Resource Development Group

2024 Annual Report

Resource Development Group Limited | ABN 33 149 028 142
Annual Report for the financial year ended 30 June 2024

...the Company continued to grow during this period and experienced its best year insofar as revenue generation since 2015.

Andrew Ellison, Managing Director

Contents

Our Australian Garnet team has worked tirelessly to develop a world class garnet product. Congratulations to Iain Simpson, Alan Godinho, Marcius Brown and the entire management team and workforce.

Letter From the Managing Director

Dear Shareholders,

Welcome to the 2024 Annual Report for Resource Development Group Limited (RDG or Company).

The last financial year for RDG has been mixed one, with the Company's wholly owned subsidiary, Central Systems having a stellar year, whilst our other wholly owned subsidiary, Australian Garnet experienced plant performance issues. Good progress was made in leveraging the patented technology to process red mud, acquired as a result of the Peloton Resources acquisition during the year, which puts the Company squarely facing forward insofar as producing saleable products whilst simultaneously benefitting the environment.

Most important of all is that we kept our people safe and out of harm's way – the Company had zero lost time injuries and a very low Total Recordable Injury Frequency Rate (TRIFR) of 1.1 at 30 June 2024. Management and staff continued to focus on safety improvements during the year to ensure everyone who came to work felt safe in their workplace.

As the Company continued to grow during this period and experienced its best year insofar as revenue generation since 2015, it suffered from a shortage of experienced people. Labour supply pressures not dissimilar to those faced by many other organisations were experienced, however through our own recruitment team we were able to not only fill the temporary roles required for project construction activities but also permanent staff for our garnet mining operation in the mid-west of Western Australia. Any shortfall in staff was filled through the recruitment of skilled migrants from overseas who have successfully integrated into their local communities.

At the date of writing this letter, significant modifications to the Company's garnet operations have now been completed. Increased attritioning capacity as well as a new, larger Constant Density (CD) tank have been commissioned. A larger capacity Heavy Mineral Concentrate (HMC) dryer is also scheduled to be commissioned during October. This further investment will now ensure that management has the tools and equipment to reach nameplate capacity of the plant and beyond. Markets for the garnet products are well defined with finished products being shipped throughout Australia, USA, Europe, Middle East and Asia.

Central Systems, the Company's multi-disciplinary construction arm, had its busiest year in the last nine years, with significant projects undertaken and successfully completed for several customers in the of Western Australia.

The continued development and investment in the Company's research and development activities will also ensure that there are some future prospects which should add significant value for all shareholders in RDG.

None of the above progress would have been possible without the efforts from all of our staff, ably led by the senior management team and our Director, Projects Gary Reid. Everyone has contributed to advancing the Company's goals, which will remain unchanged over the course of the next financial year.

The Company will continue to strive to be an employer of choice, whilst remaining profitable and sustainable.

Our company is today in its most strongest position it has been in for many years and we are excited for the future.

Yours sincerely,

Andrew Ellison
Managing Director

FY24 Group Highlights

Safety
Zero lost time injuries for the past 4 years and a low TRIFR of just 1.1

Red Mud Pilot Plant
Multiple samples of iron oxide produced from the Company's own pilot plant

Lucky Bay Garnet Plant
Significant modifications undertaken and completed to increase production volume and improve quality

Central Systems
Centrals had the best year of project revenue since 2015, as it continued to execute and complete sizeable projects in the northwest of Western Australia

High Purity Manganese
Multiple samples of battery grade High Purity Manganese Sulphate Monohydrate (HPMSM) produced in the laboratory

Wind Farm
Installed and commissioned seven wind turbines at Lucky Bay, generating power for the process plant whilst replacing diesel fuel

Employees
In total 352 people were employed across the Group as at 30 June 2024

Key Metrics

Safety Performance

Lost Time Injuries
Zero
Past 4 Years

TRIFR[1]
1.1
12-month Rolling to 30 June 2024

LTIFR[2]
Zero
12-month Rolling to 30 June 2024

1 **Total Recordable Injury Frequency Rate**
Number of injuries requiring medical treatment per million hours worked during a 12-month period

2 **Lost Time Injury Frequency Rate**
Number of lost-time injuries per million hours worked during a 12-month period

Financial Performance

Revenue
$136.2m
▲ 147% compared to FY23

NPAT
$17.4m
▲ 26% compared to FY23

EPS
60¢
▲ 25% compared to FY23

Net Tangible Assets
$124.3m
▲ 43% compared to FY23

Borrowings
$117.2m
▲ 28% compared to FY23

Strategic Direction and Outlook

Diversify with the establishment of the specialty minerals and critical minerals businesses.

Reached agreement with Peloton, with a plan to become a battery minerals producer

Financial year ended 30 June

2020

MRL becomes RDG's major shareholder (75%), as a result of vending in Ant Hill and Sunday Hill manganese project located in WA's northwest.

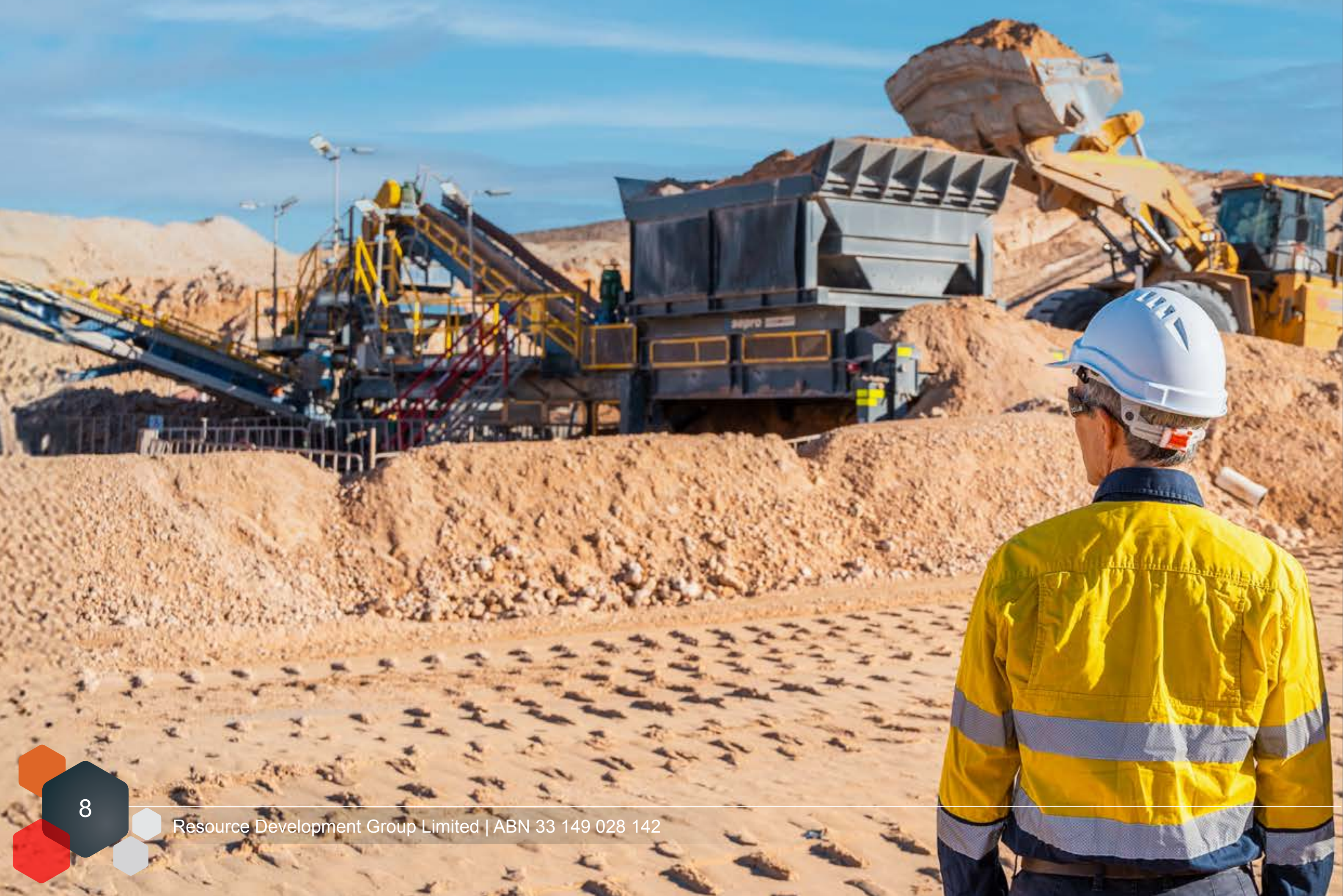
2021

- Acquisition of Lucky Bay Garnet tenements, MRL reducing shareholding to 66%. Commenced design, procurement and construction of the project.
- Centrals wins significant non-process infrastructure project at FMG Solomon Mine Site.

2022

- Fourth quarter, commenced commissioning of Lucky Bay Project. Centrals continues project work for FMG and MRL.
- Reached agreement with Peloton, established RDG Technologies, focused on development of HPA[1] and HPMSM[2], both critical battery minerals.

1 *HPA – High Purity Alumina*
2 *HPMSM – High Purity Manganese Sulphate Monohydrate*



Commence production and sale of garnet

Upgrades to Lucky Bay plant - Centrals best year since 2015

2023

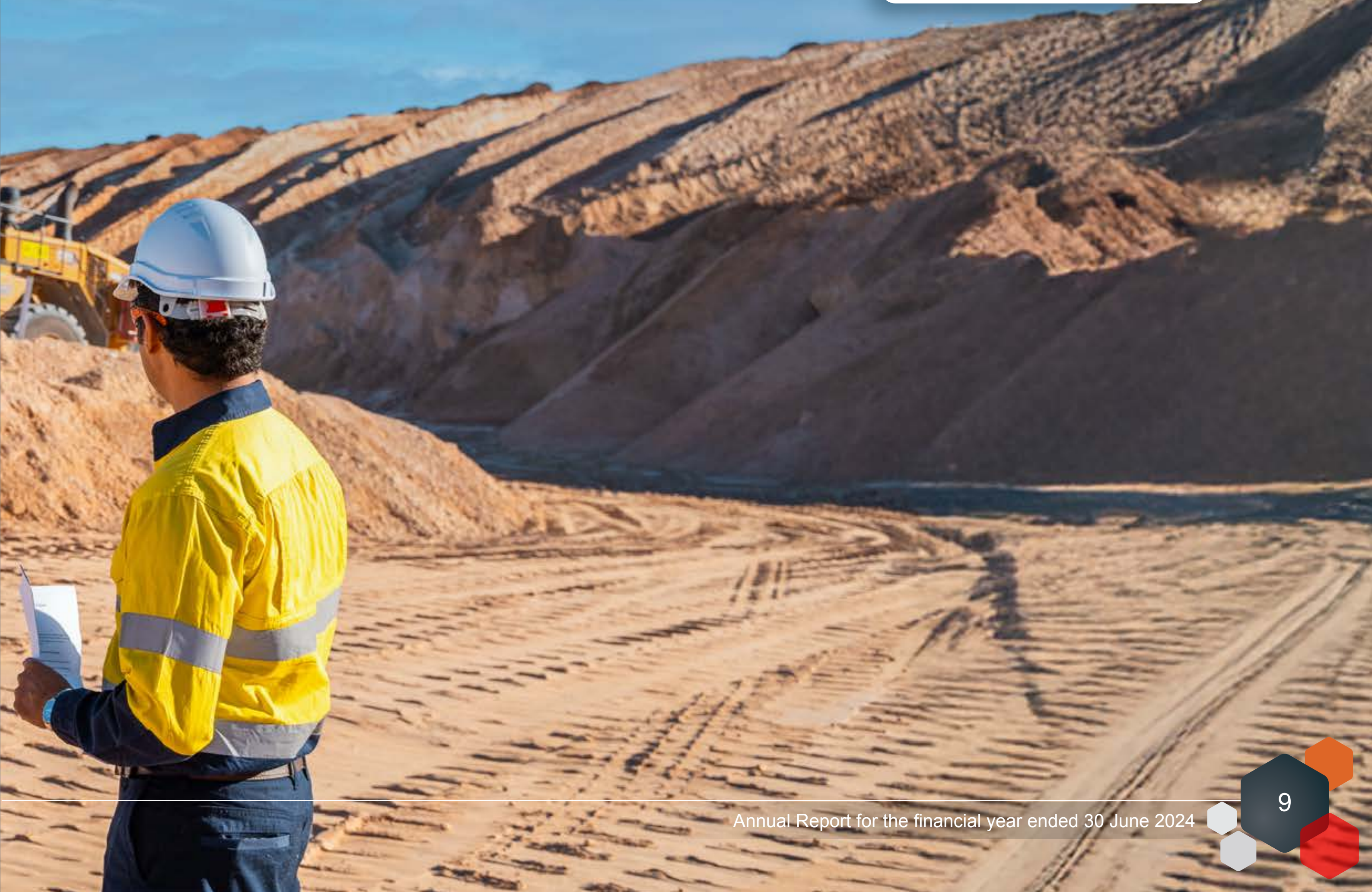
- Commissioning and optimisation of the Lucky Bay wet and dry processing plants; commenced ramp up.
- Commissioned the Peloton pilot plant and commenced test work.
- Continued to develop the Ant Hill/Sunday Hill project, successfully produced HPMSM in the laboratory.

2024

- Continued development of Peloton process using red mud from bauxite residue tailings, in the pilot plant.
- Modifications and enhancements to the Lucky Bay process plant.
- Centrals successful execution of significant projects in the northwest of Western Australia.

2025 & Beyond

- Lucky Bay plant to reach nameplate capacity.
- Aiming to reach agreement with a third party to establish a full-scale red mud processing plant.
- Assess the development of a Direct Shipping Ore (DSO) operation for the Company's manganese assets.
- Execute projects with new indigenous JV partner.
- Continue the development of the HPMSM Project.



Constructing the Future

Central Systems Operations Update

Central Systems, the Company's multi-disciplinary construction arm, had its busiest year in the last nine years, with significant projects undertaken and successfully completed for several customers in the northwest of Western Australia. Centrals core construction disciplines include non-process infrastructure, detailed earthworks, structural concrete placement, bridges, overpasses & storm water installation works.

Onslow Iron Project

Centrals was engaged by Mineral Resources Limited to construct the structural concrete foundations for the mineral processing plant which included:

- Primary Crushers
- Screen buildings
- Conveyor footings
- Conveyor Transfer Stations
- Stockyard footings
- TLO footing
- Multiple switch room footings
- Various miscellaneous concrete structures

Ashburton Bridges Project

Centrals was engaged by Mineral Resources Limited to construct the concrete structures on the OIP Haul Road to Main Roads Western Australia specifications which included:

- GIA Underpass
- Quick Mud Creek Bridge
- Onslow Road – Warrida Road Intersection (including the OIP Haul Road Underpass)
- North West Coastal Highway Overpass
- Mt Stuart Road Overpass
- Major Concrete Culverts CS001, DS001, DS002, FS001, FS002, FS003

Australian Garnet Process Plant Modifications

Centrals was engaged by Australian Garnet to implement several process plant modifications during the financial year to improve efficiency and throughput. These works were multidisciplinary with a combination of civil, mechanical, and electrical works being performed.

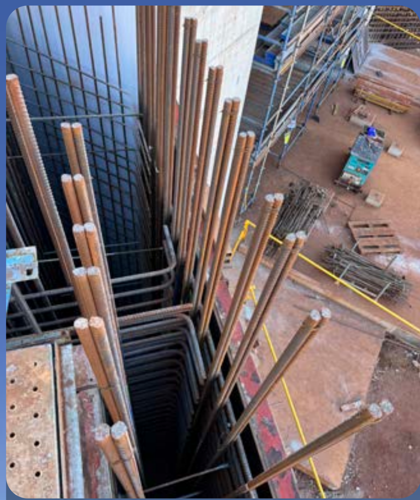
Mardie Salt Project

Centrals was engaged by BCI to construct several transfer pumps station packages including:

- TS2-3 Discharge Pipework,
- TS3-4 Pump Station
- TS5-6 Pump Station
- TS6-7 Pump Station

Above: *Construction of tank foundations at Onslow Port*

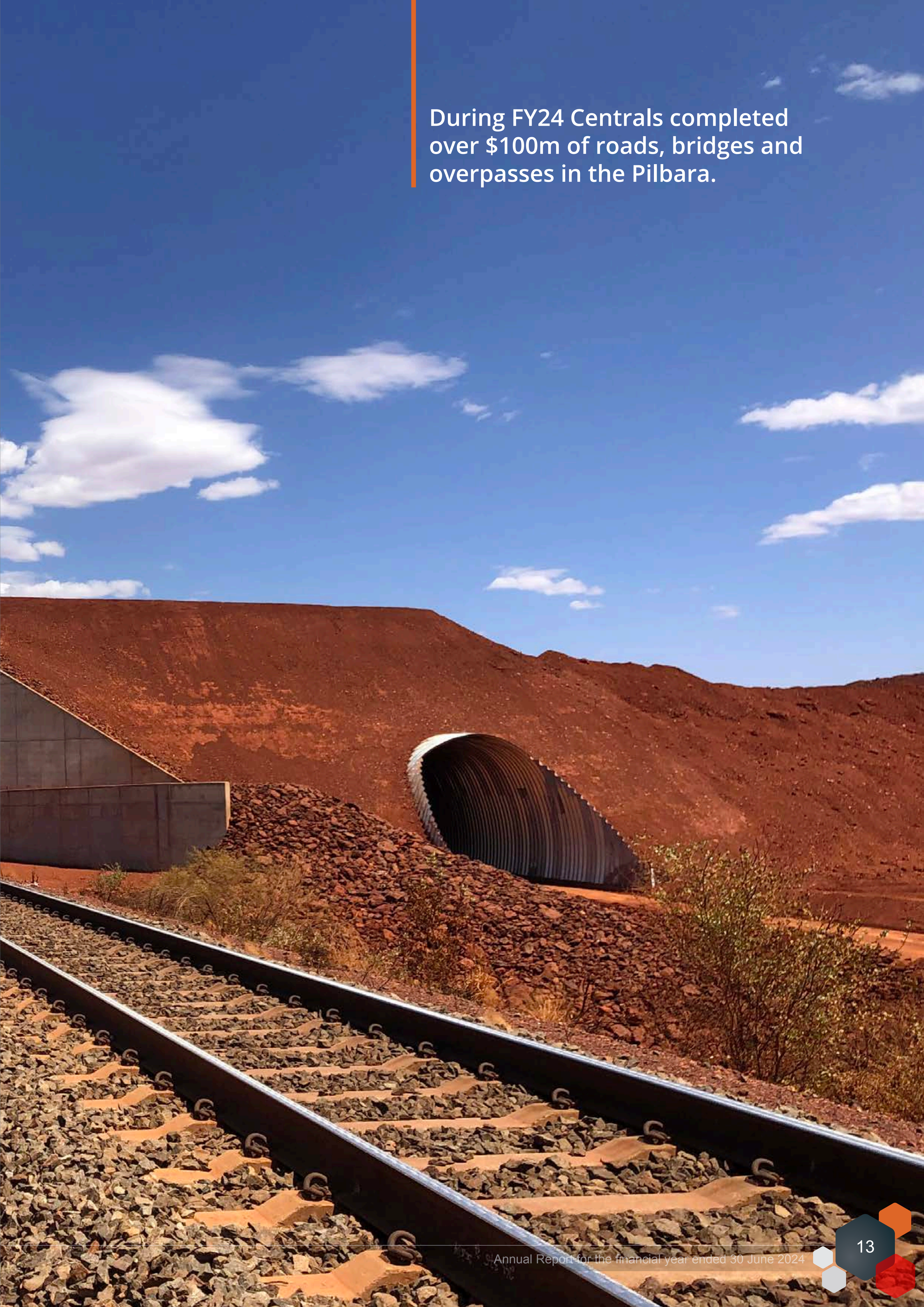
Below: *Concrete being poured for Ken's Bore processing plant foundations*



Formwork set up at Ken's Bore project

Centrals continues to provide ongoing construction services for Mineral Resources Limited on the Onslow Iron Project as well as the various other MRL operated iron ore and lithium mine sites. Centrals has been awarded additional packages of work on the BCI Mardie Salt Project which will be constructed in late 2024/early 2025. In 2024, Centrals applied for updated MRWA road and bridge prequalification status, and is now actively seeking new opportunities with other mining companies for our full range of expanded services.

Above: *Onslow/Warrida Road Intersection constructed for Main Roads WA & Mineral Resources Limited (MRL).*
Below: *Abrolhos Overpass constructed at Cloudbreak Mine Site, Pilbara region of WA, for Fortescue Metals Group (FMG).*



During FY24 Centrals completed over $100m of roads, bridges and overpasses in the Pilbara.

Driving Sustainability

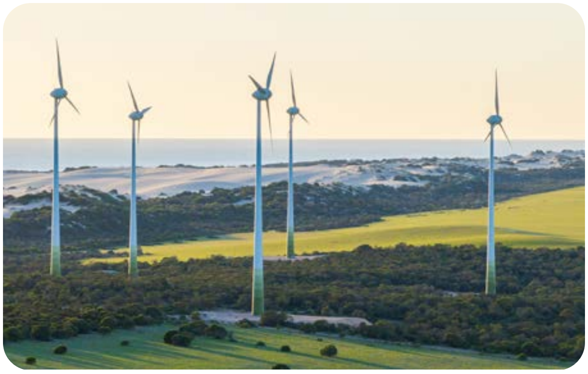
The Lucky Bay Wind Farm Project

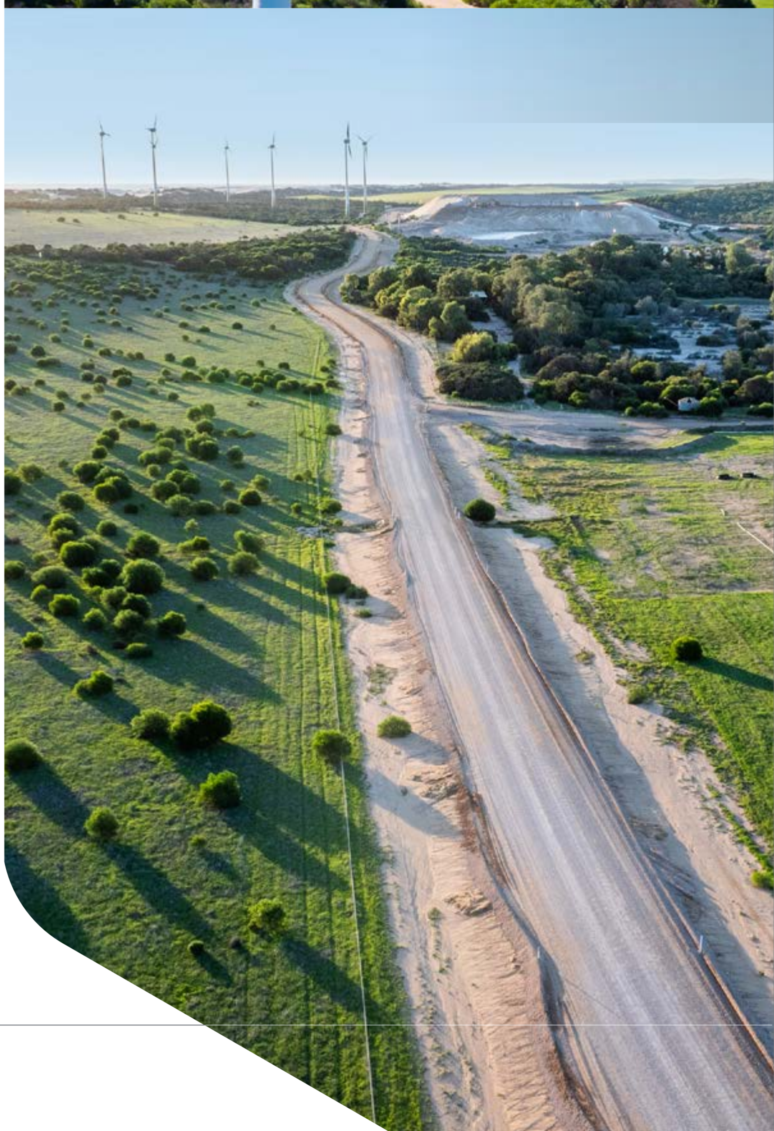
The Lucky Bay Wind Farm (Wind Farm) has seven 600kW wind turbines that originated from Germany, and are connected to the process plant mine grid, deferring a significant quantity of diesel consumption and lowering the site's overall power costs.

The turbines have been contributing to the site's power requirements since commissioning during late calendar year 2023 and recent software and power management upgrades have provided further improvements to enable the turbines to operate at their optimum efficiency integrated to the mine power grid.

The Australian Government's Clean Energy Regulator has also accredited the Wind Farm as a power station. This is significant as it will enable the Company to generate Large-Scale Generation Certificates (LGC's) with effect from October 2023, the first month that electricity was generated from the Wind Farm.

LGC's are a type of greenhouse gas emissions trading scheme with certificates able to be traded between generators, retailers, and other market participants. It is effectively a form of carbon credit that can be bought and sold.





> ...contributing to the site's power requirements since commissioning during late calendar year 2023

AUSTRALIAN GARNET
PREMIUM ABRASIVE

Reducing Our Carbon Footprint and Increasing Efficiency

Powering Progress

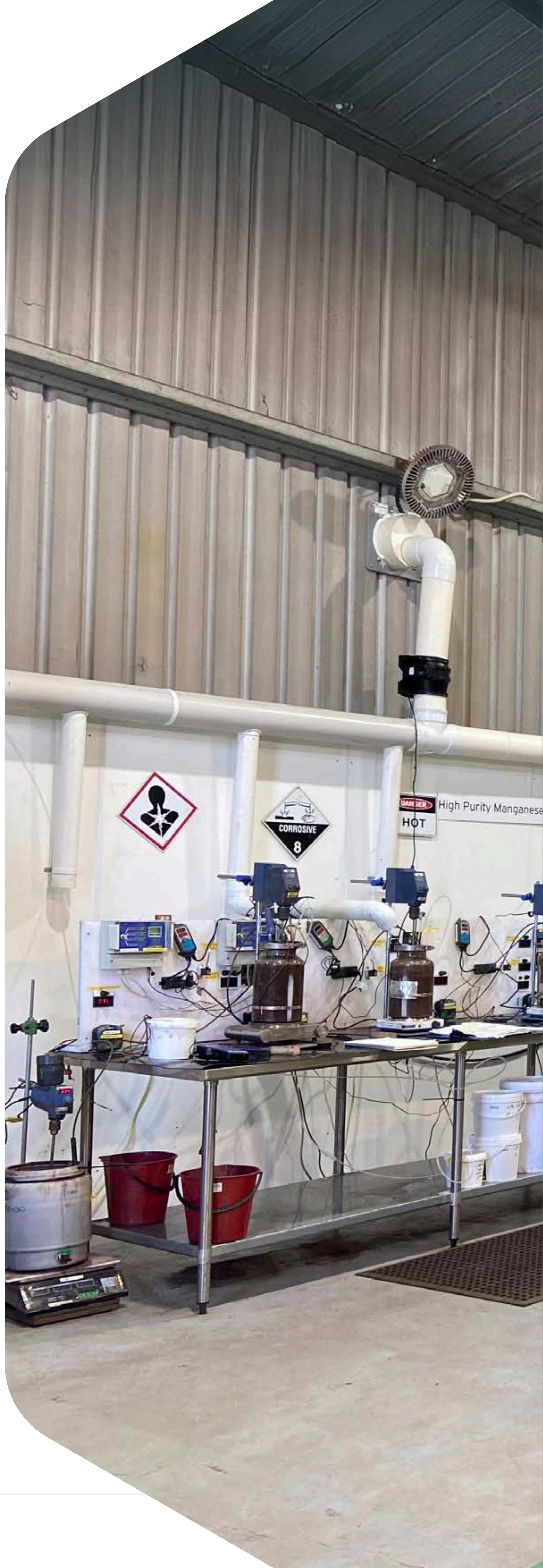
Australia's First HPMSM Production Facility

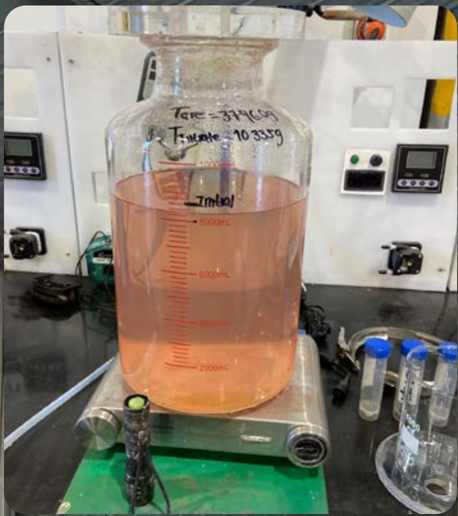
During 2022, the Company undertook a review of the High Purity Manganese Sulphate Monohydrate (HPMSM) market, in particular the forecast growth in the demand for this essential material used in the production of electric vehicle batteries. With global demand for HPMSM set to potentially outpace production and periods of deficit in supply anticipated, the Company embarked upon a test work program that culminated in the production of HPMSM in November 2023 (refer to ASX Market Announcement 15th November 2023).

Based on the successful production of HPMSM, very positive engagements with vehicle and battery manufacturers and traders (potential Offtake Partners) and ongoing constructive dialogue with The Northern Australia Infrastructure Facility (NAIF), the Company committed additional resources to the project including:

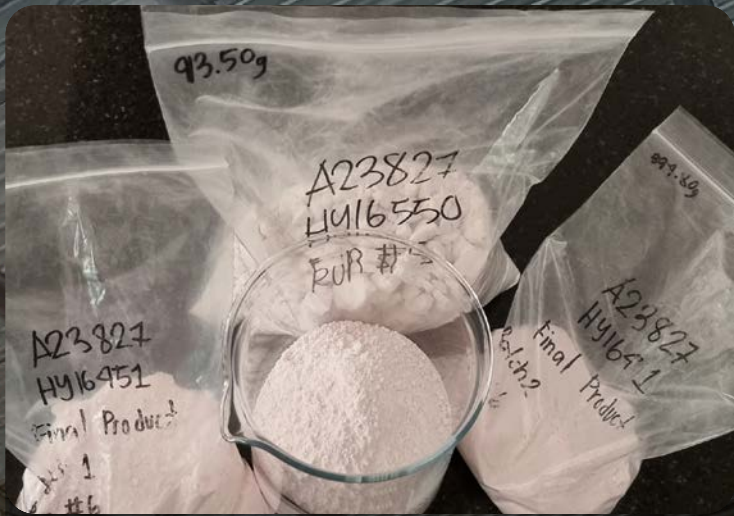
- Designed, constructed, commissioned its own Pilot Plant (Micro-plant), from which it is aiming to produce samples of HPMSM to be provided to potential Offtake Partners during the latter part of 2024. To further optimise the process and produce ongoing samples of HPMSM, there is a plan to construct and operate a larger Pilot Plant in 2025.
- Engaged an independent mine planning and resource consultancy to undertake a detailed review of the Ant Hill resource, with the report scheduled to be delivered in November 2024.
- Commissioned Carnac – Project Delivery Services, a multi-disciplinary engineering consultancy who have developed a Production Scale Process Model, based on producing 50,000tpa (Train 1) of HPMSM.

MN BATTERY MINERALS



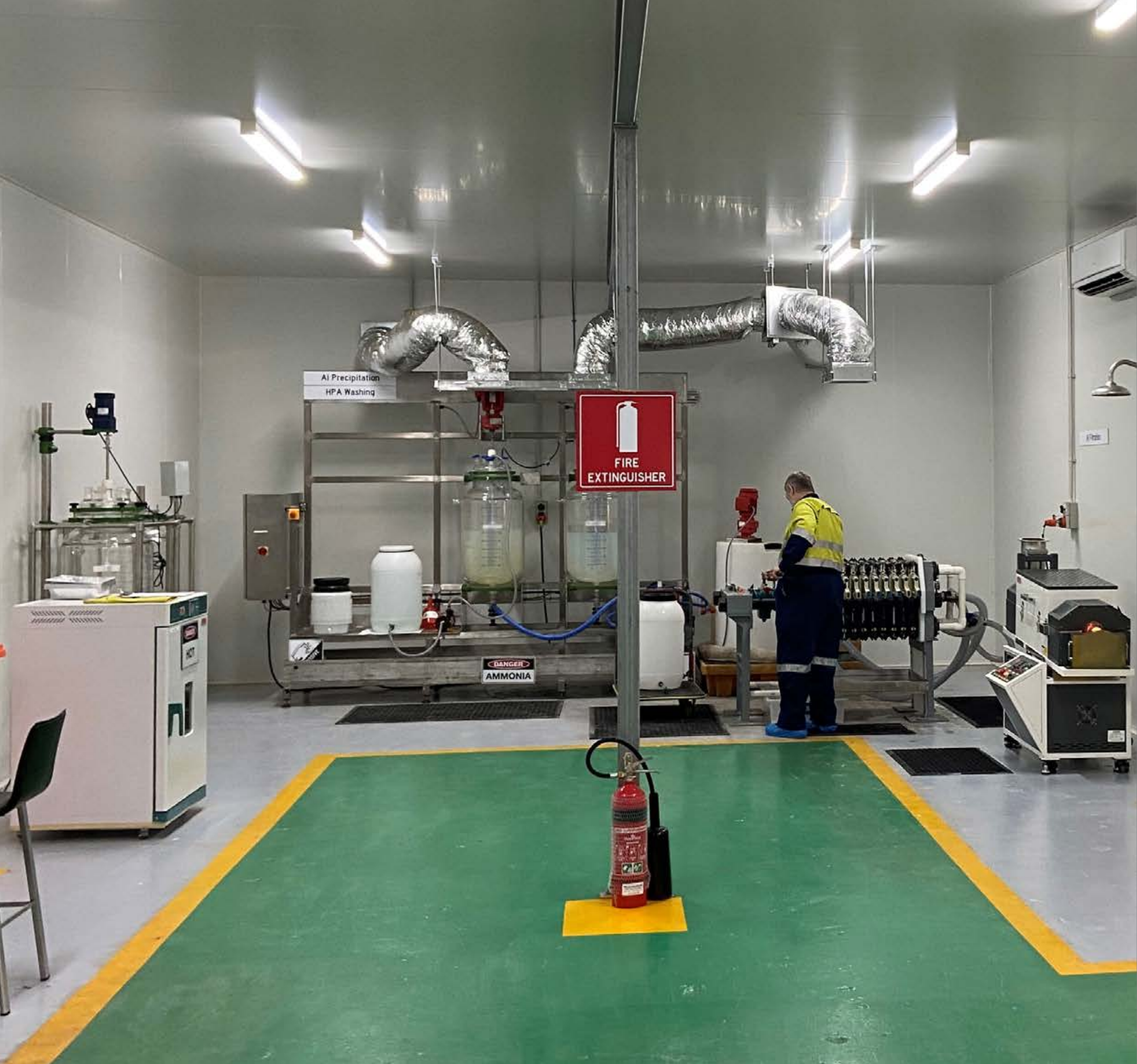


HPMSM solution, feed to crystallisation

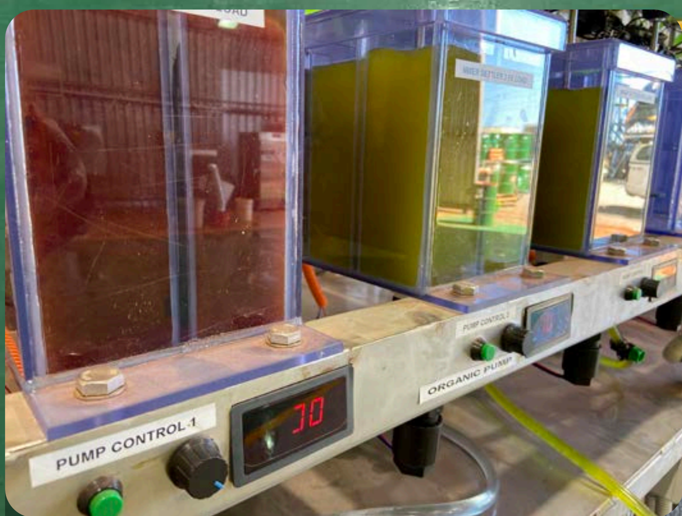


Samples of High Purity Manganese Sulphate Monohydrate (HPMSM)

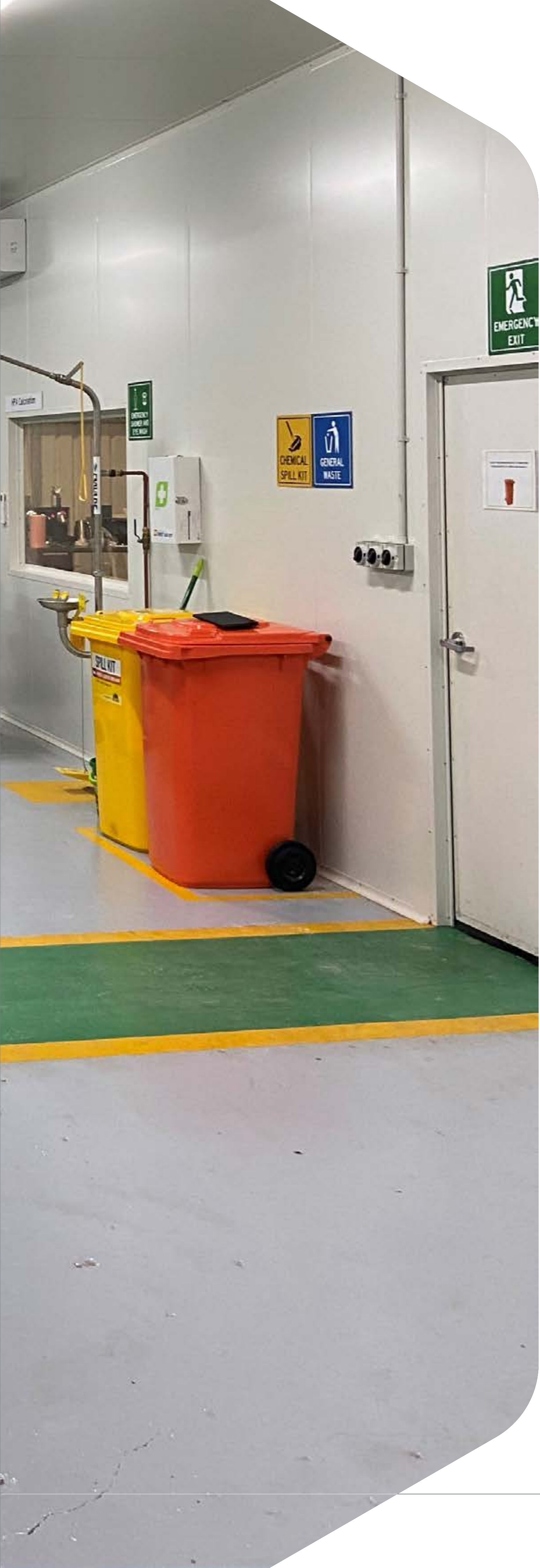
Excellent progress throughout the year from RDG Technologies. Congratulations Terry O'Connor, Dr Nicholas Welham and the entire team.



DR Grade pellets produced from red mud waste.



Solvent extraction process.



Turning Waste into Opportunity

RDG's Red Mud Pilot Plant

The Pilot Plant has been fully operational since March 2023, processing multiple Red Mud samples from bauxite residue tailings ponds.

Red Mud is an industrial waste generated when bauxite is processed into alumina using the Bayer process. There is an estimated 4 billion tonnes[1] of Red Mud stored in tailings storage facilities globally, with more being added annually. Currently, very little Red Mud is reused, resulting in the need for long-term, costly and environmentally challenging solutions being in place to store the waste.

The pilot plant is capable of processing multiple red muds using proprietary technologies acquired as a result of the acquisition of Peloton Resources Pty Ltd in December 2023. An onsite laboratory also exists to support the Pilot Plant.

In addition to acquiring the proprietary technologies, RDG has also acquired trademarks, including those associated with reversing waste. It is the Company's intention to commercialise the technologies to produce multiple products, thus participating in the circular economy.

Potential products include:

- High Purity Alumina (HPA), a critical mineral used in electric vehicle batteries;
- Aluminous product, used as a feedstock within the Bayer process;
- Iron products, including DR Pellets participating in the drive for "Green Steel"; and
- Fertilisers.

Peloton
Resources

1 *Wang, W.; Pranolo, Y.; Chu, Y.C. Recovery of scandium from synthetic red mud leach solutions by solvent extraction with D2EHPA. Sep. Purif. Technol. 2013, 108, 96–102.*

Exploring Opportunities in the Pilbara

Ant Hill and Sunday Hill Update

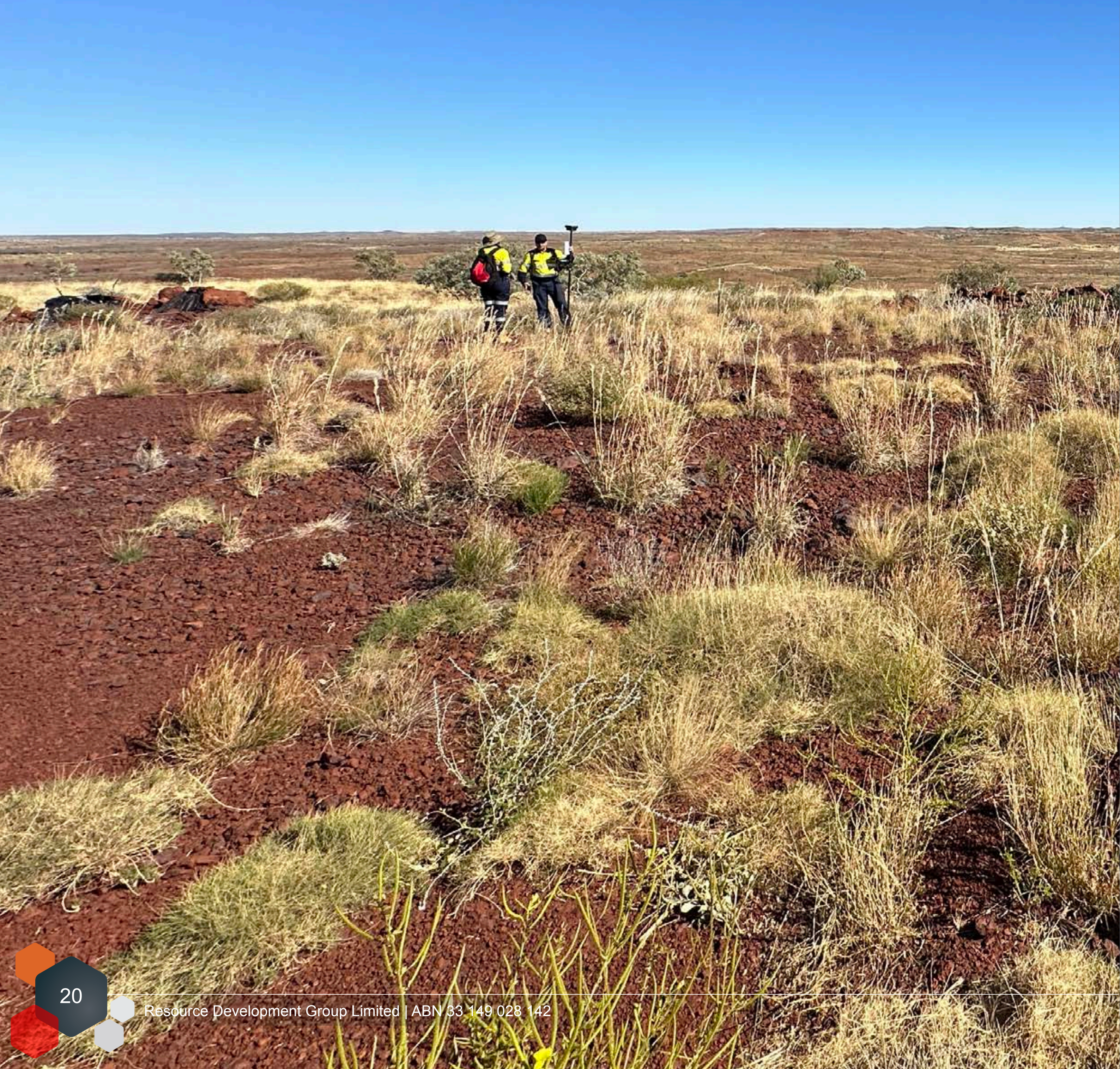
The Ant Hill and Sunday Hill deposits are located approximately 350km from Port Hedland, and are within the Pilbara Region of Western Australia, a globally significant mining locality.

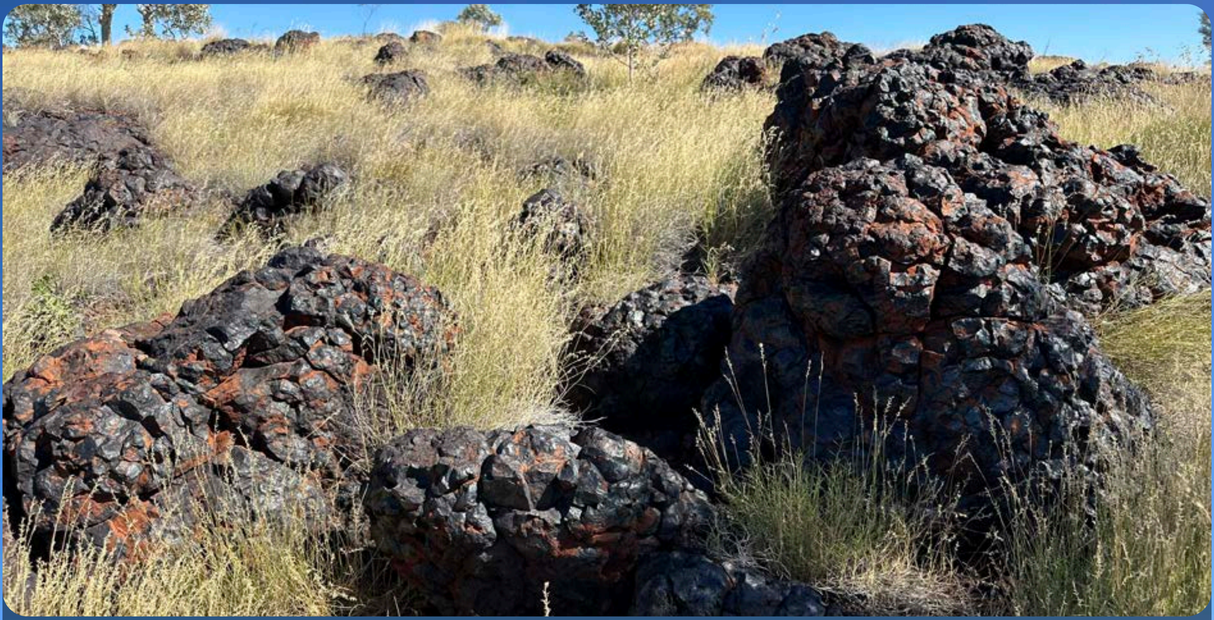
Following the acquisition of the Ant Hill and Sunday Hill tenements (ASX Market Announcement Thursday 19th March 2020), the Company has continued to evaluate and evolve the potential of establishing a Direct Shipping Ore (DSO) operation, aimed at exporting 600,000tpa from Port Hedland.

In support of this strategy, the Company has:

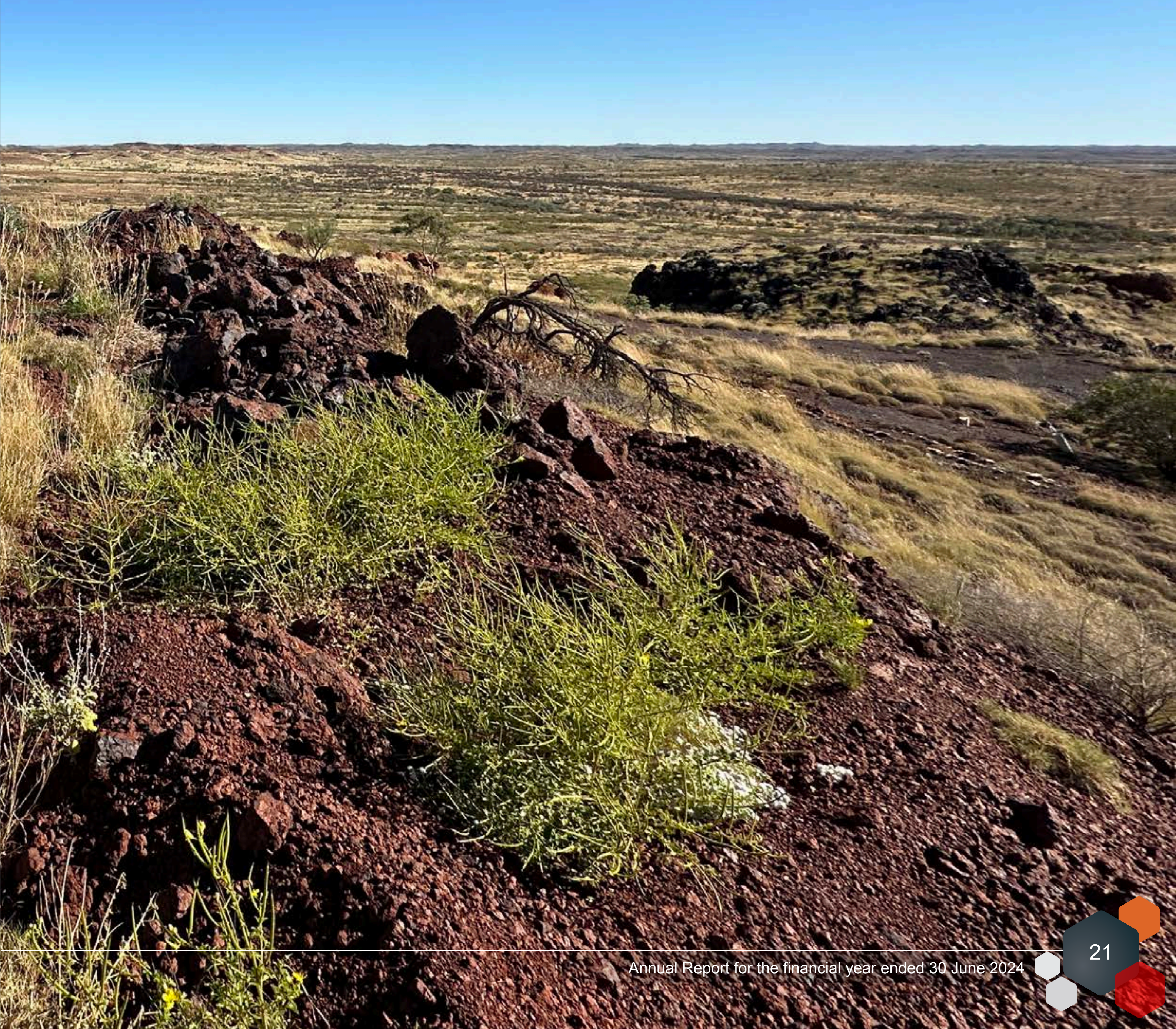
- Engaged an independent mine planning and resource consultancy to undertake a detailed review of the Ant Hill resource, with the report scheduled to be delivered in November 2024.
- The Company has access to the relevant mining equipment including, crushing plant and lumps and fines beneficiation plant.

Should the Company proceed with establishing a DSO operation, it would result in a relatively small operation, which could be undertaken on a campaign basis.





Outcropping high manganese material at the Northern end of the Ant Hill deposit



Corporate Information

Resource Development Group Limited - ABN: 33 149 028 142

Directors

Mr. Andrew Ellison
Managing Director

Mr. Mark Wilson
Chairman, Non-Executive Director

Mr. Mike Grey
Non-Executive Director

Company Secretary

Mr. Michael Kenyon

Registered Office

Level 3, 14 Walters Drive
OSBORNE PARK WA 6017

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Facsimile: +61 8 9443 2926

Principal Place of Business

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OSBORNE PARK WA 6017

Telephone: +61 8 9443 2928
Facsimile: +61 8 9443 2926

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Share Registry

Automic Share Registry
126 Phillip Street
SYDNEY NSW 2000

Telephone: 1300 288 664

Solicitors

Steinepreis Paganin
Level 14, 250 George's Terrace
PERTH WA 6000

Bankers

ANZ Banking Group Limited
Level 5, 240 St George's Terrace
PERTH WA 6000

Auditors

HLB Mann Judd
Level 4, 130 Stirling Street
PERTH WA 6000

Securities Exchange

Resource Development Group Limited shares are listed on the Australian Securities Exchange (ASX: RDG)

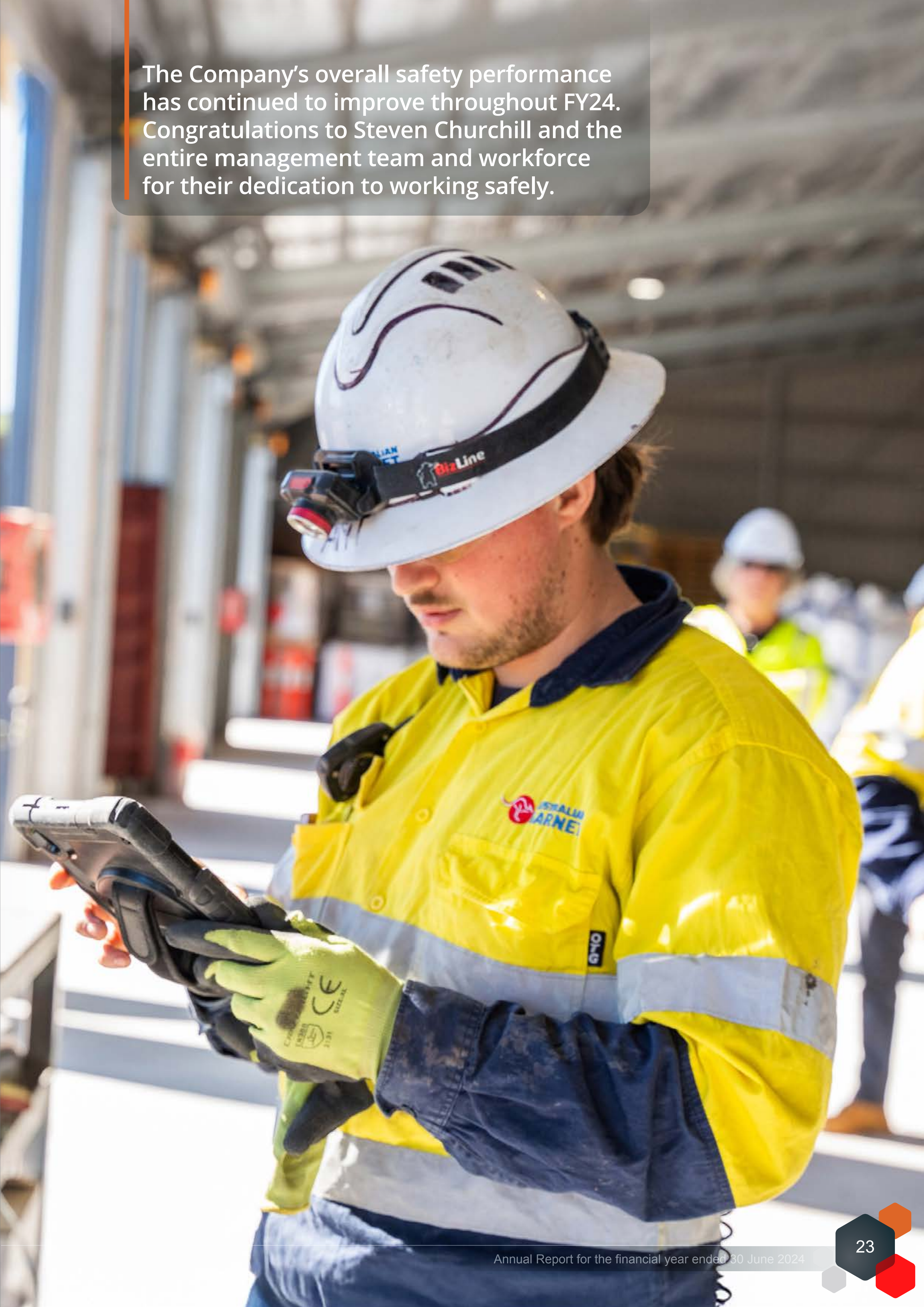
Corporate Governance Statement

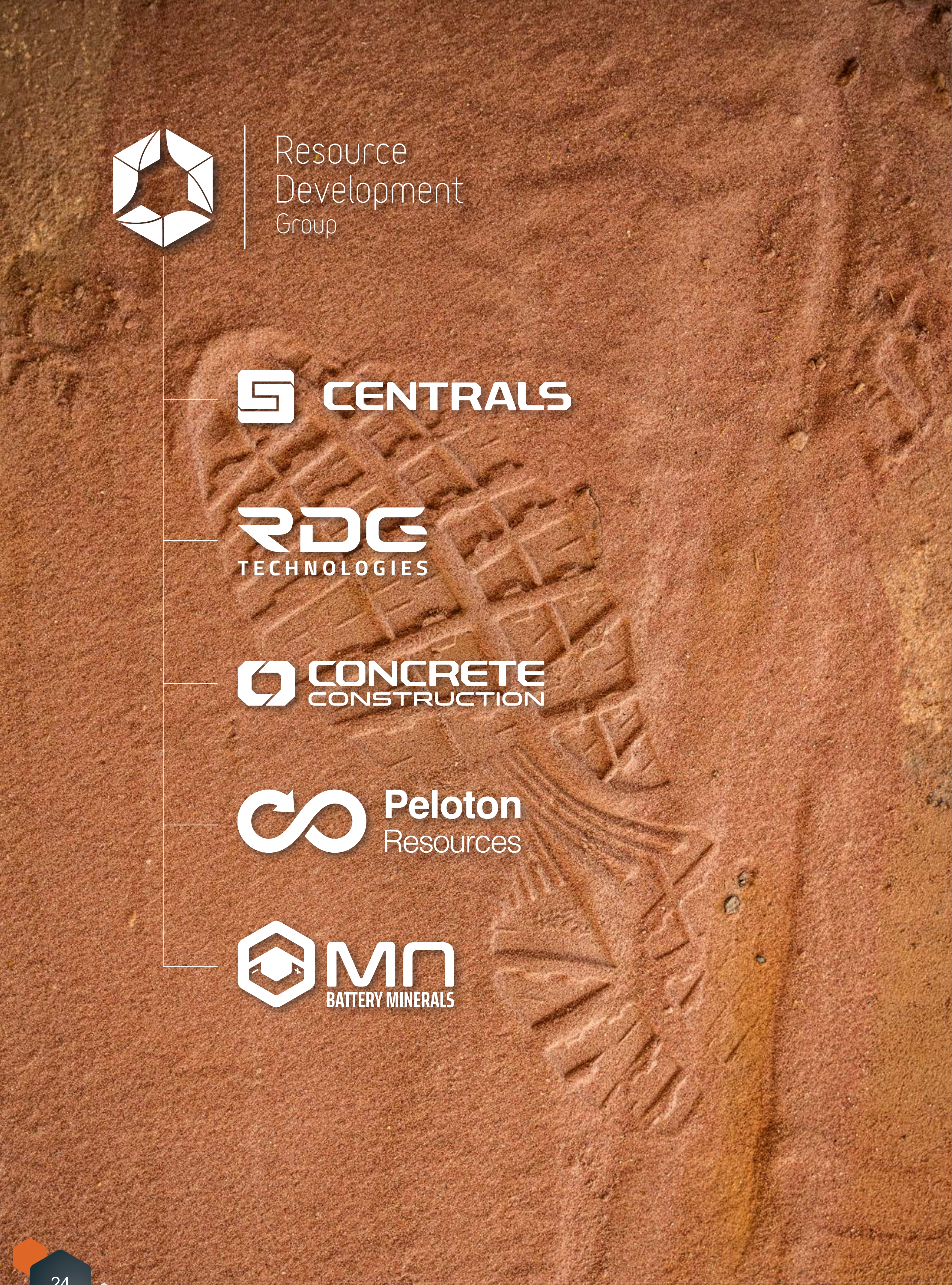
The Company's 2024 Corporate Governance Statement can be found on the website at:
https://resdevgroup.com.au/about/#_corporate-governance.

Workplace Gender Equality Report

The Company's 2023-24 Gender Equality Report can be found on the website at:
https://resdevgroup.com.au/about/#_compliance

The Company's overall safety performance has continued to improve throughout FY24. Congratulations to Steven Churchill and the entire management team and workforce for their dedication to working safely.





Resource Development Group

CENTRALS

RDG TECHNOLOGIES

CONCRETE CONSTRUCTION

Peloton Resources

MN BATTERY MINERALS

DIRECTORS' REPORT

Your directors submit the financial report of the consolidated entity (or "Group") consisting of Resource Development Group Limited ("Company" or "RDG") and the entities it controlled during the period for the year ended 30 June 2024. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

Directors

The names of directors who held office throughout the period and until the date of this report are as follows. Directors were in office for the entire period unless otherwise stated.

Mr Andrew Ellison (Managing Director)

Mr Ellison is a highly experienced executive with a successful track record in managing the overall business and delivering business growth. Mr Ellison is responsible for strategic business development, development of new capabilities and services, identification of new territories and markets and key client relationship management. He has over 35 years' experience in maintenance and construction contracting across Australia and West Africa including civil and concrete, commercial building, structural mechanical and piping, tanks, electrical, non-process infrastructure and bridge construction. Mr. Ellison joined Resource Development Group Limited in 2014 as the managing director.

In the three years immediately before the end of the financial year Mr Ellison has not served as a director of many other listed companies.

Mr Mark Wilson (Chairman, Non-Executive Director)

Mr Wilson is an experienced senior executive with a strong track record in development and implementation of business strategy, balance sheet management, organisational design, project management, and transaction execution. He has held senior positions in several Australian and international companies, including Laing O'Rourke, Multiplex and Brookfield Multiplex. He holds a Bachelor of Commerce (Finance) and Bachelor of Laws from the University of New South Wales and has a Graduate Diploma in Applied Finance and Investment from the Securities Institute of Australia (FINSIA). Mr. Wilson was appointed as the Chief Financial Officer of Mineral Resources Limited in August 2018 and also became the joint Company Secretary in October 2018.

In the three years immediately before the end of the financial year Mr Wilson served as a non-executive director of Norwest Energy NL, where he was appointed on 15 March 2023.

Mr Mike Grey (Non-Executive Director)

Mr Grey has over 35 years of experience in the mining industry having started his career with Alluvial Gold Mining where he was responsible for constructing, operating and maintaining numerous floating gold dredges and hard rock gold mining and processing. After gaining valuable experience in the gold industry, Mr Grey moved into iron ore mining, holding a range of Maintenance Management and Mine Management positions across a number of projects in the Kimberley, Pilbara and Yilgarn regions of Western Australia. Mr. Grey joined Mineral Resources Limited in 2009 and is currently Chief Executive, Mining Services.

In the three years immediately before the end of the financial year Mr Grey has not served as a director of any listed companies.

Company Secretary

Mr Michael Kenyon (Chief Financial Officer/Company Secretary)

Mr Kenyon has held senior roles with both private and ASX-listed corporations for more than 27 years. He holds a Bachelor of Business degree from Edith Cowan University, is a Chartered Accountant and a graduate member of the Australian Institute of Company Directors.

Interests in the shares, options and incentives of the Company and related bodies corporate

The following relevant interests in shares, options and incentives of the Company or a related body corporate were held by the directors as at the date of this report.

Directors	Fully paid ordinary shares Number	Share options Number	Performance Rights Number
Andrew Ellison	141,333,058	3,053,435	17,344,789
Mark Wilson	-	9,189,799	-
Mike Grey	274,683	9,189,799	-
Total	**141,607,741**	**21,433,033**	**17,344,789**

Shares under option or issued on exercise of options
At the date of this report, unissued ordinary shares of the Company under option are as follows:

Date options granted	Number of shares under option	Exercise price	Expiry date of option
15 December 2023	7,272,728	$0.047	15 December 2026
27 January 2023	5,000,000	$0.06	27 January 2026
13 June 2022	16,030,633	$0.049	13 June 2025
Total	**28,303,361**		

Incentives granted and subject to vesting
There were 20,629,177 performance rights outstanding as at 30 June 2024 (2023: Nil).

Share options/incentives granted to directors and senior management
During the financial year, two of the directors were each granted 3,636,364 options as part of their remuneration. The options had all vested by 30 June 2024, expire on 15 December 2026 and have an exercise price of $0.047.

During the financial year, 17,344,789 performance rights were granted to the managing director and a total of 3,284,388 performance rights were issued to two other members of key management.

Unissued shares
There were no unissued shares as at 30 June 2024 (2023: Nil).

Principal Activities

The principal activities of the entities within the Group during the year were the provision of contracting and construction services to the mining sector within Australia, in the disciplines of detailed earthworks, structural concrete placement, bridges and overpasses, non-process infrastructure, structural and mechanical works. Other key activities were the development of the Company's Lucky Bay Garnet Project including the installation of seven wind turbines and continued progress of the Ant Hill/Sunday Hill manganese project. The Company also acquired Peloton Resources Pty Ltd, the holder of several patents associated with the extraction of High Purity Alumina, iron oxides and aluminous products from bauxite residue also referred to as red mud. (Note: Red mud is an industrial waste generated during the processing of bauxite into alumina using the Bayer process, commonly stored globally, in tailings storage facilities, ponds or dams.)

Review of operations

RDG reported a net profit after tax from its continuing operations of $17.4m (2023: $13.8m), whilst its underlying Earnings before interest, depreciation, amortisation, and taxation (EBITDA) from its continuing operations for the period was $28.4m (2023: $18.6m).

The total profit and comprehensive income attributable to the shareholders of the Company was $17.4m (2023: $13.7m). The Group's operating cash flow was $33.4m (2023: $9.2m) resulting in cash at bank at 30 June of $8.3m (2023: $3.9m).

The Group continued to execute its strategy encompassing the construction and development of resources projects in Western Australia. Centrals Systems (Centrals) continued to perform its traditional civils and construction work in the northwest of Western Australia for various clients as well as performing plant modification activities on our Lucky Bay Garnet plant. In addition, the Company is also continuing to work on and develop its Ant/Sunday Hill manganese project, focusing initially on developing a Direct Shipping Ore (DSO) operation.

Australian Garnet's Lucky Bay mine delivered garnet products to its customers around the world. Some recent plant modifications and upgrade works were carried out to achieve nameplate capacity and potentially beyond. In addition, the Company focussed on production and quality improvements during this continued ramp-up phase. The mining unit plant (MUP) was moved onto the higher-grade eastern zone of the mine during the year which is providing a much higher-grade feed. The Company recorded garnet sales of $19.4m during FY24 (FY23: $8.6m).

In line with the Company's strategy to diversify its business, research and development activities continued at its pilot plant facility (experimental development plant), located south of Perth, Western Australia. Following the acquisition of Peloton Resources Pty Ltd, focus continued on the development of the Peloton technology to extract high value products from waste red mud, including High Purity Alumina, iron oxides and an aluminous product. The team at RDG Technologies also continued to refine a process to produce High Purity Manganese Sulphate Monohydrate (HPMSM), a battery mineral using ore from the Company's own Ant / Sunday Hill manganese deposits located in the Pilbara Region of Western Australia.

The Company has already committed considerable resources and funds over the past two years in continuing the development of the technology to process and extract iron and aluminous materials from waste red mud and supported by positive results, continues to work closely with multiple parties. This includes work being undertaken with a multi-disciplinary engineering consultancy company in the Concept Study Phase of modelling the full-scale process plant.

As a result of the ongoing red mud process development, it is the Company's intention to reach agreement with a third party with whom it will work closely on a project with the ultimate aim of establishing a full-scale red mud processing plant on their existing site or close to it.

The Company also has a goal of developing and monetising its manganese assets and is currently assessing the development of a Direct Shipping Ore (DSO) operation, involving mining and beneficiation of the ore at site, prior to it being transported to the port of Port Hedland from where it will be exported to clients. The Company is continuing to develop its process to produce HPMSM, a battery mineral forecast to be in high demand and is currently preparing to produce samples for potential off takers. To advance the HPMSM project, the Company is seeking to collaborate with an existing established producer, with the intention of reducing both the technical and commercial risks associated with such an undertaking. In parallel with the above activities, the Company continues to progress approvals at its Ant / Sunday Hill mine sites.

The Group's borrowings increased to $117.2m by 30 June 2024 (2023: $97.4m). The funds have been used to carry out modifications and upgrade works to the Lucky Bay Garnet project, funded through the loan from the ultimate parent entity, MRL. The Company has recently released a project update1 on the Lucky Bay Garnet project.

Operations

Headquartered in Perth, RDG provides diversified mining services to the resources, infrastructure, and energy sectors within Australia, as well as owning manganese and garnet mines located in the north-west of Western Australia. RDG has offices/facilities located in Perth and Newman.

RDG had six wholly owned subsidiaries as at 30 June 2024 and an 80% equity interest in another four subsidiaries (whose operations are previously discontinued):

- Central Systems Pty Ltd (Centrals) provides multi-discipline construction and plant modification services to the resources, energy, and infrastructure sectors in Australia. Centrals has a successful track record of delivering difficult projects, with long-standing customers;
- Australian Garnet Pty Ltd (AGPL), is the holder of the Lucky Bay Garnet mine and wind turbines;
- Mn Battery Minerals Pty Ltd (formerly Comcen Pty Ltd), is the holder of the Ant Hill and Sunday Hill manganese project, from which the Company is seeking to develop a Direct Shipping Ore (DSO) operation, undertaking mining and beneficiation of the ore at site, prior to transporting the ore to the Port of Port Hedland from where it will be exported to overseas clients. Having produced High Purity Manganese Sulphate Monohydrate (HPMSM) (15 November 2023 ASX Announcement) work is continuing on developing the project, including considering collaborating with an existing producer, to reduce the risks associated with constructing a downstream processing operation. With the Company having options in relation to developing its Ant/Sunday Hill deposits, it places significant value on these excellent assets;
- Concrete Construction (W.A) Pty Ltd, an entity engaged in the construction sector;
- RDG Technologies Pty Ltd (Technology Department), owns and operates multiple pilot plants and its own laboratory, developing opportunities related to Critical and Battery Minerals: and
- Peloton Resources Pty Ltd, an entity acquired on 15 December 2023, is the owner of several patents associated with the processing of waste red mud, including a process developed to extract iron oxide and an aluminous product from waste red mud on a very large scale.

Centrals provide a 'whole of project' solution to the customer including:

- Multi-disciplinary construction services (detailed earthworks, civil, structural, mechanical, bridges, overpasses, piping, non-process infrastructure building works, plant upgrade / modifications, procurement, project management and ownership of a large fleet of mobile equipment to support the Company's construction projects. The Company works with its customers on various commercial models including working as an integrated project delivery team.

AGPL has developed a world class integrated mining, processing, packaging and distribution operation at the Lucky Bay Plant Site in Western Australia. It is supplying premium garnet abrasive to the protective coating and waterjet cutting industries around the world.

[1] *ASX announcement dated 22 August 2024 titled "Lucky Bay Garnet Project Update"*

Company management team
The Company's management team has been through an extremely busy period, where they have performed above expectations and together have contributed to the advancement of significant Company goals. The directors wish to express their appreciation of the commitment and dedication of the entire management team and workforce for their substantial efforts over the year.

Safety performance
The Company has continued to focus on safety improvement to ensure our people feel safe in the workplace when they come to work and as result, this is reflected in our safety statistics as follows:

Lost Time Injury Frequency rate (LTIFR) – Nil; and
Total Recordable Incident Frequency rate – 1.1.

Workforce Capacity and Capability

On 30 June 2024, the Company employed approximately 352 people (2023: 196 people). Although staff numbers were steady during the year at the Group's garnet plant located at Lucky Bay in Western Australia, there was an increase in its project management white and blue-collar workforce in the Centrals business as we continued to deliver projects in the northwest of Western Australia. The Company continued to experience labour supply pressures throughout the year and employed several people from overseas to fill roles that were difficult to fill locally.

Strategy and Outlook

The Company's key focus remains on developing its Lucky Bay Garnet mine, specifically targeting to achieve nameplate capacity from the plant during FY25. A recent series of modifications and upgrades to the plant is providing strong signs of increase in production and reliability, confirming the Company's goal of increasing production is firmly achievable in the near future.

Meanwhile, the Company's mining services business, Centrals, continues to deliver sizeable projects in the northwest of Western Australia for our traditional customers, as well as projects for a new customer. Centrals has always been a key plank of revenue and profitability over many years for the Group, with no change expected in this regard. There are signs that overall investment in the resources sector is somewhat constrained, which means that we are seeing less opportunities for the award of new projects. We will continue to seek new projects however, we will be selective by ensuring that project risk is able to be well managed therefore ensuring that our employees have a safe working environment, and any project ultimately is profitable for the Group.

As a result of the patented technology processes acquired through the Company's acquisition of Peloton Resources Pty Ltd during FY24, the directors see tremendous opportunities to leverage the technology in processing red mud, produce saleable products and provide significant environmental benefits. One of the processes will allow for the remediation of large volumes of red mud thus reducing rehabilitation liabilities and producing in demand saleable products, including DR Pellets.

Having commissioned a review of the resource at Ant Hill, the Company is considering an option to develop a Direct Shipping Ore (DSO) operation at Ant/Sunday Hill, with mining and beneficiation of the ore taking place at site, prior to the ore being transported to the port of Port Hedland from where it would be exported to clients. Utilising its micro-plant, the Company is continuing to process ore from Ant Hill and produce HPMSM samples for provision to potential off-takers for them to evaluate. The Company is also considering collaborating with an existing HPMSM producer, which would likely provide numerous benefits, including potentially derisking the technical and commercial aspects of the project.

Operating results for the year
The Group reported a net profit before income tax from continuing operations for the reporting year ended 30 June 2024 of $17.4 million (2023: $13.7m), up 26.8%. Revenues from continuing operations were $136.2m (2023: $55.7m), which is up 144.6% on the previous year.

Risk management
The Group's activities have inherent risks and the Board is unable to provide certainty of the expected results of its activities, or that any or all of these likely activities will be achieved. The material business risks faced by the Group that could influence the Group's future prospects, and how the Group manages those risks, are outlined below.

Operational risks

The Group’s construction activities and mining and supply of garnet products are subject to operating risks that could impact the outcomes of project delivery, the amount and quality of garnet produced or increase the cost of production for varying lengths of time. Such difficulties include: restricted supply of materials, increased costs of mining, processing, loading and equipment failures; safety incidents and accidents; freight capacity constraints; and a shortage of skilled labour. If any of these or other conditions or events occur in the future, they may increase the cost of construction activities or mining, which could adversely affect the Group’s results or decrease the value of its assets. The Group has in place a framework for the management of operational risks and an insurance program which provides coverage for a number of these operating risks.

Garnet prices and foreign exchange

As a greater amount of garnet product is exported overseas, its price may fluctuate and may be affected by a number of factors beyond the control of the Group. Potential future production from the Group’s mineral properties will be dependent upon the price of garnet. The Group has contracts and orders with various customers including those in Australia and overseas. The Group’s financing is denominated in Australian dollars and most of the planned development and operational activities are denominated in Australian dollars. Some sales revenues will be dominated in US dollars and the Group’s ability to fund activities and make debt repayments may be adversely affected if the Australian dollar rises against the US dollar. The Group will consider undertaking hedging of its foreign exchange risks to alleviate any pressure this may cause.

The Group’s activities may require further capital

The development of the Group’s projects and/or working capital needs may require additional funding. Whilst current funding levels are deemed to be appropriate, there can be no assurance that additional capital or other types of financing will be available if needed for development and operations or that, if available, the terms of such financing will be favourable to the Group.

Global financial conditions may adversely affect the Group’s growth and profitability

Many industries, including the mineral resources industry, are impacted by these market conditions. Although there were some adverse effects felt from the COVID-19 pandemic, other issues such as inflationary pressures and global geopolitical tensions may result in contraction in credit markets resulting in a widening of credit risk, devaluations and high volatility in global equity, commodity, foreign exchange and precious metal markets, and a lack of market liquidity.

Due to the nature of the Group’s activities, a slowdown in the financial markets or other economic conditions may adversely affect the Group’s growth and ability to finance its activities. If these increased levels of volatility continue, the Group’s activities could be adversely impacted and the trading price of the Company’s shares could be adversely affected.

Significant changes in the state of affairs

There have been no significant changes in the state of affairs of the Group to the date of this report, other than as set out in this report.

Significant events after balance date

No matter or circumstance has arisen since 30 June 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.

Likely developments and expected results

Disclosure of information regarding likely developments in the operations of the Group in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the Group. Therefore, this information has not been presented in this report.

Environmental legislation

The table below outlines all of the existing and proposed environmental legislative approvals or consultations in relation to its Lucky Bay garnet project:

Relevant Legislation	Environmental Factor Regulated / Affected	Approval and or status
Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act) (DAWE)	Impacts to matters of national significance.	EPBC Referral not required as no Matters of National Environmental Significance will be affected.
Environmental Protection Act 1986 (Part IV) (DWER)	Flora and Vegetation. Landforms. Subterranean Fauna. Terrestrial Environmental Quality. Terrestrial Fauna. Inland Waters. Air Quality. Social Surroundings. Human Health.	The Project was referred to the EPA by a third party in early September 2021 and a Referral submission under Section 38 of the EP Act provided to the EPA on 26 November 2021. The Project may require formal assessment under Part IV of the EP Act.
Relevant Legislation	Environmental Factor Regulated / Affected	Approval and or status
Environmental Protection Act 1986 (Part V)	Water Resources Emissions	Works Approval W6214 – Phase 1 and 2 of Menari pit on tenements M 70/1280, G 70/253 and L 70/134 only. Currently classified as Prescribed premises Category 08 Mineral Sand Mining and Processing
Rights in Water and Irrigation Act 1914 (Section 5C) (DWER)	Water Resources	Approved GWL 170860(6) for 2.015 GL pa sufficient for project demands.
Aboriginal Heritage Act 1972 (DPLH)	Aboriginal Heritage Sites	Current Mine Plan does not impact any sites.
Biodiversity Conservation Act 2016 (DBCA)	Biodiversity (threatened flora and fauna) ecosystems Ethical handling of native fauna	Conservation significant flora, vegetation or fauna will not be impacted.
Conservation and Land Management Act 1984 (DBCA)	Conservation Estates	There are no conservation estates located within or immediately adjacent to the Mining Lease. Utcha Well Nature Reserve is located 10 km to the south and Kalbarri National Park is located over 10 km to the north of M 70/1387.
Contaminated Sites Act 2003 (DWER)	Contaminated Lands	No contaminated sites identified on or near the project area.
Dangerous Goods Safety Act 2004 (DMIRS)	Dangerous Goods / Storage and Licencing	Diesel is the only DG currently identified for site (over 100 KL).

Environmental legislation (continued)

Relevant Legislation	Environmental Factor Regulated / Affected	Approval and or status
Environmental Protection Act 1986 (Section 51E)	Native Vegetation Clearing Permit	Clearing Permit CPS 3891-4 Approved on 7 September 2021 for 90 ha within northern half of M 70/1280 and L70/134. This permit has been appealed. CPS 9057/1 approved on 13 July 2021 for 71 ha within the southern half of M 70/1280 and tenements G 70/253, L 70-167, L 70/178 and L 70/215. CPS 8358/1 approved on 23 May 2019 for 1.4 ha on L 70/178. Clearing Permit application required for mining Menari North areas in M 70/1387.
Health Act 1911 Department of Health (DoH)	Public health and site emissions	Permit to Install and operate Apparatus for the Treatment of Sewage granted.
Native Title Act 1993	Native Title Claims	Project lies on freehold land, so Native Title is extinguished.
Local Government Act 2011	Building Permits	Permits not yet applied for. Wastewater disposal application submitted and approved by Shire of Northampton.
Main Roads Act 1930	Heavy Haulage Permit Driveway access onto George Grey Drive	Accredited Mass Management Scheme (AMMS) application not submitted. Not needed unless heavier payloads required. Expect haulage to be contract. Two separate applications to MRWA were approved for driveway access.
Mining Act 1978	Mining Proposal and Closure Plan	The following MPs and MCPs have been approved for the Project: • REG ID 55347 (MP/MCP) approved on 23 October 2015 • REG ID 58732 approved on 16 March 2016 • REG ID 97057 approved on 30 June 2021 This MP has been prepared to amalgamate the three aforementioned MPs and seeks approval for the additional activities and variation to approved activities detailed within. An updated MCP (Revision 2, Version 1) has also been updated and prepared to accompany the Mining Proposal which details how disturbance will be rehabilitated as required by tenement conditions set under the Mining Act.
Radiation Safety Act 1975	Management of radiological risk	Risks to human health and environment will be jointly managed by DMIRS and the Radiological Council of WA (RCWA). A Radiation Management Plan (RMP) will be developed and approved by DMIRS and RCWA before material processing may operate.

Remuneration report

Indemnification and insurance of Directors and Officers

The Company has agreed to indemnify all the directors of the Company for any liabilities to another person (other than the Company or related body corporate) that may arise from their position as directors of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith.

This report outlines the remuneration arrangements in place for the key management personnel of Resource Development Group Limited for the financial year ended 30 June 2024. The information provided in this remuneration report has been audited as required by Section 308(3C) of the Corporations Act 2001.

The remuneration report details the remuneration arrangements for key management personnel ("KMP") who 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 parent company.

Key management personnel

(i) Directors

Mr Andrew Ellison	(Managing Director)
Mr Mark Wilson	(Chairman/Non-Executive Director)
Mr Mike Grey	(Non-Executive Director)

(ii) Executives

Mr Gary Reid	Director, Construction
Mr Michael Kenyon	Chief Financial Officer/Company Secretary

Remuneration philosophy

The performance of the Company depends upon the quality of the key management personnel. 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 executive remuneration.

Remuneration committee

The Remuneration Committee consists of the Board of Directors of the Company and is responsible for determining and reviewing compensation arrangements for the key management personnel.

The Remuneration Committee assesses the appropriateness of the nature and amount of remuneration of key management personnel on a periodic basis by reference to relevant employment market conditions with an overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality Board and executive team.

Remuneration structure

In accordance with best practice corporate governance, the structure of non-executive director and executive remuneration is separate and distinct.

Non-executive director remuneration

The Board seeks to set aggregate remuneration at a level that provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

The ASX Listing Rules specify that the aggregate remuneration of non-executive directors shall be determined from time to time by a general meeting. The latest determination was at a General Meeting held on 3 February 2011 when shareholders approved an aggregate remuneration of $500,000 per year.

The amount of aggregate remuneration sought to be approved by shareholders and the way it is apportioned amongst directors is reviewed annually. The Board considers advice from external shareholders as well as the fees paid to non-executive directors of comparable companies when undertaking the annual review process.

Remuneration report (continued)

The remuneration of directors for the year ended 30 June 2024 is detailed in Table 1 of this report.

Senior manager and executive director remuneration

Remuneration consists of fixed remuneration and variable remuneration (comprising short-term and long-term incentive schemes).

Compensation levels for executives of the Group are competitively set to attract and retain appropriately qualified and experienced executives. The compensation structures explained below are designed to attract suitably qualified candidates, reward the achievement of strategic objectives, and achieve the broader outcome of creation of value for shareholders.

The compensation structures consider:

- The capability and experience of the executive;
- The executive's ability to control the relevant segment's performance; and
- The Group's performance including:
  (a) The Group's earnings;
  (b) The growth in share price and delivering constant returns on shareholder wealth.

Compensation packages include a mix of fixed and variable compensation, and long-term incentives. In considering the Group's performance and returns on shareholder wealth, the Board has regard to the following indicators of performance in respect of the current financial year and the previous four financial years:

	$	$	$	$	$
					Restated[1]
	2024	2023	2022	2021	2020
Revenue	136,180,709	55,668,562	50,744,224	67,123,044	20,938,155
Net profit/(loss) after tax (excluding non-controlling interests)	17,388,144	13,731,860	3,606,051	1,123,328	1,471,776
Share price at year-end ($)	0.03	0.054	0.041	0.042	0.03
Earnings per share (cents)	0.60	0.48	0.12	0.042	0.0021

[1] *The 30 June 2020 comparatives have been restated for the reclassification of the discontinued operation.*

Fixed remuneration

Fixed remuneration is reviewed annually by the Remuneration Committee and/or the Board. The process consists of a review of relevant comparative remuneration in the market and internally and, where appropriate, external advice on policies and practices. The Committee has access to external, independent advice where necessary.

Senior managers are given the opportunity to receive their fixed (primary) remuneration in a variety of forms including cash and fringe benefits such as motor vehicles and expense payment plans. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue cost for the Group.

The fixed remuneration component of the key management personnel is detailed in Table 1 of this report.

Variable remuneration

The objective of a short-term incentive program is to link the achievement of the Group's operational targets with the remuneration received by the executives charged with meeting those targets. The total potential short-term incentive available can be set at a level to provide enough incentive to the senior manager to achieve the operational targets and such that the cost to the Group is reasonable in the circumstances.

In addition to establishing some formal arrangements with the senior executives of the Group in relation to variable remuneration, options were also issued to the non-executive directors during the year which were not performance-based.

Remuneration report (continued)

Service/Employment contracts

Mr Andrew Ellison (Managing Director)

With effect from 1 July 2022, Mr Ellison entered into a new Executive Service Agreement with the Company on a base salary of $500,000 per annum in addition to the statutory cap for superannuation. The Executive Service Agreement does not have a fixed term.

On 1 October 2023, Mr Ellison's base salary was increased to $725,000 per annum in addition to the statutory cap for superannuation of $27,399 for the FY24 year. Mr Ellison's agreement also has a variable component whereby he can earn up to 60% of his base salary to be awarded in performance rights for achieving certain short term (annual) measures and a further 80% of his base salary for achieving the same measures together with achieving a continuous period of three years' employment.

The agreement may be terminated by either party giving six months' written notice or terminated immediately with cause. Restraint and non-solicitation provisions will apply for six months following termination of the contract, and other usual and appropriate commercial conditions of employment are included to protect the interests of the Company during and following his term of employment.

Mr Mark Wilson (Chairman/Non-Executive Director)

Mr Wilson is an appointee of Mineral Resources Limited which became a substantial shareholder on 17 June 2020 because of the acquisition 100% interest in the Ant Hill and Sunday Hill manganese projects from Mineral Resources Limited subsidiary, Auvex Resources Pty Ltd. Mr Wilson has no formal terms of appointment.

Mr Mike Grey (Non-Executive Director)

Mr Grey is an appointee of Mineral Resources Limited which became a substantial shareholder on 17 June 2020 because of the acquisition 100% interest in the Ant Hill and Sunday Hill manganese projects from Mineral Resources Limited subsidiary, Auvex Resources Pty Ltd. Mr Grey has no formal terms of appointment.

Mr Michael Kenyon (Chief Financial Officer/Company Secretary)

The Company entered into a Contract Services Agreement (CSA) effective 19 May 2015 with Mr Kenyon, engaging him as Chief Financial Officer/Company Secretary for a 6-month term ending on 26 November 2015 for a TFR of $10,000 per calendar month for a two-day working week. Effective 1 December 2015, the Company agreed to an extension of the terms of the CSA with the working days to be determined on an "as needed" basis at a day rate of $1,250 per day. From 1 October 2020, the rate was increased to $1,400 per day. From 1 September 2022, the rate was increased to $1,500 per day.

Mr Kenyon is also entitled to the following incentives:

- Short-term incentive of an annual cash bonus of up to 35% of his base salary; and
- Long-term incentive (in the form of performance rights), of up to 35% of his base salary, subject to various conditions;

The agreement may be terminated by either party giving six months written notice or terminated immediately with cause. Other usual and appropriate commercial conditions of employment are included to protect the interests of the Company during and following his term of engagement.

Mr Gary Reid (Director, Construction)

Mr Reid has an original Executive Service Agreement (ESA) dated 10 September 2014 with the Company, employing him as Executive Director for an indefinite term commencing on 19 September 2014. This ESA has been varied over the years and currently has the following status:

With effect from 1 December 2023, Mr. Reid agreed to a variation of his ESA, with the following changes:

- Base salary cash component has increased to $500,000 per annum plus superannuation to the statutory cap;
- Increase of project uplift payment to $175,000 per annum;
- Short-term incentive of an annual cash bonus of up to 45% of his base salary; and
- Long-term incentive (in the form of performance rights), of up to 45% of his base salary, subject to various conditions; and
- A discretionary cash bonus of $100,000 for performance to date.

Remuneration report (continued)

Service/Employment contracts (continued)

The agreement may be terminated by either party giving three months' written notice. Restraint and non-solicitation provisions will apply for six months following termination of the contract, and other usual and appropriate commercial conditions of employment are included to protect the interests of the Company during and following his term of employment.

Remuneration report (continued)

Remuneration of directors and named executives

Table 1: Key Management Personnel remuneration for the years ended 30 June 2024 and 30 June 2023

		Short-term employee benefits				Post-employment benefits	Share-based payments			
		Salary & fees $	Bonuses $	Non-monetary benefits $	Other $	Superannuation $	Performance Rights $	Options $	Total $	Performance related %
Mr Andrew Ellison	2024	668,750	182,250	-	-	27,399	69,708	-	948,107	26.6
	2023	500,000	-	-	-	25,296	-	-	525,296	-
Mr Mark Wilson	2024	-	-	-	-	-	-	62,322	62,322	-
	2023	-	-	-	-	-	-	61,500	61,500	-
Mr Mike Grey	2024	-	-	-	-	-	-	62,322	62,322	-
	2023	-	-	-	-	-	-	61,500	61,500	-
Mr Gary Reid	2024	618,750	320,000	-	-	27,399	85,407	-	1,051,556	38.6
	2023	518,333	-	-	-	25,296	-	-	543,629	-
Mr Michael Kenyon	2024	229,200	61,840	-	-	-	30,804	-	321,844	28.8
	2023	207,865	-	-	-	-	-	-	207,865	-
Totals	**2024**	**1,516,700**	**564,090**	**-**	**-**	**54,798**	**185,919**	**124,644**	**2,446,151**	**30.7**
	2023	**1,226,198**	**-**	**-**	**-**	**50,592**	**-**	**123,000**	**1,399,790**	**-**

Remuneration report (continued)

Key Management Personnel equity holdings

Ordinary shares held in Resource Development Group Limited (number)

30 June 2024	Balance at beginning of period	Balance on appointment	Purchased/ (Sold)	On exercise of incentives	Net change other	Balance on resignation	Balance at end of period
Directors							
Mr Andrew Ellison	141,333,058	-	-	-	-	-	141,333,058
Mr Mark Wilson	-	-	-	-	-	-	-
Mr Mike Grey	274,683	-	-	-	-	-	274,683
Executives							
Mr Gary Reid	138,983,058	-	-	-	-	-	138,983,058
Mr Michael Kenyon	500,000	-	-	-	-	-	500,000

Ordinary shares held in Resource Development Group Limited (number)

30 June 2023	Balance at beginning of period	Balance on appointment	Purchased/ (Sold)	On exercise of incentives	Net change other	Balance on resignation	Balance at end of period
Directors							
Mr Andrew Ellison	141,333,058	-	-	-	-	-	141,333,058
Mr Mark Wilson	-	-	-	-	-	-	-
Mr Mike Grey	274,683	-	-	-	-	-	274,683
Mr Paul Brown[1]	-	-	-	-	-	-	-
Executives							
Mr Gary Reid	138,983,058	-	-	-	-	-	138,983,058
Mr Michael Kenyon	750,000	-	(250,000)	-	-	-	500,000

[1] Mr Brown resigned as non-executive director on 25 October 2022

Remuneration report (continued)

Options held in Resource Development Group Ltd

2024	Opening balance	Options expired	Options granted	Closing balance
Directors				
Mr Andrew Ellison	5,131,357	2,077,922	-	3,053,435
Mr Mark Wilson	7,631,357	2,077,922	3,636,364	9,189,799
Mr Mike Grey	7,631,357	2,077,922	3,636,364	9,189,799
Executives				
Mr Gary Reid	3,053,435	-	-	3,053,435
Mr Michael Kenyon	763,458	-	-	763,458

2023	Opening balance	Options granted	Balance on resignation	Closing balance
Directors				
Mr Andrew Ellison	5,131,357	-	-	5,131,357
Mr Mark Wilson	5,131,357	2,500,000	-	7,631,357
Mr Mike Grey	5,131,357	2,500,000	-	7,631,357
Mr Paul Brown[1]	5,131,357	-	5,131,357	-

[1] Mr Brown resigned as non-executive director on 25 October 2022

Executives				
Mr Gary Reid	3,053,435	-	-	3,053,435
Mr Michael Kenyon	763,458	-	-	763,458

The terms and conditions attributable to the options issued during the year ended 30 June 2024 are as follows:

Spot price on grant date	$0.046
Exercise price	$0.047
Expiry date (length of time from issue)	3 years from date of issue
Risk fee interest rate	4.19%
Volatility	50%

Performance Rights

2024	Opening balance	Rights granted	Rights cancelled	Closing balance
Managing Director FY23	-	4,041,020	-	4,041,020
Managing Director FY24	-	13,303,769	-	13,303,769
Key Management Personnel FY23	-	3,284,388	-	3,284,388

Remuneration report (continued)

Managing Director FY23 and FY24 Performance Rights

At the Company's 2023 Annual General Meeting, shareholders approved the issue of 17,344,789 Performance Rights to the Company's Managing Director, Mr Andrew Ellison (or his nominee) under the Company's Incentive Awards Plan, with:

a) 4,041,020 Performance Rights to be issued in satisfaction of Mr Ellison's performance for the financial year ended 30 June 2023 (FY23 Performance Rights); and

b) 13,303,769 Performance Rights to be issued as a long-term incentive tied to Mr Ellison's and the Company's performance for the financial year ending 30 June 2024 (FY24 Performance Rights).

The FY23 Performance Rights and FY24 Performance Rights have a nil issue price and once vested can be exercised for nil cost into Shares on a one for one basis. The FY23 Performance Rights will expire three years after issue and the FY24 Performance Rights will expire four years after issue.

The FY23 Performance Rights:

a) represent settlement of the STI portion of Mr Ellison's FY23 compensation to which he is entitled which was assessed by the Board and has an associated cost of $182,250. The number of FY23 Performance Rights was determined by dividing this value by the 20-day VWAP Share price to 6 October 2023 (VWAP Share Price); and

b) will vest subject to Mr Ellison remaining Managing Director of the Company until 30 June 2025.

The FY24 Performance Rights are subject to vesting conditions tied to Mr Ellison's and the Company's FY24 performance. These are as follows:

1. Sustainability (20% weighting);
2. Strategic growth targets (30% weighting);
3. Financial management (30% weighting); and
4. Organisational culture (20% weighting).

The Board will assess achievement against various vesting conditions following release of the Company's FY24 audited accounts and determine the percentage of FY24 Performance Rights that are capable of vesting. This percentage will then vest subject to Mr Ellison remaining Managing Director of the Company until 30 June 2026.

Key Management Personnel (KMP) FY23 Performance Rights

KMP were issued with performance rights as part of their overall salary package, to incentivise both performance and tenure with the Company. The performance rights were issued to the Director, Construction and the Chief Financial Officer for the FY23 year.

These performance rights represent 35% of their respective base salary/fees for the FY22 year, with an effective grant date of 8 December 2022.

The FY23 Performance Rights are subject to vesting conditions tied to the KMP's and the Company's FY23 performance. These are as follows:

1. Tenure (3 years from start for FY23) (30% weighting);
2. EBITDA @ 90% of FY23 Budget (25% weighting);
3. Safety and Environmental (15% weighting); and
4. Personal performance (30% weighting).

The FY23 Performance Rights will vest on 30 June 2025.

Remuneration report (continued)

Details of employee share option plans

Under the terms of the plan, the Board may offer free options to persons ("Eligible Persons") who are full-time or part-time employees (including a person engaged by the Company under a consultancy agreement); or Directors of the Company or any subsidiary based on several criteria including contribution to the Company, period of employment, potential contribution to the Company in the future and other factors the Board considers relevant. Upon receipt of such an offer, the Eligible Person may nominate an associate to be issued with the options. The maximum number of options issued under the Plan at any one time is 5% of the total number of Shares on issue in the Company provided that the Board may increase this percentage, subject to the Corporations Act and the Listing Rules.

Each option entitles the holder, on exercise, to one ordinary fully paid share in the Company. There is no issue price for the options. The exercise price for the options will be such price as determined by the Board (in its discretion) on or before the date of issue provided that in no event shall the exercise price be less than 80% of the weighted average sale price of Shares sold on ASX during the five Business Days prior to the date of issue.

Shares issued on exercise of options will rank equally with other ordinary shares of the Company. Options may not be transferred other than to a nominee of the holder. Quotation of options on ASX will not be sought. However, the Company will apply to ASX for official quotation of Shares issued on the exercise of options.

An option may only be exercised after that option has vested and any other conditions imposed by the Board on exercise satisfied. The Board may determine the vesting period (if any). An option will lapse upon the first to occur of the expiry date, the holder acting fraudulently or dishonestly in relation to the Company, the employee ceasing to be employed by the Company or on certain conditions associated with a party acquiring a 90% interest in the Shares of the Company.

If, in the opinion of the Board any of the following has occurred or is likely to occur, the Company entering a scheme of arrangement, the commencement of a takeover bid for the Company's Shares, or a party acquiring a sufficient interest in the Company to enable them to replace the Board, the Board may declare an option to be free of any conditions of exercise. Options which are so declared may, subject to the lapsing conditions set out above, be exercised at any time on or before their expiry date and in any number.

There are no participating rights or entitlements inherent in the options and option holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the options. However, the Company will ensure that the record date for determining entitlements to any such issue will be at least six Business Days after the issue is announced. Option holders shall be afforded the opportunity to exercise all options which they are entitled to exercise pursuant to the Plan prior to the date for determining entitlements to participate in any such issue.

If the Company makes an issue of shares to Shareholders by way of capitalisation of profits or reserves ("Bonus Issue"), each option holder holding any options which have not expired at the time of the record date for determining entitlements to the Bonus Issue shall be entitled to participate in the Bonus Issue by exercising their options before the record date determining entitlements under the Bonus Issue. They will then be issued the shares under the Bonus Issue in addition to the Shares which he or she is otherwise entitled to have issued to him or her upon such exercise.

The Bonus Shares will be paid by the Company out of profits or reserves (as the case may be) in the same manner as was applied in relation to the Bonus Issue and upon issue rank pari passu in all respects with the other Shares issued upon exercise of the options. In the event of any reconstruction (including a consolidation, subdivision, reduction or return) of the issued capital of the Company prior to the expiry of any options, the number of options to which each option holder is entitled or the exercise price of his or her options or both or any other terms will be reconstructed in a manner determined by the Board which complies with the provisions of the Listing Rules.

Under current taxation laws any taxation liability in relation to the options, or the Shares issued on exercise of the options, will fall on the participants. The Company will not be liable to fringe benefits tax in relation to options or Shares issued under the Plan.

Although Directors are eligible to be offered options under the Plan, this first requires specific shareholder approval due to the requirements of the ASX Listing Rules and the Corporations Act 2001.

Related Party disclosures

(a) Lease agreements

The Company has entered into a lease agreement for rental premises with the following shareholder related entities:

Grisam Investments Pty Ltd as trustee for the Grisam Property Trust
Allmont Pty Ltd as trustee for the Allmont Trust (Andrew Ellison, Gary Reid as trustee for the Gary Reid Family Trust, and other non-related parties.
The lease for the property located in Newman, Western Australia commenced on 1 October 2014 with a termination date of 30 September 2019. The lease has been on a rolling month-by-month arrangement since that date until 1 March 2024, when a new lease agreement was entered in to. The owners of the property had spent a considerable of money to refurbish and upgrade the property. The terms of the new lease agreement have been assessed to be on an arm's length basis.

Remuneration report (continued)

Rental payments made for the year 1 July 2023 to 30 June 2024 were $257,668 (2023: $210,000). At balance date, $Nil (2023: $Nil) was payable to Grisam Investments Pty Ltd.

(b) Transactions with parent entity (Mineral Resources Limited - MRL)

The Group had the following transactions with MRL during the year ended 30 June 2024:
• The Group invoiced project work to MRL in the sum of $73,844,624 (30 June 2023: $25,083,845)
• MRL invoiced services and equipment in relation to the Group's Lucky Bay Garnet Project in the sum of $25,300,823 (30 June 2023: $32,157,261)
• MRL advanced the Group $Nil by way of cash (30 June 2023: $8,934,415)
• The Company occupies office space at a building located at 14 Walters Drive, Osborne Park. The building is leased by Mineral Resources Limited, and the Company currently has no formal lease agreement in place. The Company has been paying monthly rent of $12,901 with effect from 1 July 2022.

On 30 June 2024, the Company had the following trade receivables balances with MRL subsidiaries as follows:

Crushing Services International Pty Ltd - $17,826,174
Process Minerals International - $33,336

The Group entered into a secured loan of $35 million with Mineral Resources Limited (MRL) in June 2020. The loan has a 5-year term with an interest rate of 8.125% per annum. The loan is secured by a general security agreement over the assets of the subsidiary, Comcen Pty Ltd and Resource Development Group Limited as well as a mining mortgage over Comcen's mineral assets.

On 17 June 2021, the Company executed a variation to the Loan Agreement described above. In this variation, MRL agreed to extend the advance to $60 million and allocate the funds to the development of the Company's Lucky Bay Garnet project.

On 30 June 2023, the loan limit was further extended to $100 million, to capture among other things, the capital expenditure required to complete the wind turbine installation. The commencement of principal repayments was also extended out to commence on 30 September 2024.

On 30 June 2024, the loan limit was further extended to $125 million, to capture among other things capital expenditure required to complete some of the modification works to the Company's Lucky Bay plant. The commencement of principal repayments was also extended out to commence on 30 September 2025.

On 30 June 2024, an amount of $117,100,190 (30 June 2023: $91,899,367) was drawn. There has been no interest accrued or payable on the loan from its inception until 30 June 2024.

This concludes the remuneration report, which has been audited

Directors' Meetings

The number of meetings of directors (including meetings of committees of directors) held during the year and the number of meetings attended by each director was as follows:

	Directors' Meetings	Eligible to attend	Audit Committee*	Remuneration Committee*
Number of meetings held:	11	11	-	-
Number of meetings attended:				
Mr Andrew Ellison	11	11	-	-
Mr Mark Wilson	11	11	-	-
Mr Mike Grey	10	11	-	-

given the size of the Board and the Company, the directors also fulfilled the roles required in the committees

Proceedings on behalf of the Group

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Group, or to intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings.

Auditor Independence and Non-Audit Services

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the directors of the Company with an Independence Declaration in relation to the audit of the financial report. This Independence Declaration is set out on page 21 and forms part of this directors' report for the year ended 30 June 2024.

Non-Audit Services

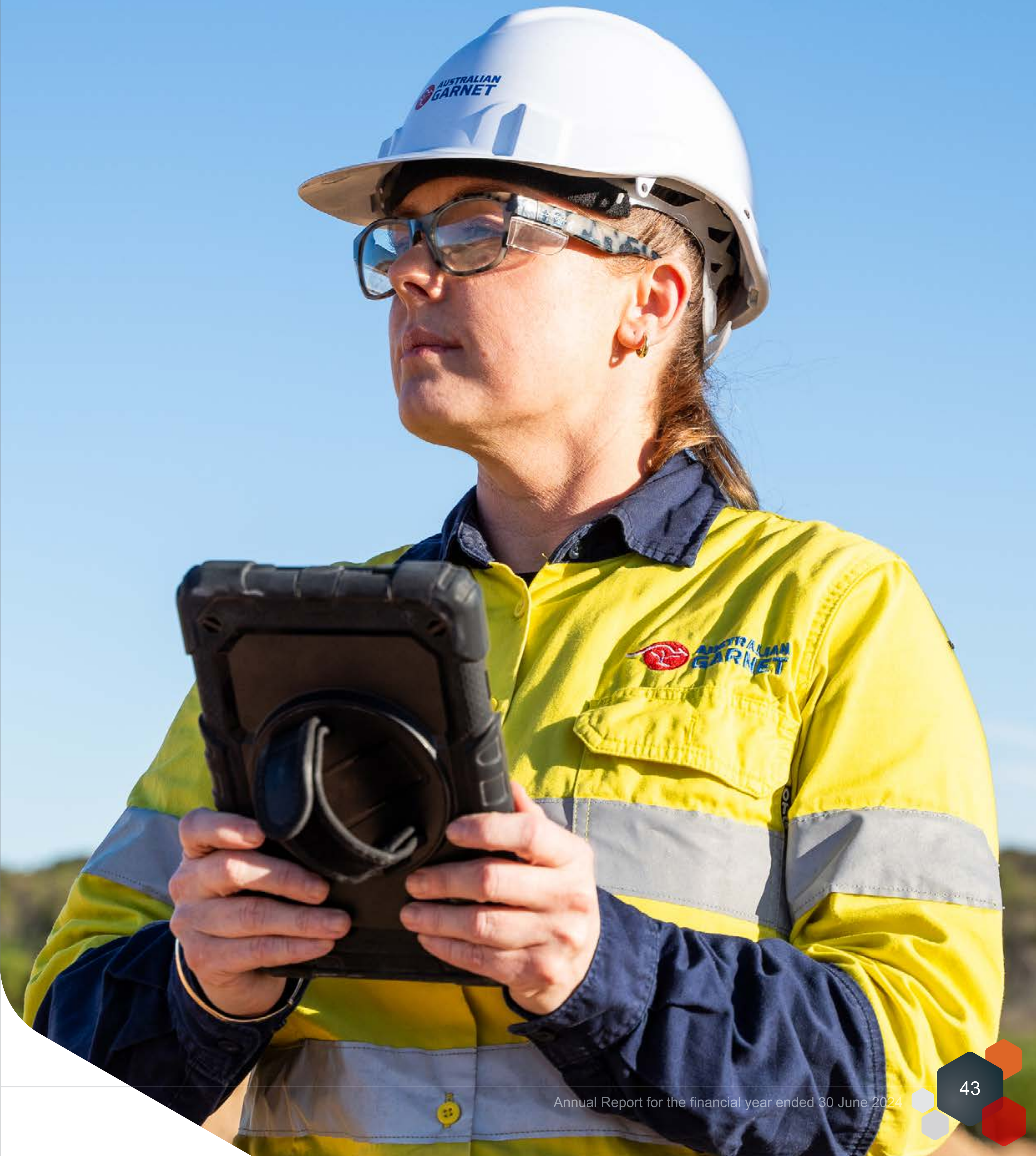
The Directors review any non-audit services to be provided to ensure they are compatible with the general standard for independence for auditors imposed by the Corporations Act 2001.

During the year, HLB Mann Judd did not provide any non-audit services to the Group.

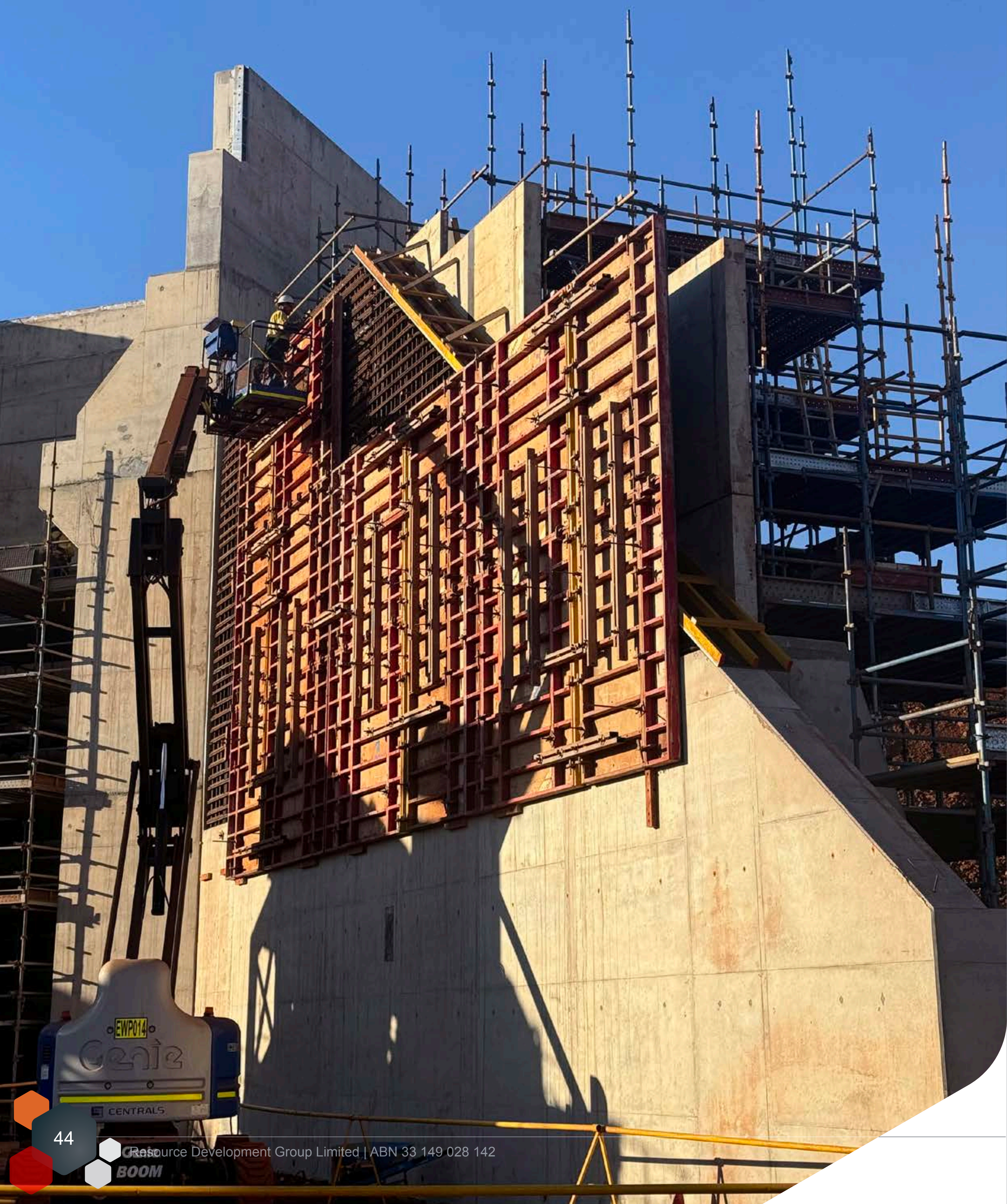
Signed in accordance with a resolution of the directors.

Mr Andrew Ellison
Managing Director
Perth, Western Australia
29 August 2024

People are important to our business and its been a busy year for all of us. Congratulations to Michael Kenyon and our entire finance and administration team.



Centrals has completed the Ken's Bore primary crusher concrete works safely and to a high standard. Well done to Gary Reid and the entire team.



AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Resource Development Group Limited for the year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b) any applicable code of professional conduct in relation to the audit.

David Healy

Perth, Western Australia
29 August 2024

D B Healy
Partner

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2024

	Notes	Consolidated 30 June 2024 $	 30 June 2023 $
Continuing operations			
Revenue	2(a)	136,180,709	55,668,562
Other income	2(b)	202,871	3,322,092
(Loss)/Profit on sale of assets		(77,605)	74,846
Cost of sales		(53,643,998)	(15,332,299)
Employee benefits expense		(39,375,434)	(18,930,093)
Depreciation and amortisation expense	2(c)	(2,812,034)	(1,594,500)
Finance costs		(470,327)	(278,514)
Share-based payments	2(c)	(310,563)	(123,000)
Other expenses	2(c)	(14,323,456)	(2,742,082)
Profit before income tax		25,370,163	20,065,012
Income tax (expense)/benefit	3	(7,976,558)	(6,265,395)
Profit after income tax from continuing operations		17,393,605	13,799,617
Other comprehensive income for the year, net of income tax		-	-
Total comprehensive income for the year from continuing operations		17,393,605	13,799,617
Discontinued operations			
Loss before tax from discontinued operations		(6,825)	(102,153)
Income tax benefit	3	-	17,456
(Loss)/profit after tax from discontinued operations		(6,825)	(84,697)
Net profit for the year		**17,386,780**	**13,714,920**
Total profit/(loss) for the year is attributable to:			
Non-controlling interests		(1,364)	(16,940)
Owners of Resource Development Group Ltd		17,388,144	13,731,860
		17,386,780	**13,714,920**
Total comprehensive income/(loss) for the year is attributable to:			
Non-controlling interests		(1,364)	(16,940)
Owners of Resource Development Group Ltd		17,388,144	13,731,860
		17,386,780	**13,714,920**
Earnings per share for the period attributable to the members of Resource Development Group Ltd			
Basic earnings per share (¢ per share) – continuing operations	5	0.60	0.48
Basic earnings per share (¢ per share)	5	0.60	0.48
Diluted earnings per share (¢ per share) – continuing operations	5	0.60	0.48
Diluted earnings per share (¢ per share)	5	0.60	0.48

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2024

		Consolidated	
		2024	2023
Assets	Notes	$	$
Current assets			
Cash and cash equivalents	6	8,317,566	3,923,482
Trade and other receivables	7	23,779,931	7,159,026
Current tax assets	3	18,518	-
Inventories	8	9,464,136	6,860,517
Total current assets		41,580,151	17,943,025
Non-current assets			
Property, plant and equipment	10	16,257,012	15,419,735
Deferred exploration and evaluation expenditure	11	29,178,127	28,374,317
Intangible assets	9	3,889,198	-
Development expenditure	12	227,574,907	173,185,228
Deferred tax assets	3	34,418,651	1,564,527
Total non-current assets		311,317,895	218,543,807
Total assets		352,898,046	236,486,832
Liabilities			
Current liabilities			
Trade and other payables	13	35,122,768	15,635,389
Hire purchase liabilities	14	2,307,660	2,241,412
Current tax liabilities	3	-	888,019
Provisions	16	3,982,707	1,745,938
Total current liabilities		41,413,135	20,510,758
Non-current liabilities			
Hire purchase liabilities	14	2,788,419	3,242,009
Trade and other payables	13	200,000	400,000
Borrowings	15	117,200,190	91,899,367
Provisions	16	3,388,756	3,378,350
Deferred tax liabilities	3	55,045,960	9,831,428
Total non-current liabilities		178,623,325	108,751,154
Total liabilities		220,036,460	129,261,912
Net assets		**132,861,586**	**107,224,920**
Equity			
Contributed equity	17	77,990,375	74,990,375
Share-based payments reserve	19	1,283,563	973,000
Capital contribution reserve	20	8,479,463	3,540,140
Retained earnings		45,128,519	27,740,375
Equity attributable to owners of the parent		132,881,920	107,243,890
Non-controlling interests	28	(20,334)	(18,970)
Total equity		**132,861,586**	**107,224,920**

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2024

Consolidated	Note	Contributed equity	Retained earnings	Share-based payments reserve	Capital Contribution Reserve	Attributable to the owners of the parent	Non-controlling interest	Tota equi
Balance as at 1 July 2022		74,990,375	14,008,515	850,000	-	89,848,890	(2,030)	89,84
Profit for the year		-	13,731,860	-	-	13,731,860	(16,940)	13,71
Other comprehensive income		-	-	-	-	-	-	
Total comprehensive income for the year		-	13,731,860	-	-	13,731,860	(16,940)	13,71
Transactions with owners in their capacity as owners:								
Share-based payments		-	-	123,000	-	123,000	-	12
Fair value adjustment to parent entity borrowings		-	-	-	3,540,140	3,540,140	-	3,54
Funds held in trust		-	-	-	-	-	1,431,819	1,43
Dividend to MSA vendors		-	-	-	-	-	(1,431,819)	(1,431
Balance at 30 June 2023		74,990,375	27,740,375	973,000	3,540,140	107,243,890	(18,970)	107,22
Balance as at 1 July 2023		74,990,375	27,740,375	973,000	3,540,140	107,243,890	(18,970)	107,22
Profit for the year		-	17,388,144	-	-	17,388,144	(1,364)	17,38
Other comprehensive income		-	-	-	-	-	-	
Total comprehensive income for the year		-	17,388,144	-	-	17,388,144	(1,364)	17,38
Transactions with owners in their capacity as owners:								
Issue of shares	30	3,000,000	-	-	-	3,000,000	-	3,00
Share-based payments		-	-	310,563	-	310,563	-	31
Fair value adjustment to parent entity borrowings, net of deferred tax expense		-	-	-	4,939,323	4,939,323	-	4,93
Balance at 30 June 2024		77,990,375	45,128,519	1,283,563	8,479,463	132,881,920	(20,334)	132,86

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

	Notes	Consolidated 2024 $	Consolidated 2023 $
Cash flows from operating activities			
Receipts from customers		138,510,116	51,950,943
Payments to suppliers and employees		(104,852,403)	(46,140,404)
Interest received		202,755	195,189
Finance costs paid		(401,214)	(67,945)
Income tax (paid)/ receipts		-	(242,329)
Other receipts		-	117,230
GST (paid)/received		(84,748)	3,383,428
Net cash inflow from operating activities	6(ii)	33,374,506	9,196,112
Cash flows from investing activities			
Cash acquired on acquisition of a subsidiary	30	29,265	-
Purchase of property, plant and equipment		(3,611,629)	(1,676,718)
Proceeds from sale of property, plant and equipment		17,555	107,074
Payments for development expenditure		(21,691,758)	(25,203,758)
Payments for deferred exploration expenditure		(210,444)	(606,072)
Payment for acquisition of Peloton Resources	30	(1,000,000)	-
Net cash outflow from investing activities		(26,467,011)	(27,379,474)
Cash flows from financing activities			
Loan from ultimate parent entity	6(iii)	-	8,934,415
Repayment of hire purchase liabilities	6(iii)	(2,513,411)	(2,197,276)
Receipts of funds held in trust, net of tax settlements		-	1,431,819
Payment of dividend to MSA vendors		-	(1,431,819)
Net cash (outflow)/inflow from financing activities		(2,513,411)	6,737,139
Net increase in cash held		4,394,084	(11,446,223)
Cash and cash equivalents at the beginning of the period		3,923,482	15,369,705
Cash and cash equivalents at the end of the period	6(i)	8,317,566	3,923,482

The accompanying notes form part of these financial statements

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

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

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 1 (aa).

(a) Adoption of new and revised standards

Standards and Interpretations applicable to 30 June 2024
In the year ended 30 June 2024, the Directors have reviewed all the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the current annual reporting period.

The Directors have determined that there is no material impact of revised Standards on the Group and, therefore, no material change is necessary to Group accounting policies.

New Accounting standards and interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2024. The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

(b) Statement of compliance

The financial report was authorised for issue 29 August 2024.

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

(c) Basis of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Resource Development Group Limited ('Company' or 'parent entity') as at 30 June 2024 and the results of all subsidiaries for the year then ended. Resource Development Group Limited and its subsidiaries are referred to in this financial report as the Group or the consolidated entity.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Control exists where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing when the Group controls another entity.

Business combinations are accounted for using the acquisition method of accounting (refer note 1(h)).

Unrealised gains or transactions between the Group and its associates are eliminated to the extent of the Group's interests in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (continued)

When the Group ceases to have control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint controlled entity or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(d) Going concern

The financial statements are prepared on a going concern basis.

At balance date, the Group had a working capital surplus of $167,016 (2023: $2,567,733 deficit) and cash balances of $8,317,566 (2023: $3,923,482). The Company's parent entity, Mineral Resources Limited (MRL), has provided an assurance that a $125m loan facility will be provided to complete the construction and development of the Company's Lucky Bay garnet project and associated renewables infrastructure. The facility was drawn to $117.1m (30 June 2023: $91.9m) as at year-end. Prior to year-end, a variation to the first repayment date of the loan was agreed to by MRL and the Company, which will extend the first repayment date out to September 2025. All other terms of the loan remain the same. Further discussions may be held at a later date to extend the repayment date should that be required. MRL will not request that the loan be repaid until such time as the Lucky Bay Garnet Project transitions to commercial production and generates positive cashflows. Please refer to Note 15: Borrowings for further detail.

The Board considers that based on its assessment of operating cash flows it is appropriate in the Group's current circumstances to prepare its financial statements on a going concern basis.

(e) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Resource Development Group Limited.

(f) Revenue from Contracts with customers

Revenue arises mainly from the provision of contracting services. The Group generates revenue largely in Australia.

To determine whether to recognise revenue, the Group follows a 5-step process:

1 Identifying the contract with a customer
2 Identifying the performance obligations
3 Determining the transaction price
4 Allocating the transaction price to the performance obligations
5 Recognising revenue when/as performance obligation(s) are satisfied.

The revenue and profits recognised in any period are based on the delivery of performance obligations and an assessment of when control is transferred to the customer.

In determining the amount of revenue and profits to record, and related statement of financial position items (such as contract fulfilment assets, capitalisation of costs to obtain a contract, trade receivables, accrued income and deferred income) to recognise in the period, management is required to form a number of key judgements and assumptions. This includes an assessment of the costs the Group incurs to deliver the contractual commitments and whether such costs should be expensed as incurred or capitalised.

Revenue is recognised either when the performance obligation in the contract has been performed, so 'point in time' recognition or 'over time' as control of the performance obligation is transferred to the customer.

Transaction price

At contract inception the total transaction price is estimated, being the amount to which the Group expects to be entitled and has rights to under the present contract.

The transaction price does not include estimates of consideration resulting from change orders for additional goods and services unless these are agreed.

Once the total transaction price is determined, the Group allocates this to the identified performance obligations in proportion to their relative stand-alone selling prices and recognises revenue when (or as) those performance obligations are satisfied.

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (continued)

(f) Revenue from Contracts with customers (continued)

For each performance obligation, the Group determines if revenue will be recognised over time or at a point in time. Where the Group recognises revenue over time for long term contracts, this is in general due to the Group performing and the customer simultaneously receiving and consuming the benefits provided over the life of the contract.

For each performance obligation to be recognised over time, the Group applies a revenue recognition method that faithfully depicts the Group's performance in transferring control of the goods or services to the customer. This decision requires assessment of the real nature of the goods or services that the Group has promised to transfer to the customer. The Group applies the relevant output or input method consistently to similar performance obligations in other contracts.

When using the output method, the Group recognises revenue on the basis of direct measurements of the value to the customer of the goods and services transferred to date relative to the remaining goods and services under the contract. Where the output method is used, in particular for long term service contracts where the series guidance is applied, the Group often uses a method of time elapsed which requires minimal estimation. Certain long-term contracts use output methods based upon estimation of number of users, level of service activity or fees collected.

If performance obligations in a contract do not meet the over time criteria, the Group recognises revenue at a point in time. This may be at the point of physical delivery of goods and acceptance by a customer or when the customer obtains control of an asset or service in a contract with customer-specified acceptance criteria.

Refer to Note 1(m) for further consideration of revenue recognition.

Performance obligations

The nature of contracts or performance obligations categorised within this revenue type includes (i) design/construct an asset on a mine site, (ii) provide agreed services on a rates basis and (iii) construct a residential dwelling.

The service contracts in this category include contracts with either a single or multiple performance obligations.

The Group considers that the services provided meet the definition of a series of distinct goods and services as they are (i) substantially the same and (ii) have the same pattern of transfer (as the series constitutes services provided in distinct time increments (e.g. monthly or annual services)) and therefore treats the series as one performance obligation.

Contract assets and contract liabilities

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

As a result of the contracts which the Group enters into with its customers, a number of different assets and liabilities are recognised on the Group's Statement of Financial Position. These include but are not limited to:

- Trade receivables
- Accrued income
- Deferred income

(i) Rendering of services

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at reporting date and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

(ii) Interest income

Interest revenue is recognised on a time proportionate basis that considers the effective yield on the financial asset.

(iii) Dividends

Dividends are recognised as revenue when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits. However, the investment may need to be consequently tested for impairment.

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (continued)

(g) Income tax

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 difference and to unused tax losses.

The current income tax charge is calculated based on the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate based on amounts expected to be paid to the tax authorities.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Deferred income tax is provided on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

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

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity or entities within a tax consolidated group and the same taxation authority.

Tax consolidation legislation

Resource Development Group Limited and its 100% owned subsidiaries, Central Systems Pty Ltd, Concrete Construction (W.A.) Pty Ltd, Australian Garnet Pty Ltd and Mn Battery Minerals Pty Ltd (formerly Comcen Pty Ltd) have implemented the tax consolidation legislation. See Note 3 for further information on how the Group accounts for income tax consolidation.

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (continued)

(h) Business combinations

The acquisition method of accounting is used to account for all business combinations, including business combinations involving entities or business under common control, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair value of the assets transferred, the liabilities incurred, and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified as either equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

(i) Impairment of assets

The Group assesses at each balance date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each balance date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(j) Cash and cash equivalents

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (continued)

(k) Trade and other receivables

Trade receivables are measured on initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method, less any allowance for impairment. Trade receivables are generally due for settlement within 30 days.

The Group measures the loss allowance for trade and other receivables at an amount equal to lifetime expected credit loss. The expected credit losses on trade and other receivables are estimated with reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtor, general economic conditions of the industry in which the debtor operates and an assessment of both the current and the forecast direction of conditions at the reporting date.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery; for example, when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier.

The impairment allowance is set equal to the difference between the carrying amount of the receivable and the present value of estimated future cash flows, discounted at the original effective interest rate. Where receivables are short-term discounting is not applied in determining the allowance.

The amount of the impairment loss is recognised in the statement of comprehensive income within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the statement of profit or loss and other comprehensive income.

(l) Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition is accounted for as follows:

Raw materials – purchase cost on a first-in, first-out basis; and

Finished goods and work-in-progress – cost of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs.

(m) Work in Progress

Work in progress is measured at cost, plus profit recognised to date less any provision for anticipated future losses. Cost includes both variable and fixed costs relating to specific contracts, and those costs that are attributable to the contract activity in general and that can be allocated on a reasonable basis.

Profits are recognised using the input method on the basis of the Group's estimates on inputs to the satisfaction of a performance obligation relative to the total expected inputs to the satisfaction of that performance obligation.

Revenue has been recognised on the basis of the terms of the contract adjusted for any variations or claims allowable under the contract.

(n) Property, plant, and equipment

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation.

Depreciation is calculated on a reducing balance basis over the estimated useful life of the assets as follows:

Plant and equipment – over 2 to 20 years

Motor Vehicle – over 4 to 6 years

Leasehold improvements – over 10 to 13 years

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (continued)

(n) Property, plant, and equipment (continued)

Derecognition and disposal

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

(o) Intangible assets

Intangible assets acquired separately

Intangible assets acquired separately are recorded at cost less accumulated amortisation and impairment. Amortisation is charged on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method is reviewed at the end of each annual reporting period, with any changes in these accounting estimates being accounted for on a prospective basis.

Internally generated intangible assets

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Where no internally generated intangible asset can be recognised, development expenditure is recognised as an expense in the period as incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- The intention to complete the intangible asset and use or sell it;
- The ability to use or sell the intangible asset;
- How the intangible asset will generate probable future economic benefits;
- The availability of adequate technical, financial and other resources to complete development and to use or sell the intangible asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

The following useful lives are used in the calculation of amortisation:

Intellectual Property	20 years
Patents	Life of the Patent

(p) Trade and other payables

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. Trade and other payables are presented as current liabilities unless payment is not due within 12 months.

(q) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (continued)

(q) Provisions (continued)

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as separate assets but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

Provisions are measured at the present value or management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as an interest expense.

(r) Restoration and rehabilitation

A provision for restoration and rehabilitation is recognised when there is a present obligation as a result of development activities undertaken, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the provision can be measured reliably. The estimated future obligations include the costs of abandoning sites, removing facilities and restoring the affected areas.

The provision for future restoration costs is the best estimate of the present value of the expenditure required to settle the restoration obligation at the balance date. Future restoration costs are reviewed annually and any changes in the estimate are reflected in the present value of the restoration provision at each balance date.

The initial estimate of the restoration and rehabilitation provision is expensed in the statement of comprehensive income, or capitalised if asset recognition criteria are met. Changes in the estimate of the provision for restoration and rehabilitation are treated in the same manner. The unwinding of the effect of discounting on the provision is recognised as a finance cost.

(s) Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a new business are not included in the cost of acquisition as part of the purchase consideration.

(t) Earnings per share

Basic earnings/loss per share is calculated as net profit/loss attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings/loss per share is calculated as net profit/loss attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after-tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(u) Parent entity financial information

The financial information for the legal parent entity, disclosed in Note 23 has been prepared on the same basis as the consolidated financial statements, except as set out below.

(i) Investments in subsidiaries, associates and joint venture entities

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the financial statements of Resource Development Group Ltd. Dividends received from associates are recognised in the parent entity's profit or loss, rather than being deducted from the carrying amount of these investments.

(ii) Share-based payments

The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution to that subsidiary undertaking. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity.

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (continued)

(v) Leases

Finance Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are initially recognised at their fair value or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income, unless they are directly attributable to qualifying assets, in which case they are capitalised.

Finance lease assets are depreciated on a straight-line basis over the estimated useful life of the asset.

The Group currently does not have any AASB 16 leases.

(w) Share-based payment transactions

Equity settled transactions:

The Group provides benefits to employees (including directors and senior executives) of the Group in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

The cost of these equity-settled transactions with the grantees is measured by reference to the fair value of the equity instruments at the date at which they are granted.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Resource Development Group Limited (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each balance date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Group's best estimate of the number of equity instruments that 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.

The statement of comprehensive income charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

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

If 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 modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If 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 is reflected as additional share dilution in the computation of earnings per share (see Note 5).

(x) Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (continued)

(x) Financial instruments (continued)

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)
- equity instruments at fair value through other comprehensive income (FVOCI)
- debt instruments at fair value through other comprehensive income (FVOCI).

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

The classification is determined by both:

- the entity's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Subsequent measurement of financial assets

<u>Financial assets at amortised cost</u>

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets to collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method.

Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments as well as listed bonds that were previously classified as held-to-maturity under IAS 39.

Impairment of financial assets

Impairment uses forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'.

Instruments include loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under AASB 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The Group considers a broad range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Level 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Level 2').
- 'Level 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (continued)

(x) Financial instruments (continued)

Trade and other receivables and contract assets

The Group makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Group assess impairment of trade receivables on a collective basis as they possess shared credit risk characteristics they have been grouped based on the days past due.

Classification and measurement of financial liabilities

The Group's financial liabilities include borrowings, trade and other payables and derivative financial instruments.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

(y) Deferred Exploration Expenditure

Exploration and evaluation costs including costs of studies, exploratory drilling, trenching, and sampling and associated activities and an allocation of depreciation and amortisation of assets used in exploration and evaluation activities along with those for general and administrative costs are capitalised in the period they are incurred. Acquisition costs of acquiring are also capitalised until the viability of the area of interest is determined. Those acquisition costs are carried forward when the following conditions are satisfied:

(i) the rights to tenure of the area of interest are current; and

(ii) at least one of the following conditions is also met:

a) the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or

b) exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

(z) Development Expenditure

Development expenditure incurred by or on behalf of the Group is accumulated separately for each of interest in which economically recoverable resources have been identified. Such expenditure comprises cost directly attributable to the construction of a mine and the related infrastructure.

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (continued)

(z) Development Expenditure (continued)

Once a development decision has been taken, the carrying amount of the exploration and evaluation expenditure in respect of the area of interest is aggregated with the development expenditure and classified under non-current assets as development properties.

A development property is reclassified as a mining property at the end of the commissioning phase, when the mine is capable of operating in the manner intended by management.

Depreciation is charged using the units-of-production method, with separate calculations being made for each area of interest. The units-of-production basis results in a depreciation charge proportional to the depletion of proved, probable and estimated reserves. Development properties are tested for impairment in accordance with the policy on impairment of assets.

(aa) Critical accounting estimates and judgements

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences as management considers that it is probable that sufficient future tax profits will be available to utilise those temporary differences. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Options are valued using a Black-Scholes model.

Consideration of impairment of property, plant, and equipment

The Group considered the requirements of AASB 136 *Impairment of Assets*, and specifically whether an indicator of impairment existed in relation to the carrying value of the Group's property, plant and equipment. If such an indication exists, an impairment test is carried out on the asset by comparing the asset's carrying value to its estimated recoverable value, being the higher of their value less costs to sell and value in use. Value in use is determined based on the estimated cashflows that will be received from the asset discounted to their present value.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience, historical collection rates, the impact of the Coronavirus (COVID-19) pandemic and forward-looking information that is available. The allowance for expected credit losses, as disclosed in note 7, is calculated based on the information available at the time of preparation. The actual credit losses in future years may be higher or lower.

Discount rate on borrowings

During the year, the Company had a loan facility with a related party lender. As the terms were on an interest-free basis, the borrowings were required to be recognised at fair value on the initial recognition of these agreements.

An implied rate of 8.125% was used in this calculation which will result in a financial cost over the life of the facilities.

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (continued)

Exploration and evaluation costs

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

Restoration and rehabilitation provision

The Group's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. The Group recognises management's best estimate for asset retirement obligations in the period in which they are incurred. Actual costs incurred in the future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life of mine estimates and discount rates could affect the carrying amount of this provision.

Determining the beginning of commercial production

Judgement is required to determine when capitalisation of development costs ceases and amortisation of mine assets commences upon the start of commercial production. This is based on the specific circumstances of the project, and considers when the specific asset is substantially complete and becomes 'available for use' as intended by management which includes consideration of completion of reasonable testing of the mine plant and equipment, throughput levels at or near expected levels, the ability to produce garnet in saleable form and other factors such as cashflow. Based on these factors, it was determined that commercial production has yet to be achieved at the Company's Lucky Bay garnet plant.

Key assumptions used to determine recoverable amount

The table below summarises the key assumptions used in the assessment of the recoverable amount of the Company's Lucky Bay Garnet project under the Value-in-Use (VIU) method:

	Lucky Bay Garnet
Lucky Bay Garnet CGU carrying value ($m)	227.6
Headroom ($m)	57.1
Average price Garnet (AU$/dmt FOB Base Price)	372.54
Average A$:US$ foreign exchange rate	0.70
Ore to be mined (Mwmt)[1]	203.9
All-in cash cost (AU$/wmt)	245.99
Discount rate	10.50%

[1] Ore to be mined is derived from regularised resource model conversion and the application of tonnage and grade modifying factors. Final outcomes and economic limits are defined through a value maximising pit optimisation and strategic mine planning process.

Sensitivity Analysis

Lucky Bay Garnet

The Lucky Bay Garnet recoverable value was determined under the VIU method. The below movements in assumptions would, in isolation, result in the recoverable value being equal to the carrying value:

- A 5% decrease in the forecast price assumptions
- A 5% increase in the forecast operating cost assumptions
- An increase in the discount rate to 12.5%.

Typically, changes in any of the assumptions mentioned above would be accompanied by a change in another assumption, which may have an offsetting impact. Action is usually taken to respond to adverse changes in assumptions to mitigate the impact of any such change.

It is considered that there are no reasonably possible changes in other key assumptions underpinning the recoverable amount that, in isolation, would result in the recoverable amount being equal to the carrying value.

NOTE 2: REVENUE AND EXPENSES

	Consolidated	
	2024	2023
	$	$
(a) Revenue from contracts with customers		
Construction - rendering of services – over time	116,779,575	47,108,640
Mining - sale of goods – point in time	19,401,134	8,559,922
	136,180,709	55,668,562
(b) Other income		
Interest income	202,871	194,039
Interest loan forgiveness[1]	-	3,105,938
Other	-	1,500
Rental income	-	20,615
	202,871	3,322,092

[1] The Company's parent entity, Mineral Resources Ltd, forgave all interest accrued on the loan account with the Company, since inception of the loan to 31 December 2022.

	Consolidated	
	2024	2023
	$	$
(c) Expenses		
Depreciation and amortisation of non-current assets – continuing operations	2,812,034	1,594,500
	2,812,034	1,594,500
Short term rental expense	504,571	462,721
Share based payments expense (Note 18)	310,563	123,000

NOTE 3: INCOME TAX

	Consolidated	
	2024	2023
	$	$
Income tax recognised in profit or loss:		
The major components of tax expense are:		
Current tax (benefit)/expense – continuing operations	(890,495)	859,913
Current tax (benefit)/expense – discontinued operations	-	31,028
Current tax	(890,495)	890,941
Deferred tax (income) relating to the origination and reversal of temporary differences – continuing operations	8,867,680	5,281,477
Deferred tax (income) relating to the origination and reversal of temporary differences – discontinued operations	-	(48,484)
Deferred tax	8,867,680	5,232,993
Deferred tax (income) adjustments relating to the origination and reversal of temporary differences in respect of prior years	-	162,297
Adjustments recognised in respect of prior years	(627)	(38,292)
Total tax expense	7,976,558	6,247,939
Tax expense from continuing operations	7,976,558	6,265,395
Tax benefit from discontinued operations	-	(17,456)

	Consolidated	
	2024	2023
	$	$
The prima facie income tax benefit on pre-tax accounting loss from operations reconciles to the income tax benefit in the financial statements as follows:		
Accounting profit before income tax	25,370,163	19,962,859
Income tax expense calculated at 30% (2021: 30%)	7,611,049	5,988,858
Add tax effect of:		
Entertainment	14,660	8,592
Share based payments	93,169	36,900
Other net assessable income	9,013	15,207
Adjustments recognised in respect of prior years	-	141,912
Tax losses not recognised	-	56,470
Acquisitions	248,665	-
Income tax expense reported in the statement of profit or loss and other comprehensive income	7,976,556	6,247,939
Tax expense from continuing operations	7,976,556	6,265,395
Tax benefit from discontinued operations	-	(17,456)

The tax rate used in the above reconciliation is the corporate tax rate of 30% (2023: 30%) payable by Australian corporate entities on taxable profits under Australian tax law.

NOTE 3: INCOME TAX (continued)

	Consolidated	
	2024	2023
	$	$
Income tax recognised in equity:		
Deferred tax expense on fair value adjustment to parent entity borrowings	3,492,725	-

Current tax assets/(liabilities) comprise:		
Net income tax receivable/(payable)	18,518	(888,019)
Deferred tax assets comprise:		
Provisions – employee benefits	1,949,394	1,562,273
Tax losses	32,469,257	-
Blackhole expenditure and borrowing costs	-	2,254
	34,418,651	1,564,527
Deferred tax liabilities comprise:		
Prepayments	57,277	152,031
Stock on hand	88,337	27,259
Development and exploration expenditure	52,266,183	7,202,114
Depreciable property, plant and equipment	2,634,163	2,450,024
	55,045,960	9,831,428
Net	(20,627,309)	(8,266,901)

The Group has capital losses of approximately $11,562,407 arising in Australia (2023: $11,562,407) that are available indefinitely for offset against future capital gains of the tax consolidated group, subject to satisfying the relevant company loss provisions. No deferred tax asset has been recognised for capital losses as it is not probable that capital gains will be available against which the carried forward capital losses can be utilised.

NOTE 3: INCOME TAX (continued)

Reconciliation of net deferred tax assets/(liabilities):

	Consolidated				
2024	Opening balance $	Change in tax rate $	Charged to income $	Charged to equity $	Closing balance $
Temporary differences	(177,036)	-	31,422	-	(145,614)
Property, plant and equipment	(2,450,024)	-	3,308,586	(3,492,725)	(2,634,163)
Provisions	1,562,273	-	387,121	-	1,949,394
Development and exploration expenditure	(7,202,114)	-	(45,064,069)	-	(52,266,183)
Tax losses carried forward	-	-	32,469,257	-	32,469,257
	(8,266,901)	-	(8,867,683)	(3,492,725)	(20,627,309)

	Consolidated				
2023	Opening balance $	Change in tax rate $	Charged to income $	Charged to equity $	Closing balance $
Temporary differences	92,875	-	(269,911)	-	(177,036)
Property, plant and equipment	(1,652,330)	-	(797,694)	-	(2,450,024)
Provisions	528,401	-	1,033,872	-	1,562,273
Development and exploration expenditure	(3,648,100)	-	(3,554,014)	-	(7,202,114)
Tax losses carried forward	1,787,160	-	(1,787,160)	-	-
	(2,891,994)	-	(5,374,907)	-	(8,266,901)

Tax consolidation

Effective 1 July 2011, for the purposes of income taxation, Resource Development Group Limited and its 100% owned Australian resident subsidiaries formed a tax consolidated group. Central Systems Pty Ltd joined the tax consolidated group as a subsidiary member on 3 October 2014. Australian Garnet Pty Ltd and Mn Battery Minerals Pty Ltd (formerly Comcen Pty Ltd) both also joined the tax consolidated group during FY21. RDG Technologies Pty Ltd and Concrete Construction (W.A.) Pty Ltd joined the tax consolidated group during FY22 and FY23, respectively.

The members of the Group have entered into a tax sharing arrangement in order to allocate income tax expense to the wholly owned subsidiaries on a pro-rata basis. The agreement provides for the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. The head entity of the tax consolidated group is Resource Development Group Limited. No amounts have been recognised in the financial statements in respect of this agreement on the basis that the possibility of default is remote.

Tax effect accounting by members of the tax consolidated group

The head entity and the controlled entities in the tax consolidated group continue to account for their own current and deferred tax amounts. The Group has applied the group allocation approach in determining the appropriate amount of current taxes and deferred taxes to allocate to members of the tax consolidated group. The current and deferred tax amounts are measured in a systematic manner that is consistent with the broad principles in AASB 112 *Income Taxes*.

In addition to its own current and deferred tax amounts, the head entity also recognises current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group.

Franking credits

The Group has franking credits of $4,053,977 as at 30 June 2024 (2023: $4,326,827) to attach to future dividends declared by the Company. The franking credits of the subsidiaries are assumed by Resource Development Group Limited as the head company of the tax consolidated group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

NOTE 4: SEGMENT REPORTING

AASB 8 *Operating Segments* requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Chief Operating decision maker in order to allocate resources to the segment and to assess its performance.

Information regarding these segments is presented below. The accounting policies of the reportable segments are the same as the Group's accounting policies. The following tables are an analysis of the Group's revenue and results by reportable segment provided to the Board for the year ended 30 June 2024 and 30 June 2023.

30 June 2024	Construction $	Discontinued Operations (Contracting) $	Mining $	Other $	Corporate $	Consolidated $
Revenue and other income	116,779,575	-	19,401,134	-	-	136,180,709
Profit/(loss) before income tax	23,319,638	(6,825)	7,795,273	(2,219,770)	(3,524,978)	25,363,338
Income tax (expense)/benefit	-	-	-	-	(7,976,558)	(7,976,558)
Profit/(loss) after income tax	23,319,638	(6,825)	7,795,273	(2,219,770)	(11,501,536)	17,386,780
Interest revenue	167,524	451	32,783	2,564	-	203,322
Interest expense	399,246	-	34,942	-	-	434,188
Depreciation & amortisation	2,203,928	-	-	608,106	-	2,812,034
Segment assets	45,794,676	16,971	259,784,541	5,409,850	41,892,008	352,898,046
Segment liabilities	34,351,889	-	127,873,524	64,556	57,746,491	220,036,460
Acquisition of non-current assets	3,711,238	-	55,440,257	4,021,562	-	63,173,057

30 June 2023	Construction $	Discontinued Operations (Contracting) $	Mining $	Other $	Corporate $	Consolidated $
Revenue and other income	46,292,403	97,766	8,569,525	673	3,128,053	58,088,420
Profit/(loss) before income tax	17,851,264	(102,153)	3,494,730	(11,604)	(1,269,378)	19,962,859
Income tax (expense)/benefit	-	17,456	-	-	(6,265,395)	(6,247,939)
Profit/(loss) after income tax	17,851,264	(84,697)	3,494,730	(11,604)	(7,534,773)	13,714,920
Interest revenue	183,763	1,150	9,603	673	-	195,189
Interest expense	260,603	-	17,025	-	886	278,514
Depreciation & amortisation	1,594,500	-	-	-	-	1,594,500
Segment assets	15,925,746	23,797	213,286,016	2,065,922	5,185,351	236,486,832
Segment liabilities	16,724,187	-	101,766,269	54,803	10,716,653	129,261,912
Acquisition of non-current assets	4,031,331	-	62,725,430	1,954,468	-	68,711,229

NOTE 4: SEGMENT REPORTING (continued)

Major Customers

The Group has one (2023: three) customer(s) to whom it provided services where the revenue from that/those customer(s) was in excess of 10% of the Group's revenue. The customer(s) generated 83% (2023: 74%) of the Group's revenue for the period.

NOTE 5: EARNINGS PER SHARE

	Consolidated	
	2024	2023
	Cents per share	Cents per share
Basic and diluted profit per share	0.60	0.48
Basic and diluted profit per share – continuing operations	0.60	0.48
Profit after income tax attributable to owners of Resource Development Group Ltd used to calculate basic profit per share	17,388,144	13,731,860
Profit after income tax attributable to owners of Resource Development Group Ltd used to calculate basic and diluted profit per share – continuing operations	17,393,605	13,799,617
	Number	Number
Weighted average number of ordinary shares for the purpose of basic profit per share	2,921,139,203	2,885,116,268
Weighted average number of ordinary shares for the purpose of diluted profit per share	2,921,139,203	2,912,389,946

NOTE 6: CASH AND CASH EQUIVALENTS

	Consolidated	
	2024	2023
	$	$
Cash at bank and on hand	8,317,566	3,923,482

Cash at bank earns interest at floating rates based on daily bank deposit rates.

Any security deposits are restricted cash used as collateral to obtain credit card facilities. These deposits are interest bearing and the interest is compounded and added to operating cash reserves.

(i) Reconciliation to the Statement of Cash Flows:

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash on hand and at bank and investments in money market instruments, net of outstanding bank overdrafts.

Cash and cash equivalents as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	2024	2023
	$	$
Cash and cash equivalents	8,317,566	3,923,482

NOTE 6: CASH AND CASH EQUIVALENTS (continued)

(ii) Reconciliation of net profit for the year to net cash flows from operating activities

	Consolidated	
	2024	2023
	$	$
Net profit for the year	17,386,780	13,714,920
Profit on sale or disposal of assets	77,605	(74,846)
Depreciation and amortisation	2,812,034	1,594,500
Equity settled share-based payment	310,563	123,000
Interest loan forgiveness	-	(3,105,938)
(Increase)/decrease in operating assets:		
Trade and other receivables	(16,620,905)	(2,427,928)
Inventories	(2,603,620)	(5,921,816)
Deferred tax	7,961,144	6,005,611
Increase/(decrease) in operating liabilities:		
Trade and other payables	21,803,729	(829,181)
Provisions	2,247,176	117,790
Net cash provided by operating activities	33,374,506	9,196,112

(iii) Changes in liabilities arising from financing activities

	Borrowings	Hire Purchase	Total
30 June 2024	$	$	$
Opening balance	91,899,367	5,483,421	97,382,788
Acquisition of plant and equipment by means of hire purchase	-	2,126,069	2,126,069
Parent company development expenditure	25,300,824	-	25,300,824
Financing cashflows	-	(2,513,411)	(2,513,411)
	117,200,191	5,096,079	122,296,270
30 June 2023	$	$	$
Opening balance	52,212,590	3,702,213	55,914,803
Acquisition of plant and equipment by means of hire purchase	-	3,978,484	3,978,484
Interest cost	1,701,039	-	1,701,039
Interest forgiven	(3,105,938)	-	(3,105,938)
Parent company development expenditure	32,157,261	-	32,157,261
Financing cashflows	8,934,415	(2,197,276)	6,737,139
	91,899,367	5,483,421	97,382,788

NOTE 6: CASH AND CASH EQUIVALENTS (continued)

(iv) Non-cash investing and financing activities

	Consolidated	
	2024	2023
	$	$
Property, plant and equipment – hire purchases	2,194,323	3,978,485
Exploration and development	25,300,823	36,868,300
Intangible asset	3,000,000	-
	30,495,146	40,846,785

NOTE 7: CURRENT TRADE AND OTHER RECEIVABLES

	Consolidated	
	2024	2023
	$	$
Trade receivables	22,437,530	5,868,541
Allowance for expected credit losses	-	-
	22,437,530	5,868,541
Other receivables	62,302	86,239
Prepayments	1,280,099	1,204,246
	23,779,931	7,159,026

(i) The average credit period on sales of goods and rendering of services is 31 days (2023: 28 days). Interest is not charged. No allowance is required to be made for estimated irrecoverable trade receivable amounts and related party loans arising from the past sale of goods and rendering of services, determined by reference to past default experience.

(ii) For details of the terms and conditions of related party receivables refer to Note 23.

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality and have been collected subsequent to year-end.

	Consolidated	
	2024	2023
Ageing of past due but not impaired	$	$
30 – 60 days	1,498,345	1,274,611
60 – 90 days	728,237	717,372
90+ days	16,968	65,082
Total	2,243,550	2,057,065

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

NOTE 8: INVENTORIES

	Consolidated	
	2024 $	2023 $
At cost:		
Raw materials and stores (at cost)	2,774,433	1,530,669
Stockpile inventory – garnet (at net realisable value)	1,167,908	1,075,947
Finished goods inventory – garnet (at net realisable value)	1,597,657	984,838
Work in progress (i)	3,924,138	3,269,063
	9,464,136	6,860,517

(i) Construction contracts - work in progress	Consolidated	
	2024 $	2023 $
Contract costs incurred	103,361,441	99,386,088
Recognised profits	21,882,565	24,358,125
	125,244,006	123,744,213
Progress billings	(141,006,023)	(126,066,433)
Work in progress	(15,762,017)	(2,322,220)
Contract liabilities - income in advance (Note 13)	19,686,155	5,591,283
	3,924,138	3,269,063

NOTE 9: INTANGIBLE ASSETS

Intellectual property/patents	Consolidated	
	2024 $	2023 $
Opening balance	-	-
Additions	4,005,865	-
Less: amortisation	(116,667)	-
	3,889,198	-

Refer to Note 30 for further information.

NOTE 10: PROPERTY, PLANT AND EQUIPMENT

	Consolidated				
	Motor vehicles	Property, plant and equipment	Land and buildings	Leasehold Improvements	Total
	$	$	$	$	$
Year ended 30 June 2024					
At 1 July 2023, net of accumulated depreciation and impairment	1,807,662	10,724,618	2,887,331	124	15,419,735
Additions	270,671	3,698,303	4,729	-	3,973,703
Disposals	(11,210)	(148,859)	-	-	(160,069)
Depreciation charge for the year[1]	(507,008)	(2,403,851)	(65,448)	(50)	(2,976,357)
At 30 June 2024, net of accumulated depreciation and impairment	1,560,115	11,870,211	2,826,612	74	16,257,012
At 30 June 2024					
Cost or fair value					39,070,412
Accumulated depreciation and impairment					(22,813,400)
Net carrying amount					16,257,012

[1] $281,143 of the above depreciation charge was included in development expenditure during the year

The written down value of assets under hire purchase contracts is $5,561,686 (30 June 2023: $4,020,560).

The Group acquired assets under hire purchase with a cost of $2,194,323 during the year (2023: $3,978,485).

NOTE 10: PROPERTY, PLANT AND EQUIPMENT (continued)

	Consolidated				
	Motor vehicles	Property, plant and equipment	Land and buildings	Leasehold Improvements	Total
	$	$	$	$	$
Year ended 30 June 2023					
At 1 July 2022, net of accumulated depreciation and impairment	1,354,116	7,096,215	2,882,370	208	11,332,909
Additions	901,036	5,229,502	73,950	-	6,204,488
Disposals	(7,058)	(200,241)	-	-	(207,299)
Depreciation charge for the year[1]	(440,432)	(1,400,858)	(68,989)	(84)	(1,910,363)
At 30 June 2023, net of accumulated depreciation and impairment	1,807,662	10,724,618	2,887,331	124	15,419,735
At 30 June 2023					
Cost or fair value					35,894,886
Accumulated depreciation and impairment					(20,475,151)
Net carrying amount					15,419,735

[1] $315,863 of the above depreciation charge was included in development expenditure during the year

The written down value of assets under hire purchase contracts is $4,020,560 (30 June 2022: $3,610,100).

The Group acquired assets under hire purchase with a cost of $3,978,485 during the year.

NOTE 11: DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated	
	2024	2023
	$	$
Exploration and evaluation costs	29,178,127	28,374,317
Reconciliation		
Opening balance	28,374,317	27,768,244
Additions	803,810	606,073
Closing balance	29,178,127	28,374,317

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

NOTE 12: DEVELOPMENT EXPENDITURE

	Consolidated	
	2024	2023
	$	$
Cost	227,574,907	173,185,228
Accumulated amortisation	-	-
	227,574,907	173,185,228
Reconciliation		
Opening balance	173,185,228	111,138,620
Additions	54,389,679	62,046,608
Closing balance	227,574,907	173,185,228

Development expenditure incurred by or on behalf of the Group is accumulated separately for each of interest in which economically recoverable resources have been identified. Such expenditure comprises cost directly attributable to the construction of a mine and the related infrastructure.

Once a development decision has been taken, the carrying amount of the exploration and evaluation expenditure in respect of the area of interest is aggregated with the development expenditure and classified under non-current assets as development properties.

A development property is reclassified as a mining property at the end of the commissioning phase, when the mine is capable of operating in the manner intended by management.

Depreciation will be charged using the units-of-production method, with separate calculations being made for each area of interest. The units-of-production basis results in a depreciation charge proportional to the depletion of proved, probable and estimated reserves. Development properties are tested for impairment in accordance with the policy on impairment of assets.

The Group has reviewed the Lucky Bay Garnet Project for indicators of impairment in accordance with AASB 136 and concluded that impairment indicators existed at year end. As assessment for impairment for the Lucky Bay Garnet Project cash generating unit has been undertaken under the requirements of AASB 136 utilising the value in use method and no impairment was recognised as a result of this assessment.

Sensitivity Analysis

Lucky Bay Garnet

The Lucky Bay Garnet recoverable value was determined under the VIU method. The below movements in assumptions would, in isolation, result in the recoverable value being equal to the carrying value:

- A 5% decrease in the forecast price assumptions
- A 5% increase in the forecast operating cost assumptions
- An increase in the discount rate to 12.5%.

Typically, changes in any of the assumptions mentioned above would be accompanied by a change in another assumption, which may have an offsetting impact. Action is usually taken to respond to adverse changes in assumptions to mitigate the impact of any such change.

It is considered that there are no reasonably possible changes in other key assumptions underpinning the recoverable amount that, in isolation, would result in the recoverable amount being equal to the carrying value.

NOTE 13: TRADE AND OTHER PAYABLES

	Consolidated	
	2024	2023
Current	$	$
Trade payables[1]	9,588,362	4,058,262
Other payables	3,148,251	3,285,844
Transaction costs accrual	2,500,000	2,500,000
Contract liabilities - income received in advance (Note 8)	19,686,155	5,591,283
Deferred land acquisition payments[1]	200,000	200,000
	35,122,768	15,635,389
Non-Current		
Deferred land acquisition payments[1]	200,000	400,000
	200,000	400,000

Current trade payables are non-interest bearing and are normally settled on 30-day terms.

- The Group has the following payments to make under a sale of land agreement: 1) Payment 2 $200,000 on 1 July 2024; 2) Payment 3 $200,000 on 1 July 2025

NOTE 14: HIRE PURCHASE LIABILITIES

	Consolidated	
	30 June 2024	30 June 2023
Current	$	$
Hire purchase liabilities	2,307,660	2,241,412
Non-current		
Hire purchase liabilities	2,788,419	3,242,009
Total hire purchase liabilities	5,096,079	5,483,421
Secured		
Hire purchase liabilities	5,096,079	5,483,421

Assets under hire purchase contracts are pledged as security for the related hire purchase liabilities. The written down value of assets pledged under hire purchase contracts is $5,561,686 (30 June 2023: $4,020,560).

NOTE 15: BORROWINGS

	Consolidated	
	30 June 2024	30 June 2023
Current	$	$
Loan – parent entity	-	-
Non-current		
Loan – parent entity	117,200,190	91,899,367
Total borrowings	**117,200,190**	**91,899,367**
Secured		
Loan – parent entity	117,200,190	91,899,367
Total secured borrowings	**117,200,190**	**91,899,367**

Bank facility

Following a review of the Company's banking facilities, the ANZ Bank provided a restated Letter of Offer to the Company dated 13 December 2023, which included the following facilities that the Company has agreed to:

- Commercial card (ANZ Corporate Card) facility limits at 30 June 2024: $200,000 (30 June 2023: $200,000).
- Standby Letter of Credit/Guarantee facility of $250,000 (30 June 2023: $Nil).

On 12 April 2024 a variation letter was received from the ANZ Bank, which increased the letter of credit/guarantee facility to $2,500,000. The commercial card facility is secured by way of a cash term deposit as is the letter of credit/guarantee facility, on the drawn amount only. Guarantees in the sum of $504,450 were drawn as at 30 June 2024 (30 June 2023: $Nil).

Other

The Group entered into a secured loan of $35 million with Mineral Resources Limited (MRL) on 17 June 2020. The loan had a 5-year term with an interest rate of 8.125% per annum. The loan is secured by a general security agreement over the assets of Comcen Pty Ltd and Resource Development Group Limited as well as a mining mortgage over Comcen's mineral assets.

On 17 June 2021, the Company executed a variation to the secured loan described above. In this variation, MRL agreed to extend the advance to $60 million and allocate the funds to the development of the Company's Lucky Bay Garnet project.

During the year ended 30 June 2023, MRL and the Company agreed to vary the first repayment date of the abovementioned loan from the first full quarter after the first shipment of product from the Lucky Bay mine to September 2024.

On 30 June 2023, the loan limit was further extended to $100 million, to capture among other things, the capital expenditure required to complete the wind turbine installation. The commencement of principal repayments was also extended out to commence on 30 September 2024.

On 30 June 2024, the loan limit was further extended to $125 million, to capture among other things capital expenditure required to complete some of the modification works to the Company's Lucky Bay plant. The commencement of principal repayments was also extended out to commence on 30 September 2025.

On 30 June 2024, an amount of $117,100,191 (30 June 2023: $91,899,367) was drawn. There has been no interest accrued or payable on the loan from its inception until 30 June 2024.

Performance bond facility

The Company had the following arrangement in place:

- Performance bond facility with Tokio Marine & Nichido Fire Insurance Co. Ltd (Tokio Marine) (at 30 June 2024 amount used $Nil (30 June 2023: $3,939,194); amount unused $Nil (30 June 2023: $Nil). Tokio Marine advised during the year ended 30 June 2023 that they were no longer providing new bonds however would continue to honour all outstanding bonds. All bonds were returned during the year ended 30 June 2024 and the facility was closed.

NOTE 16: PROVISIONS

2024	Restoration and rehabilitation	Employee benefits	Total
Consolidated	$	$	$
Current	-	3,982,707	3,982,707
Non-current	3,339,828	48,928	3,388,756
	3,339,828	4,031,635	7,371,463

2023	Restoration and rehabilitation	Employee benefits	Total
Consolidated	$	$	$
Current	-	1,745,938	1,745,938
Non-current	3,360,000	18,350	3,378,350
	3,360,000	1,764,288	5,124,288

Employee entitlements	2024	2023
	$	$
At 1 July	1,764,288	1,646,499
Net movements	2,267,347	117,789
At 30 June	4,031,635	1,764,288

Restoration and rehabilitation	2024	2023
	$	$
At 1 July	3,360,000	360,000
Net movements	(20,172)	3,000,000
At 30 June	3,339,828	3,360,000

NOTE 17: CONTRIBUTED EQUITY

	2024		2023	
	Number of shares	$	Number of shares	$
(a) Paid up capital:	2,885,116,268	74,990,375	2,885,116,268	74,990,375

(b) Movements in ordinary share capital:

	Year to 30 June 2024		Year to 30 June 2023	
	Number of shares	$	Number of shares	$
Balance at beginning of financial period	2,885,116,268	74,990,375	2,885,116,268	74,990,375
Issue of shares in relation to acquisition of Peloton Resources Pty Ltd[1]	65,741,856	3,000,000	-	-
Balance at end of financial period	2,950,858,124	77,990,375	2,885,116,268	74,990,375

[1] 65,741,856 RDG shares were issued to the vendors of Peloton Resources Pty Ltd on 13 December 2023.

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.

A poll is conducted at every meeting, where each shareholder is entitled to one vote. Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

NOTE 18: OPTIONS AND PERFORMANCE RIGHTS

	30 June 2024		30 June 2023	
	Number of options	$	Number of options	$
Director options	24,486,468	971,454	25,525,428	846,810
KMP options	3,816,893	126,190	3,816,893	126,190
	28,303,361	1,097,644	29,342,321	973,000
Movement in options:				
Balance at beginning of year	29,342,321	973,000	24,342,321	850,000
Options lapsed	(8,311,688)	-	-	-
Issue of options to Directors and KMP	7,272,728	124,644	5,000,000	123,000
Balance at end of year	28,303,361	1,097,644	29,342,321	973,000

NOTE 18: OPTIONS AND PERFORMANCE RIGHTS (continued)

	30 June 2024		30 June 2023	
	Number of rights	$	Number of rights	$
Director rights	17,344,789	69,708	-	-
KMP rights	3,284,388	116,211	-	-
	20,629,177	185,919	-	-
Movement in rights:				
Balance at beginning of year	-	-	-	-
Issue of rights to director and KMP	20,629,177	185,919	-	-
Balance at end of year	20,629,177	185,919	-	-

NOTE 19: SHARE BASED PAYMENTS AND RESERVE

	Consolidated	
	Share based payments reserve	Total
	$	$
At 1 July 2023	973,000	973,000
Share based payments	310,563	310,563
At 30 June 2024	1,283,563	1,283,563
At 1 July 2022	850,000	850,000
Share based payments	123,000	123,000
At 30 June 2023	973,000	973,000

7,272,728 options were issued to the non-executive directors as remuneration during the year ended 30 June 2024. The options are exercisable at $0.047 per option and expire on 15 December 2026. A share-based payments expense of $124,644 was recognised during the year.

The terms and conditions attributable to the options issued during the year ended 30 June 2024 are as follows:

Spot price on grant date	$0.046
Exercise price	$0.047
Expiry date (length of time from issue)	3 years from date of issue
Risk fee interest rate	4.19%
Volatility	50%
Fair value per option	$0.017

NOTE 19: SHARE BASED PAYMENTS AND RESERVE (continued)

Options	2024		2023	
	Average exercise price per share option $	Number of options	Average exercise price per share option $	Number of options
At 1 July	0.057	29,342,321	0.056	24,342,321
Expired during the year	(0.07)	(8,311,688)	-	-
Granted during the year	0.047	7,272,728	0.060	5,000,000
At 30 June	0.050	28,303,361	0.057	29,342,321

The average life of the options is 1.45 years (2023: 1.66 years).

Performance rights
At the Company's 2023 Annual General Meeting, shareholders approved the issue of 17,344,789 performance rights to the Company's Managing Director, Mr Andrew Ellison (or his nominee) under the Company's Incentive Awards Plan, with:

a) 4,041,020 performance rights to be issued in satisfaction of Mr Ellison's performance for the financial year ended 30 June 2023 (FY23 Performance rights); and
b) 13,303,769 performance rights to be issued as a long-term incentive tied to Mr Ellison's and the Company's performance for the financial year ending 30 June 2024 (FY24 Performance rights).

The FY23 performance rights and FY24 performance rights have a nil issue price and once vested can be exercised for nil cost into Shares on a one for one basis. The FY23 Performance rights will expire three years after issue and the FY24 performance rights will expire four years after issue.

The FY23 performance rights:

a) represent settlement of the STI portion of Mr Ellison's FY23 compensation to which he is entitled which was assessed by the Board and has an associated cost of $182,250. The number of FY23 performance rights was determined by dividing this value by the 20-day VWAP Share price to 6 October 2023 (VWAP Share Price); and

b) will vest subject to Mr Ellison remaining Managing Director of the Company until 30 June 2025.

The FY24 Performance rights are subject to vesting conditions tied to Mr Ellison's and the Company's FY24 performance. These are as follows:

1. Sustainability (20% weighting);
2. Strategic growth targets (30% weighting);
3. Financial management (30% weighting); and
4. Organisational culture (20% weighting).

The Board will assess achievement against various vesting conditions following release of the Company's FY24 audited accounts and determine the percentage of FY24 performance rights that are capable of vesting. This percentage will then vest subject to Mr Ellison remaining Managing Director of the Company until 30 June 2026.

The performance rights were valued at the share price at grant date. of $0.046 for a total fair value of $185,887 for the FY23 performance rights and $611,973 for the FY24 Performance rights. A vesting expense of $69,708 was recorded for the FY23 performance rights financial year 2024, and no vesting expense was recorded for the FY24 performance rights in financial year 2024 on the basis of uncertainty of the vesting conditions being met.

3,284,388 performance rights were issued to two other members of key management as part of their overall salary package, to incentivise both performance and tenure with the Company.

NOTE 19: SHARE BASED PAYMENTS AND RESERVE (continued)

These performance rights represent 35% of their respective base salary/fees for the FY22 year, with an effective grant date of 8 December 2022.

The FY23 performance rights are subject to vesting conditions tied to the KMP's and the Company's FY23 performance. These are as follows:

1. Tenure (3 years from start for FY23) (30% weighting);
2. EBITDA @ 90% of FY23 Budget (25% weighting);
3. Safety and Environmental (15% weighting); and
4. Personal performance (30% weighting).

The FY23 performance rights will vest on 30 June 2025.

The performance rights were valued at the share price at grant date of $0.058 for a total fair value of $190,495. A vesting expense of $116,211 was recorded for the financial year 2024.

Nature and purpose of reserves

Share based payment reserve

This reserve is used to record the value of equity benefits provided to employees and Directors as part of their remuneration.

NOTE 20: CAPITAL CONTRIBUTIONS RESERVE

	Consolidated	
	Capital contributions reserve	Total
	$	$
At 1 July 2023	3,540,140	3,540,140
Fair value adjustment to parent entity borrowings	8,432,048	8,432,048
Deferred tax expense	(3,492,725)	(3,492,725)
At 30 June 2024	8,479,463	8,479,463

The Capital Contributions reserve reflects the contribution of shareholders with the granting of interest free loans. The reserve comprises the cumulative net change in fair value of debt securities until the assets are derecognised or reclassified, net of deferred tax.

NOTE 21: FINANCIAL INSTRUMENTS

(a) Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Group's overall strategy remains unchanged from 2023.

The capital structure of the Group consists of cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings/(accumulated losses).

None of the Group's entities are subject to externally imposed capital requirements.

Operating cash flows are used to maintain and expand operations, as well as to make routine expenditures such as tax, dividends and general administrative outgoings.

Gearing levels are reviewed by the Board on a regular basis in line with its target gearing ratio, the cost of capital and the risks associated with each class of capital.

NOTE 21: FINANCIAL INSTRUMENTS (continued)

	Consolidated	
	2024	2023
	$	$
(b) Categories of financial instruments		
Financial assets		
Cash and cash equivalents	8,317,566	3,923,482
Trade and other receivables	23,779,931	7,159,020
Financial liabilities		
Trade payables	35,322,768	16,035,389
Hire purchase liabilities	5,096,079	5,483,421
Borrowings	117,200,190	91,899,367

(c) Financial risk management objectives

The Group is exposed to market risk including currency risk, fair value interest rate risk and price risk, credit risk, liquidity risk and cash flow interest rate risk.

(d) Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates, commodity prices and exchange rates.

There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk from the previous period.

The Group does not have sufficient investments that would expose it to unmanageable market risks.

(e) Interest rate risk management

The Company and the Group are exposed to interest rate risk as entities in the Group borrow funds at variable interest rates.

The Group's policy is to manage its exposure to movements in interest rates by fixing the interest rate on financial instruments, including bank loans, loans from the ultimate parent entity, finance leases and hire purchase liabilities, wherever possible. In addition, the Group utilises a number of financial institutions to obtain the best interest rate possible and to manage its risk. The Group does not enter into interest rate hedges.

Interest rate risk sensitivity analysis

The Company only had fixed rate borrowings at 30 June 2024, therefore interest rate sensitivity analysis is not required to be undertaken for the purpose of this report.

(f) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Group uses publicly available financial information and its own trading record to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored.

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

The carrying amount of financial assets recorded in the financial statements, net of any allowance for losses, represents the Group's maximum exposure to credit risk without taking account of the value of any collateral obtained.

(g) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Group currently has no financing facilities in place.

NOTE 21: FINANCIAL INSTRUMENTS (continued)

(h) Fair value of financial instruments

The directors consider that the carrying value of the financial assets and financial liabilities as recognised in the consolidated financial statements approximate their fair values.

The following tables detail the Group's expected contractual maturity for its non-derivative financial liabilities.

These have been drawn up based on undiscounted contractual maturities of the financial liabilities based on the earliest date the Group can be required to repay.

The following tables include both interest and principal cash flows.

	Consolidated		
	Current		Non-Current
30 June 2024	Within 6 months	6 – 12 months	1 – 5 years
	$	$	$
Trade and other payables	35,122,768	-	200,000
Undiscounted hire purchase obligations	1,284,738	1,284,738	3,027,488
Loan – parent entity	-	-	117,200,190
	36,407,506	1,284,738	120,427,678

	Consolidated		
	Current		Non-Current
30 June 2023	Within 6 months	6 – 12 months	1 – 5 years
	$	$	$
Trade and other payables	15,635,389	-	400,000
Undiscounted hire purchase obligations	1,218,086	1,218,086	3,607,231
Loan – parent entity	-	-	91,899,367
	16,853,475	1,218,086	95,906,598

NOTE 22: COMMITMENTS AND CONTINGENCIES

Hire Purchase commitments

	Consolidated	
	2024	2023
	$	$
Within one year	2,569,476	2,436,172
After one year but not more than five years	3,027,488	3,607,231
Greater than 5 years	-	-
Minimum payments	5,596,964	6,043,403
Less future finance charges		
Within one year	261,816	194,760
After one year but not more than five years	239,069	365,222
Greater than 5 years	-	-
Total future finance charges	500,885	559,982
Present value of minimum payments	5,096,079	5,483,421

Capital commitments
No capital expenditure commitments have been made for items of plant and machinery as at 30 June 2024 (2023: $Nil).

Contingent liabilities
The Group has no material contingent liabilities and assets as at 30 June 2024 (2023: $Nil).

NOTE 23: RELATED PARTY DISCLOSURE

Resource Development Group Limited is the legal Australian parent entity. The legal subsidiaries are as follows:

Name	Country of Incorporation	% Equity Interest		Investment ($)	
		2024	2023	2024	2023
Central Systems Pty Ltd	Australia	100	100	1,800,100	1,800,100
RDG Technologies Pty Ltd	Australia	100	100	1	1
Mineral Solutions Australia Pty Ltd	Australia	80	80	420	420
Mn Battery Minerals Pty Ltd (formerly Comcen Pty Ltd)	Australia	100	100	1	1
Australian Garnet Pty Ltd	Australia	100	100	1	1
Concrete Construction (W.A.) Pty Ltd	Australia	100	100	1	1
Peloton Resources Pty Ltd	Australia	100	-	4,000,000	-
Crushing Service Solutions Pty Ltd	Australia	80	80	120	120
Aggregate Crushing Australia Pty Ltd	Australia	80	80	200	200
Ore Sorting Australia Pty Ltd	Australia	80	80	100	100

(a) Terms and conditions of transactions with related parties

Sales to and purchases from related parties are made in arm's length transactions both at normal market prices and on normal commercial terms, as well as at cost depending on the circumstances. Outstanding balances at the year are unsecured, interest free and settlement occurs in cash. No guarantees were provided or received for any related party receivables or payables.

NOTE 23: RELATED PARTY DISCLOSURE (continued)

An impairment assessment is undertaken each financial year by examining the financial position of the related party and the market in which the related party operates to determine whether an expected credit loss exists in relation to a related party receivable. When such evidence exists, the Group recognises an allowance for the impairment loss.

Transactions with parent entity (Mineral Resources Limited (MRL))

The Group had the following transactions with MRL during the year ended 30 June 2024:
• The Group invoiced project work to MRL in the sum of $73,844,624 (30 June 2023: $25,083,845)
• MRL invoiced services and equipment in relation to the Group's Lucky Bay Garnet Project in the sum of $25,200,823 (30 June 2023: $32,157,261)
• MRL advanced the Group $Nil by way of cash (30 June 2023: $8,934,415)
• The Company occupies office space at a building located at 14 Walters Drive, Osborne Park. The building is leased by Mineral Resources Limited, and the Company currently has no formal lease agreement in place. The Company has been paying monthly rent of $12,901 with effect from 1 July 2022.

On 30 June 2024, the Company had the following trade receivables balances with MRL subsidiaries as follows:

Crushing Services International Pty Ltd - $17,826,174
Process Minerals International - $33,336

Director options

7,272,728 options were issued to the non-executive directors (3,636,364 to each director) as remuneration. The options are exercisable at $0.047 per option and expire on 15 December 2026. Refer to Note 18 for full details.

Managing Director FY23 and FY24 Performance Rights

At the Company's 2023 Annual General Meeting, shareholders approved the issue of 17,344,789 Performance Rights to the Company's Managing Director, Mr Andrew Ellison (or his nominee) under the Company's Incentive Awards Plan, with:

a) 4,041,020 Performance Rights to be issued in satisfaction of Mr Ellison's performance for the financial year ended 30 June 2023 (FY23 Performance Rights); and

b) 13,303,769 Performance Rights to be issued as a long-term incentive tied to Mr Ellison's and the Company's performance for the financial year ending 30 June 2024 (FY24 Performance Rights).

The FY23 Performance Rights and FY24 Performance Rights have a nil issue price and once vested can be exercised for nil cost into Shares on a one for one basis. The FY23 Performance Rights will expire three years after issue and the FY24 Performance Rights will expire four years after issue.

The FY23 Performance Rights:

c) represent settlement of the STI portion of Mr Ellison's FY23 compensation to which he is entitled which was assessed by the Board and has an associated cost of $182,250. The number of FY23 Performance Rights was determined by dividing this value by the 20-day VWAP Share price to 6 October 2023 (VWAP Share Price); and

d) will vest subject to Mr Ellison remaining Managing Director of the Company until 30 June 2025.

The FY24 Performance Rights are subject to vesting conditions tied to Mr Ellison's and the Company's FY24 performance. These are as follows:

1. Sustainability (20% weighting);
2. Strategic growth targets (30% weighting);
3. Financial management (30% weighting); and
4. Organisational culture (20% weighting).

The Board will assess achievement against various vesting conditions following release of the Company's FY24 audited accounts and determine the percentage of FY24 Performance Rights that are capable of vesting. This percentage will then vest subject to Mr Ellison remaining Managing Director of the Company until 30 June 2026.

NOTE 23: RELATED PARTY DISCLOSURE (continued)

(b) Lease agreements
The company has entered into a lease agreement for rental premises with the following shareholder related entities:

Grisam Investments Pty Ltd as trustee for the Grisam Property Trust
Allmont Pty Ltd as trustee for the Allmont Trust (Andrew Ellison, Gary Reid as trustee for the Gary Reid Family Trust, and other non-related parties.
The lease for the property located in Newman, Western Australia commenced on 1 October 2014 with a termination date of 30 September 2019. The lease has been on a rolling month-by-month arrangement since that date until 1 March 2024, when a new lease agreement was entered in to. The owners of the property had spent a considerable sum of money to refurbish and upgrade the property. Rental payments made for the year 1 July 2023 to 30 June 2024 were $257,668 (2023: $210,000). At balance date, $Nil (2023: $Nil) was payable to Grisam Investments Pty Ltd.

(c) Asset acquisition - agreements

As part of the asset acquisition from its parent Mineral Resources Limited (MRL), the Company had entered into the following agreements:

1) a services agreement pursuant to which the Company agrees to engage MRL to undertake resource drilling and to design, construct, supply and commission processing and non-processing infrastructure and equipment for the Company's proposed mining project on the Tenements (Services Agreement). The material terms of the Services Agreement are as follows:

   (Term): 12 months commencing on 18 March 2020.

   (Fees): The fees to be paid by the Company to MRL will be MRL's "Actual Cost", which comprises:

   total payroll costs (aggregate expenditure incurred in connection with MRL personnel engaged in connection with the Services);

   reasonable out of pocket third party expenses incurred in providing the Services;

   overheads costs (6% of aggregate of payroll cost and out of pocket expenses); and

   plant & equipment charges.

   (Estimated Total Fee): The estimated total fee to be paid by the Company to MRL for the Services is AU$35 million.

   (Payment): Upon completion of the provision of services by the MRL Group, or where the provision of the services under the purchase order extends beyond a month, at the end of the month, MRL must provide the Company with a tax invoice with the entire fee payable.

2) a loan agreement pursuant to which MRL agrees to advance up to $35m to the Company via a secured loan to pay for construction payments and other working costs and expenses (Loan Agreement). The material terms of the Loan Agreement are set out below:

   (Loan Amount): The Lender will advance up to $35 million to the Company under the Loan Agreement;

   (Term): The Loan has a term of 5 years from the date on which the first drawing is advanced by the Lender.

   (Repayment): The repayment of the Loan will commence on the last business day of the first full Quarter after the first shipment date (Repayment Date) and each Quarter thereafter for the period of the term, unless paid before.

   (Interest): The interest payable is 8.125%.

   (Early repayment): No early repayment fees apply.

   (Guarantee): The Guarantor jointly and severally guarantees the Company's obligations under the Loan Agreement to the Lender.

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 23: RELATED PARTY DISCLOSURE (continued)

On 17 June 2021, the Company executed a variation to the Loan Agreement described in (d) 2) above. In this variation, MRL agreed to extend the advance to $60 million and allocate the funds to the development of the Company's Lucky Bay Garnet project. On 30 June 2023, the loan limit was further extended to $100 million, to capture among other things, the capital expenditure required to complete the wind turbine installation. The commencement of principal repayments was also extended out to commence on 30 September 2024.

On 30 June 2024, the loan limit was further extended to $125 million, to capture among other things capital expenditure required to complete some of the modification works to the Company's Lucky Bay plant. The commencement of principal repayments was also extended out to commence on 30 September 2025.

On 30 June 2024, an amount of $117,100,191 (30 June 2023: $91,899,367) was drawn. There has been no interest accrued or payable on the loan from its inception until 30 June 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

NOTE 24: PARENT ENTITY DISCLOSURES

Financial Position	2024 $	2023 $
Assets		
Current assets	3,491,044	1,816,256
Non-current assets	232,863,845	162,325,799
Total assets	236,354,889	164,142,055
Liabilities		
Current liabilities	420,393	848,811
Non-current liabilities	171,430,376	96,375,682
Total liabilities	171,850,769	97,224,493
Equity		
Issued capital	78,040,772	75,040,772
Reserves	9,763,026	4,513,140
Accumulated losses	(23,299,678)	(12,636,350)
Total equity	64,504,120	66,917,562

Financial performance

	Year ended 30 June 2024 $	Year ended 30 June 2023 $
Loss for the year	(10,663,328)	(796,800)
Other comprehensive income	-	-
Total comprehensive loss	(10,663,328)	(796,800)

Commitments

The parent entity does not have any commitments of its own.

NOTE 25: EVENTS AFTER THE REPORTING PERIOD

There were no matters or circumstances that has arisen since 30 June 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.

NOTE 26: AUDITOR’S REMUNERATION

The auditor of Resource Development Group Limited is HLB Mann Judd.

	Consolidated	
Amounts received or due and receivable by HLB Mann Judd for:	2024 $	2023 $
An audit or review of the financial report of the entity and any other entity in the Group	133,312	133,730

NOTE 27: DIRECTORS AND EXECUTIVES DISCLOSURES

The aggregate compensation made to directors and other key management personnel of Resource Development Group Limited is set out below:

	Consolidated	
	2024	2023
	$	$
Short-term employee benefits	2,080,790	1,226,198
Post-employment benefits	54,798	50,592
Share-based payments	310,563	123,000
	2,446,151	1,399,790

NOTE 28: DIVIDENDS

There were no dividends declared or paid during the year ended 30 June 2024 (30 June 2023: $Nil) in Resource Development Group Ltd.

	Consolidated	
	2024	2023
Franking account balance	$	$
The amount of franking credits available for subsequent financial years are:		
Franking account balance as at the end of the financial year at 30% (2023: 30%)	4,053,977	4,053,977
Franking credits) that will arise from the payment of income tax payable as at the end of the financial year	-	-
	4,053,977	4,053,977

The tax rate at which any dividends would have been franked is 30% (2023: 30%).

NOTE 29: NON-CONTROLLING INTEREST

The non-controlling interest of 20% in Mineral Solutions Australia Pty Ltd (MSA) recognised at the acquisition date was measured by reference to the non-controlling interest's proportionate share of the acquiree's identifiable net assets and amounted to $500,000.

Summary financial information for MSA is found below:

	30 June 2024 $	30 June 2023 $
Assets		
Current assets	16,971	23,797
Non-current assets	-	-
Total assets	16,971	23,797
Liabilities		
Current liabilities	-	-
Non-current liabilities	-	-
Total liabilities	-	-
Equity		
Issued capital	420	420
Reserves	285,975	285,975
Accumulated losses	(269,424)	(262,598)
Total equity	16,971	23,797
Non-controlling interest movement schedule		
Opening balance	(18,970)	(2,030)
Non-controlling interest share of profit/(loss)	(1,364)	(16,940)
	(20,334)	(18,970)

NOTE 30: BUSINESS COMBINATION

Acquisition of Peloton Resources Pty Ltd

On 26 August 2022, the Company entered into a Share Sale Agreement to acquire an Australian-based business, Peloton Resources Pty Ltd (Peloton). Pursuant to this agreement, the Company had the option to acquire all of the issued capital of Peloton, subject the achievement of certain outcomes or if the Company simply wished to exercise the option.

On 24 November 2023, the Company announced that it had exercised the option and subsequently announced on 13 December 2023 that it had completed the acquisition and Peloton became a wholly-owned subsidiary of the Company.

Peloton Resources Pty Ltd is the holder of several patents associated with the production of High Purity Alumina and extraction of Iron Oxide and Aluminous product from tailings waste red mud.

Details of the purchase acquisition and net assets acquired are as follows:

	$
Cash consideration paid to the vendors	1,000,000
65,741,856 fully paid ordinary share in the capital of the Company issued to the shareholders of Peloton Resources Pty Ltd, valued at 4.563 cents per share	3,000,000
Total purchase consideration	4,000,000

The assets and liabilities recognised from the acquisition are as follows:

	Fair value $
Cash and cash equivalents	29,265
Intangible assets – Intellectual property/patents	4,005,865
	4,035,130
Trade and other payables	(35,130)
Fair value of net assets acquired	4,000,000

Cash used to acquire subsidiary, net of cash acquired	
Payment for acquisition of Peloton Resources	(1,000,000)
Cash acquired on acquisition of Peloton Resources	29,265
Net cash outflow for acquisition of Peloton Resources	(970,735)

CONSOLIDATED ENTITY DISCLOSURE STATEMENT AS AT 30 JUNE 2024

Basis of preparation

The consolidated entity disclosure statement has been prepared in accordance with the s295(3A)(a) of the Corporations Act 2001 and includes the required information for Resource Development Group Limited and the entities it controls in accordance with AASB 10 Consolidated Financial Statements.

Tax Residency

S295(3A)(vi) of the Corporations Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency may involve judgement as there are different interpretations that could be adopted and which could give rise to different conclusions regarding residency.

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

Australian Tax Residency

Current legislation and judicial precent has been applied, including having regard to the Tax Commissioner's public guidance.

Foreign tax residency

Where appropriate, independent tax advisers have been engaged to assist in the determination of tax residence to ensure applicable foreign tax legislation has been complied with.

Name of Entity	Type	Participation in JV	Country of incorporation	Ownership	Residency	Foreign jurisdiction
Resource Development Group Limited	Body Corporate	n/a	Australia	n/a	Australian	n/a
Central Systems Pty Ltd	Body Corporate	n/a	Australia	100%	Australian	n/a
RDG Technologies Pty Ltd	Body Corporate	n/a	Australia	100%	Australian	n/a
Mineral Solutions Australia Pty Ltd	Body Corporate	n/a	Australia	80%	Australian	n/a
Mn Battery Minerals Pty Ltd (formerly Comcen Pty Ltd)	Body Corporate	n/a	Australia	100%	Australian	n/a
Australian Garnet Pty Ltd	Body Corporate	n/a	Australia	100%	Australian	n/a
Concrete Construction (W.A.) Pty Ltd	Body Corporate	n/a	Australia	100%	Australian	n/a
Peloton Resources Pty Ltd	Body Corporate	n/a	Australia	100%	Australian	n/a
Crushing Service Solutions Pty Ltd	Body Corporate	n/a	Australia	80%	Australian	n/a
Aggregate Crushing Australia Pty Ltd	Body Corporate	n/a	Australia	80%	Australian	n/a
Ore Sorting Australia Pty Ltd	Body Corporate	n/a	Australia	80%	Australian	n/a

DIRECTORS' DECLARATION

1. In the opinion of the directors of Resource Development Group Limited (the 'Company'):
   a. the accompanying financial statements and notes are in accordance with the Corporations Act 2001 including:
      i. giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the year then ended; and
      ii. complying with Australian Accounting Standards, the Corporations Regulations 2001, professional reporting requirements and other mandatory requirements.
   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.
   c. the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.
   d. the consolidated entity disclosure statement is true and correct.

2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2024.

3. The Company and a wholly owned subsidiary, Central Systems Pty Ltd, have entered into a deed of cross guarantee under which the Company and its subsidiary guarantee the debts of each other. At the date of this declaration, there are reasonable grounds to believe that the companies which are party to this deed of cross guarantee will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed.

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

A. Ellison

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Andrew Ellison

Managing Director

Dated this 29th August 2024

HLB MANN JUDD
ADVISORY AND ACCOUNTING

INDEPENDENT AUDITOR'S REPORT
To the Members of Resource Development Group Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Resource Development Group Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2024, 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, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

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

(a) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and

(b) 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 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 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.

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.

We have determined the matters described below to be the key audit matters to be communicated in our report.

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Key Audit Matter	How our audit addressed the key audit matter
Revenue recognition on long term contracts and accounting for work in progress Refer to Note 2 and 8 of the financial report	
A substantial amount of the Group's revenue relates to revenue from the rendering of services and construction contracts. Many of these contracts are of long-term duration and revenue and margins are recognised based on the stage of completion of the individual contracts. This is calculated on the proportion of total costs incurred at the reporting date compared to management's estimation of total costs of the contract. We focused on this area as a key audit matter due to the number and type of estimation events that may occur over the course of the contract life, leading to complex and judgemental revenue recognition from these contracts.	Our procedures included but were not limited to the following: – Examined and tested the Group's key controls over revenue and related work-in-progress; – Recalculated the net work in progress balance ensuring that the revenue is recognised in line with the requirements of AASB 15 *Revenue from Contracts* with Customers; – Reviewed contract margins that were materially different from the expected margin; – Tested contract values on a sample basis by agreeing to contracts and approved variations; – Assessed the estimation of costs to complete on a sample basis by agreeing key forecast cost assumptions to underlying evidence; – Assessed the Group's ability to forecast margins on contracts by analysing the accuracy of previous margin forecasts to actual outcomes, on a sample basis; – Compared the contract performance at balance date to subsequent months for evidence of deteriorating contract performance and that the Group was accounting for loss making contracts appropriately; – Tested contract costs to the underlying documentation on a sample basis; – Tested completeness of work in progress by comparing management reports to accounting records; – Considered if there were any legal or contentious matters that may indicate the inappropriate recognition of variations and claims. We checked the consistency of this to the inclusion or otherwise of an amount in the estimates used for revenue recognition; and – Assessed the adequacy of the disclosures in the financial report.

Key Audit Matter	How our audit addressed the key audit matter
Peloton Acquisition Refer to Note 30 of the financial report	
The Group completed the acquisition of Peloton Resources Pty Ltd for consideration of $1 million in cash and issuing 65,741,856 shares with a fair value of $3 million. The acquisition has been accounted for as an acquisition of assets with an intangible asset of $4.006 million being recognised for the acquired Peloton Process IP and Patents. We focused on this area as a key audit matter due to involvement of significant amount of judgement, knowledge and communication with the client.	Our procedures included but were not limited to the following: – Reviewed the sale agreement; – Tested acquisition consideration, including testing the equity consideration with reference to AASB 2 *Share-based Payment*, – Considered if management's accounting for the acquisition was correct with reference to AASB 3 *Business Combinations* and AASB 138 *Intangible Assets*; – Tested the acquisition trial balance; – Ensured that the acquired intangible assets met the recognition criteria in AASB 138 *Intangible Assets*; – Reviewed management's expert's valuation report on Peloton IP, and assessed the appropriateness of the expert, and reviewed the underlying models that made up the valuations included in the report; and – Assessed the adequacy of the disclosures in the financial report.
Carrying value of Luky Bay Garnet Mine Refer to Note 12	
As at 30 June 2024, the Group has a development expenditure asset of $227.574 million in relation to the Lucky Bay Project. An impairment assessment was conducted by management during the year in relation to the assets comprising of the Lucky Bay Project due to the existence of an impairment indicator relating to the delay in Lucky Bay reaching the commercial production milestone. The impairment assessment under AASB 136 *Impairment of Assets* involved a comparison of the recoverable amount of the Lucky Bay Project assets with their carrying amounts in the financial statements. Recoverable amount is based upon the higher of fair value less costs of disposals and value-in-use.	Our procedures included but were not limited to the following: – Considered whether the assets comprising the cash-generating unit had been correctly allocated; – Obtained an understanding of the key processes associated with the preparation of the model used to assess the recoverable amount of the Lucky Bay Project; – Critically evaluated management's methodology in the value-in-use model and the basis for key assumptions; – Reviewed the mathematical accuracy of the value-in-use model; – Obtained evidence for key estimates used in the model; – Considered the appropriateness of the discount rate used; – Performed sensitivity analysis around key inputs used in the value-in-use model that

The evaluation of the recoverable amount of these assets is considered a key audit matter as it is based upon a value-in-use calculation which required significant judgement in verifying key assumptions supported the expected discounted future cash flow of the Lucky Bay Project.	either individually or collectively be required for assets to be impaired and considered the likelihood of such a movement in those key assumptions arising; – Compared the resulting net present value to the carrying amount of assets within the cash-generating unit; and – Assessed the appropriateness of the disclosures included in the relevant notes to the financial report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information 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:

(a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and

(b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

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

(a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

(b) the consolidated entity disclosure statement that is true and correct and is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group'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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report included within the Directors' Report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Resource Development Group Pty Ltd for the year ended 30 June 2024 complies with Section 300A of the *Corporations Act 2001*.

Responsibilities

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

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
29 August 2024

David Healy

D B Healy
Partner

Additional Information for Listed Public Companies

Additional information included in accordance with the Listing Rules of the Australian Securities Exchange Limited. The information is current as at 28 August 2024.

1. Shareholdings

Substantial shareholders of Resource Development Group Limited:

Name of shareholder	Shares held	% held
Mineral Resources Limited	1,897,587,201	64.31

Distribution of equity – Listed securities:

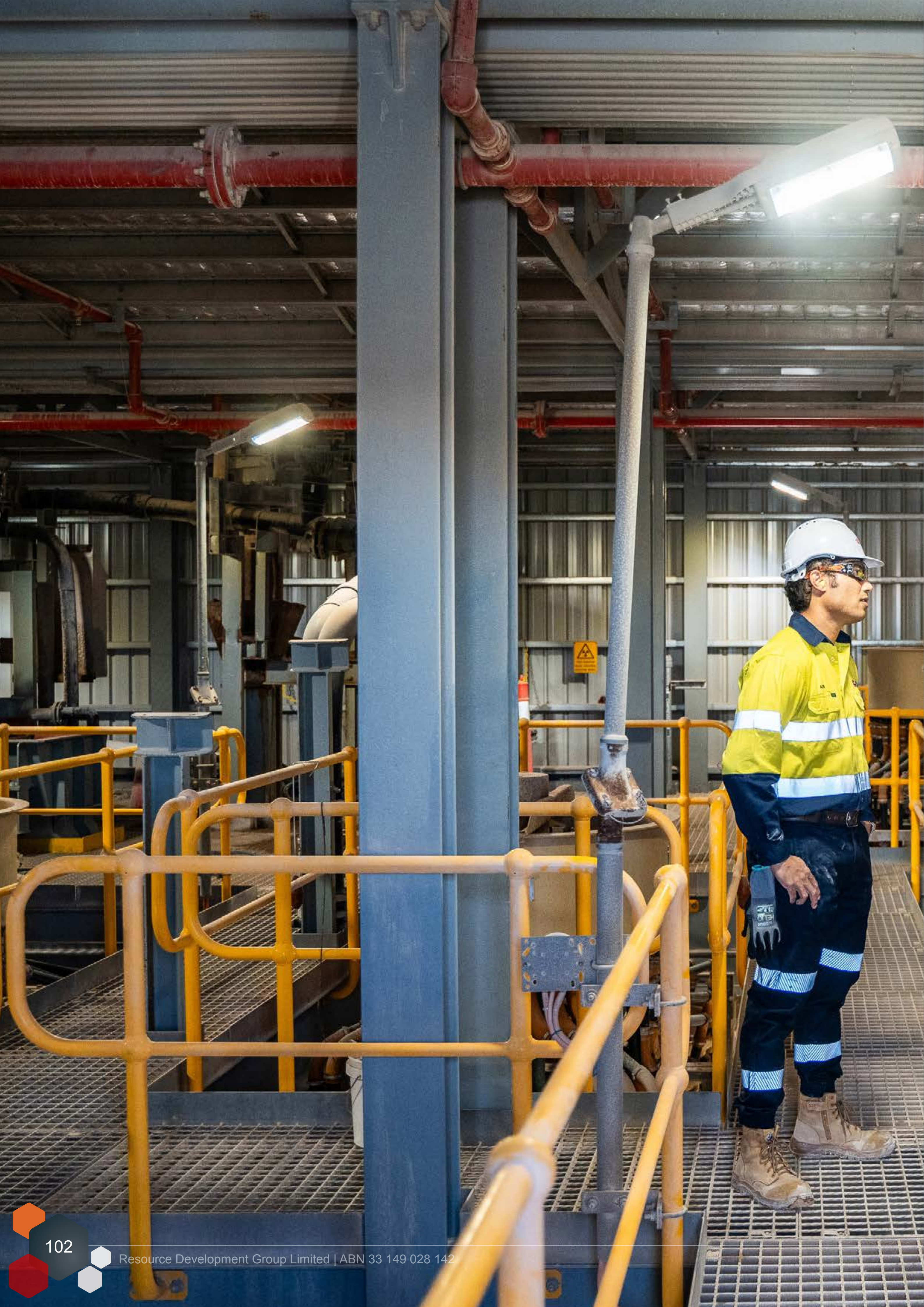
Holding Ranges	Holders	Total Units	% Issued Share Capital
above 0 up to and including 1,000	24	2,933	0.00%
above 1,000 up to and including 5,000	14	35,437	0.00%
above 5,000 up to and including 10,000	91	808,762	0.03%
above 10,000 up to and including 100,000	508	21,156,265	0.72%
above 100,000	399	2,928,854,727	99.25%
Totals	**1,036**	**2,950,858,124**	**100.00%**

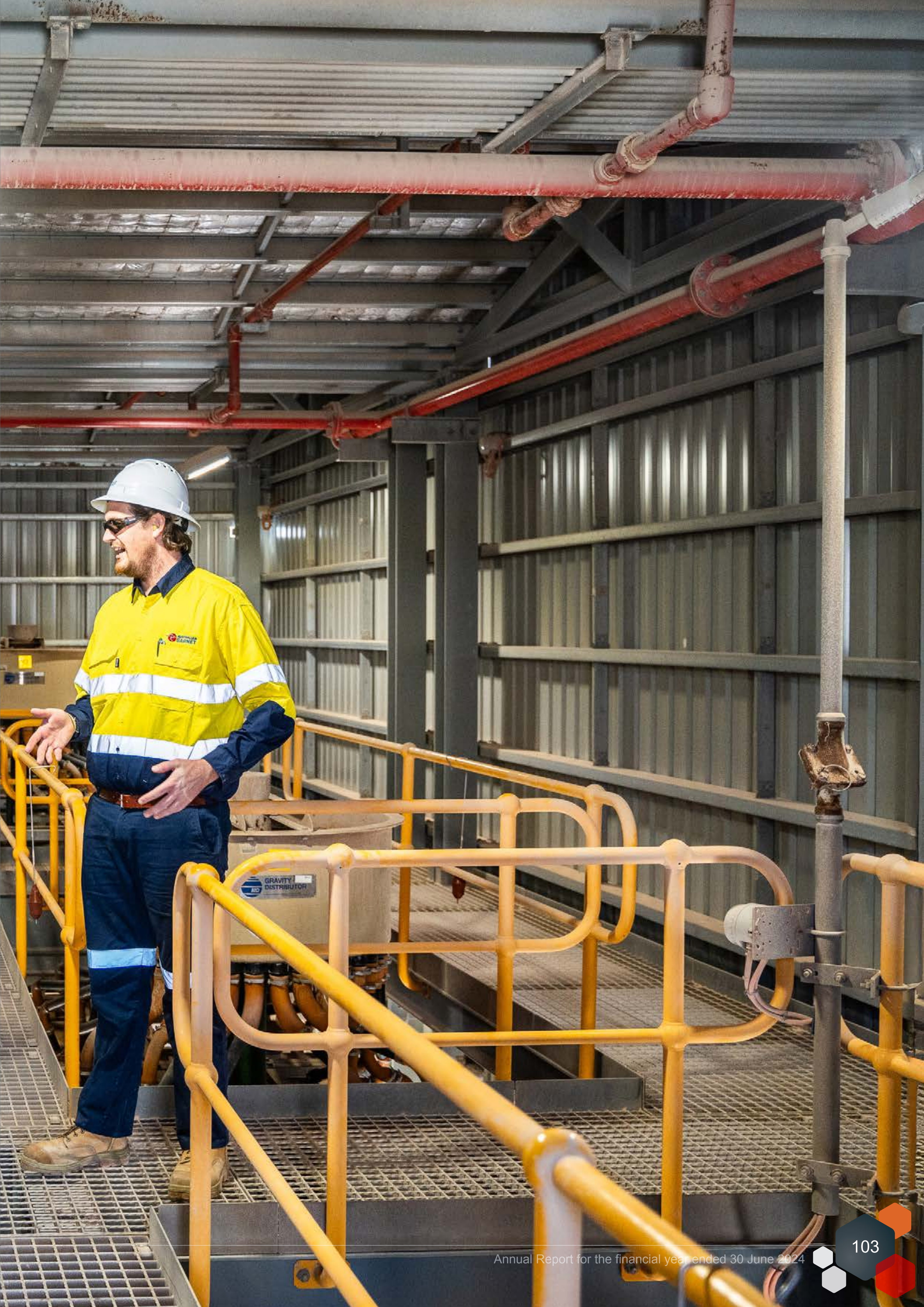
At the date of this report there were 236 shareholders, with a total of 2,303,610 shares, who held less than a marketable parcel of shares.

Listed securities in Resource Development Group Limited (RDG) are quoted on all member exchanges of the Australian Securities Exchange.

Additional Information for Listed Public Companies (continued)
Updated as at 28 August 2024

Position	Holder Name	Holding	% IC
1	MINERAL RESOURCES LIMITED	1,897,587,201	64.31%
2	SEAFIRE HOLDINGS PTY LTD <SEAFIRE A/C>	138,983,058	4.71%
3	GARY MATHEW REID <THE GM REID FAMILY A/C>	105,649,724	3.58%
4	MR RICHARD JAMES EDEN <EDEN FAMILY A/C>	54,818,200	1.86%
5	REVER HOLDINGS PTE LTD	42,750,588	1.45%
6	AMPHORA PTY LTD <THE PURPLE A/C>	38,233,056	1.30%
7	GM REID INVESTMENTS PTY LTD <GARY REID FAMILY A/C>	33,333,334	1.13%
8	MR STEPHEN KROLL <THE KROLL FAMILY TRUST>	26,412,431	0.90%
9	TJLK OCONNOR PTY LTD <OCONNORDON FAMILY A/C>	22,457,417	0.76%
10	MORRELL ENTERPRISES PTY LTD <THE DAVID MORRELL FAMILY A/C>	21,597,027	0.73%
11	STEPHEN BEVIS SMITH	20,510,012	0.70%
12	MR JARROD DEAN MARSHALL & MRS JOANNE MARGARET MARSHALL <THE MARSHALL INVESTMENT A/C>	17,860,927	0.61%
13	SKBZ INVESTMENTS PTY LTD	15,925,584	0.54%
14	MR DAVID ADAM LENYSZYN <LENO FAMILY A/C>	13,711,273	0.46%
15	MR MICHAEL JOHN BEGLEY <THE QUARTZ A/C>	13,653,303	0.46%
16	CORUMBA CAPITAL PTY LTD	13,253,302	0.45%
17	DAVID MORRELL VETERINARY SERVICES (1987) PTY LTD <MORRELL SUPER FUND A/C>	12,413,012	0.42%
18	OMEGA RED PTY LTD <SOURBUTTS SUPER FUND A/C>	12,028,302	0.41%
19	RICHARD MORRIS	11,596,863	0.39%
20	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	11,509,046	0.39%
	Total	**2,524,283,660**	**85.54%**
	Total issued capital - selected security class(es)	**2,950,858,124**	**100.00%**




GRAVITY
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