	(720)	(720)	(10,906)	(36,289)	(1,356)	(49,271)
Balance at 31 December 2024	19,913	2,722	22,635	59,768	576,298	6,267	664,968

MOVEMENTS IN CARRYING AMOUNTS

	Freehold Land	Buildings	Subtotal Land & Buildings	Plant & Equipment	Mining Property & Development	Right-of-use Asset	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2023	19,913	3,139	23,052	37,191	190,904	565	251,712
Additions	-	-	-	14,951	247,483	5,416	267,850
Transfer between classes	-	-	-	11,962	(11,962)	-	-
Depreciation expense	-	(278)	(278)	(3,337)	(12,875)	(368)	(16,858)
Balance at 30 June 2024	19,913	2,861	22,774	60,767	413,550	5,613	502,704
Balance at 1 July 2024	19,913	2,861	22,774	60,767	413,550	5,613	502,704
Additions	-	-	-	1,936	186,161	1,145	189,242
Depreciation expense	-	(139)	(139)	(2,935)	(23,413) ¹	(491)	(26,978)
Balance at 31 December 2024	19,913	2,722	22,635	59,768	576,298	6,267	664,968

¹ Amortisation of deferred development costs of \$21,468,000 is recognised within the Operating Expenses line of the Consolidated Statement of Comprehensive Income.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

5. Exploration and evaluation assets

For Spur Hill and Maxwell Projects	\$'000
Balance at 1 July 2024	45,747
Exploration and evaluation expenditure	758
Balance at 31 December 2024	46,505
Balance at 1 July 2023	44,814
Exploration and evaluation expenditure	933
Balance at 30 June 2024	45,747

6. Trade and other payables

	31 Dec 2024	30 Jun 2024
	\$'000	\$'000
Trade creditors	6,858	5,468
Other creditors	21,104	27,866
Interest Payable	22	23
	27,984	33,357

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

7. Provisions

CURRENT:	Employee entitlements	Mine rehabilitation	Deferred consideration	Total
	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2023	477	607	319	1,403
Additional provisions recognised	688	-	-	688
Payments during the year	(370)	(719)	(38)	(1,127)
Reallocation from non-current	-	521	62	583
Balance at 30 June 2024	795	409	343	1,547
Balance at 1 July 2024	795	409	343	1,547
Additional provisions recognised	643	-	-	643
Payments during the year	(511)	(261)	(68)	(840)
Reallocation from non-current	-	261	449	710
Balance at 31 December 2024	927	409	724	2,060

NON-CURRENT:	Employee entitlements	Mine rehabilitation	Deferred consideration	Total
	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2023	-	35,766	23,887	59,653
Additional provisions recognised	-	1,254	367	1,621
Reallocation to current	-	(521)	(62)	(583)
Balance at 30 June 2024	-	36,499	24,192	60,691
Balance at 1 July 2024	-	36,499	24,192	60,691
Additional provisions recognised	-	683	395	1,078
Reallocation to current	-	(261)	(449)	(710)
Balance at 31 December 2024	-	36,921	24,138	61,059

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2024

8. Borrowings

	31 Dec 2024 \$'000	30 Jun 2024 \$'000
CURRENT:		
Insurance premium funding facility	2,564	-
NON-CURRENT:		
Senior debt facility	182,121	72,283

The Group has a USD \$120 million senior debt facility. During the period the Group drew down USD \$56 million under the senior debt facility. As at 31 December 2024 USD \$80 million was drawn on the senior debt facility. The liability presented above includes interest capitalised on the outstanding principal amount of the debt converted at USD\$0.62/AUD\$1.00. The senior debt facility is secured via a fixed and floating charge over the majority of the Group's assets.

9. Contingent liabilities

Bank Guarantees

The Group has a USD \$55 million facility in place to provide bank guarantees including the provision of environmental bonding guarantees to the NSW Government and infrastructure suppliers. As at 31 December 2024, USD \$44.5 million of the facility has been utilised for these purposes.

Deferred Consideration

Spur Hill Project (EL 7249)

Deferred consideration in relation to the SHUT acquisition which concluded in 2015 includes milestone payments, participating option payments for land purchases and royalties on the coal sales. The fair value is calculated using a discounted cashflow model of the milestone payments discounted at the Group's weighted average cost of capital. The royalties on coal sales were not included in the calculation as the timing of actual coal production could not be reasonably assessed at this point.

Litigation

The Directors are not aware of any on-going or future litigation that would adversely affect the operations of the Group.

10. Events after the interim reporting period

No other matter or circumstance has arisen since 31 December 2024 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.

11. Company details

The registered office and principal place of business of the Company as at 31 December 2024 was:

Level 26, 259 George Street
Sydney, NSW, 2000
Tel.: 02 8248 1272
<https://malabarresources.com.au/>

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Malabar Resources Limited, in the opinion of the Directors of the Company:

1. the financial statements and notes, as set out on pages 9 to 18, are in accordance with the *Corporations Act 2001* including:
 - a. complying with Australian Accounting Standard AASB 134: *Interim Financial Reporting*; and
 - b. giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date;
2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.



Wayne Seabrook
Director

Date: 20 February 2025



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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF MALABAR RESOURCES LIMITED

Conclusion

We have reviewed the accompanying half-year financial report of Malabar Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes, and the directors' declaration.

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

- (a) giving a true and fair view of the Group's financial position as at 31 December 2024, and of its financial performance for the half-year ended on that date; and
- (b) complying with the Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

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

Independence

In conducting our review, we have complied with the auditor independence requirements of the *Corporations Act 2001*. In accordance with the *Corporations Act 2001*, we have given the directors of the Company a written Auditor's Independence Declaration.

Responsibility of the Directors for the Financial Report

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



Auditor's Responsibilities for the Review of the Financial Report

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

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

A handwritten signature of 'PKF' in black ink, written in a cursive, stylized font.

PKF BRISBANE AUDIT

A handwritten signature of 'C. Bradley' in black ink, written in a cursive, stylized font.

CAMERON BRADLEY
PARTNER

20 FEBRUARY 2025
BRISBANE

CORPORATE DIRECTORY

Company

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Directors

Wayne Seabrook (Chairman)
Anthony Galligan (Non-Executive Director)
Allan Davies (Non-Executive Director)
Tony Haggarty (Non-Executive Director)
Brian Beem (Non-Executive Director)
Rob Bishop (Non-Executive Director)
Matthew Hunter (Non-Executive Director)
Jim Middleton (Non-Executive Director)

Company Secretary

Paul Verner
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Auditor

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