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29 October 2025

SEPTEMBER 2025 QUARTERLY ACTIVITIES REPORT

Highlights:

- Mining at Anthill performed well during the quarter, with 514,000 tonnes mined at a grade of 0.85% Cu
- A total of 568,781 dry metric tonnes (dmt) of ore was stacked at the Mt Kelly Heap Leach during the Quarter, with an estimated 5,063t tonnes of contained copper.
- Copper stripped at the Mt Kelly SX-EW plant totalled 2,301 tonnes, with 2,283 tonnes plated.
- Following the end of the quarter, Austral received binding commitments for a Placement Offer to raise $40 million at $0.05 per share.
- Proceeds from the Placement Offer will be used to fund balance sheet recapitalisation and acquisition integration, exploration and resource development, the Rocklands mine development and general working capital.
- ASX reinstatement marks a pivotal step in the Company becoming Australia's next mid-tier copper powerhouse.
- September Quarter achieved ~$31.9m in cash from sales of copper cathode, generating a net operating cash inflow of $0.4m.

Copper producer Austral Resources Australia Ltd (ASX:AR1) ("**Austral**" or the "**Company**") is pleased to announce the quarterly report for the period ended 30 September 2025 ("**Quarter**" or the "**Report**").

Chairman's comment:

Austral's Chairman, Mr David Newling, commented:

"The September quarter continued our path in earnest towards an annualised consistent run rate of 10,000 tonnes per annum of copper production from our Mt Kelly facility. This is a solid base to turn on our other mining campaigns from Q1 2026 on the path to 25,000 tonnes per annum of copper production.

Pleasingly, most of our processing circuits showed continued improvement in performance and reliability during the quarter, particularly our crushing and stacking performance, and that has continued into Q4 2025.

Without doubt, the completion of the Company's Placement Offer in October 2025 is the highlight of the quarter. The completion of the Placement, along with the satisfaction of ASX's conditions for reinstatement, marks a significant positive step for the company on its path to becoming the next mid-tier copper powerhouse."

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Placement Offer & ASX Reinstatement

Austral is pleased to confirm that, following completion of the quarter as announced on 21 October 2025, Austral received binding commitment under a conditional placement for $40 million via the issue of 800 million fully paid ordinary shares at an issue price of $0.05 per share. ("**Placement Offer**").

The Placement Offer has now settled and Austral and has provided documentation and disclosures required to satisfy the final conditions for reinstatement to the ASX. The Company anticipates that ASX will confirm satisfaction of reinstatement conditions on or before 31 October 2025 with trading in AR1 shares to recommence thereafter.

Bell Potter Securities Limited and Shaw and Partners Limited acted as Joint Lead Managers and Joint Bookrunners to the Placement Offer.

Operational Highlights

The Company achieved several key operational targets during the Quarter, including record crushing and stacking output in September.

- Anthill mining and haulage continued throughout the Quarter with a total material movement ex pit of 718,142 bank cubic metres ("**BCM**"), a stellar effort given the water and real estate constraints in the final chapters of production. Roadtrain haulage from Anthill RoM to the Mt Kelly RoM was 614,983 wet metric tonnes of ore grading 0.82% copper, also the largest quarterly haulage value for Regroup to date. The Anthill Run of Mine ("**ROM**") ended the Quarter with 354 kilotonnes ("**kt**") of ore on hand containing a total of 2,168 tonnes ("**t**") of copper while the Mt Kelly ROM held 52kt containing 432t of copper metal.
- Mt Kelly processed 568,781 dry metric tonnes ("**dmt**") of ore, above the budgeted target of 540,000 tonnes, with copper stripping totalling 2,301 tonnes and plated copper at 2,283 tonnes.
- Total operating site costs for Q3, including mining, processing, and maintenance was $26.57m.
- Planned maintenance shutdowns during the Quarter supported essential reliability projects across the processing plant, particularly within the crushing and stacking areas. Preventative maintenance works included conveyor belt change-outs in the primary and stacking circuits and progressive replacement of electrowinning cell components, forming part of the current efficiency improvement program.
- All Queensland Mines Inspectorate audits were completed with full compliance maintained. The Quarter's inspections concentrated on risk management frameworks, hazardous chemical control, and electrical safety compliance, reaffirming the site's strong safety and governance performance.
- No Environmental compliance issues.

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Q3 2025 PERFORMANCE SUMMARY	ACTUAL Q3 2025
Total Material Movement	1,479,754t
Total Ore Mined	514,064wmt
Total Contained Cu	4,045t
Total Cu Produced	2,283t

Anthill Mine

Mining activity was focussed on the Anthill pit for the entire quarter. Anthill operational activities for the third quarter of 2025 centred on the continued mining of Anthill East Pit Stage 2, working levels from 275 to 245 giving a 35m vertical advance for the quarter. This is the largest vertical advance within a quarter for Anthill Operations to date. Now pushing well below the water table, the vertical advance is a credit to staff on site to facilitate dewatering to match this accelerating advance. A total of 249,481BCM of ore and 468,661BCM of waste were mined during the quarter. All waste mined was back filled via short haul into Anthill East Stage 1.

In terms of copper metal produced, the third quarter 2025 saw the production of 514k wet metric tonnes of ore with an average copper grade of 0.85% Cu, resulting in approximately 4,045t of contained copper metal, accounting for a moisture content of 7%.

A total of 614kt of blended ore was transported from Anthill to Mt Kelly RoM during the quarter at an average grade of 0.82% Cu. This is a step improvement on both tonnes and grade from last quarter and largely due to better equipment availability, staffing levels, and increasing grade as the mine deepens.

The closing stockpile at Mt Kelly RoM was 52kt containing 432 copper metal tonnes while the stockpile at Anthill was 354kt containing 2168 tonnes of copper metal.

In summary, the third quarter saw increasing challenging conditions in Anthill East Pit Stage 2 as mining dropped further below the water table. Wet and boggy conditions hampered individual mining tasks and so slowed the mining cycle at Anthill. Quantity of water is not an issue, with current pumping infrastructure able to lift water ex-pit in excess of 100l/sec, challenges however surround the slow rate water can be drawn from the clay rich zones within the pit and have it dry to a point machinery can access the area safely.

Note: All figures regarding mined ore and production are based on wet metric tonnes with adjusted moisture content calculations for contained metal.

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Figure 1: AHE Stage 1 Backfill Waste Dump (foreground) and E2 Pit (background)

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Figure 2: Anthill ROM

Processing at Mt Kelly

During the Quarter, the Crushing and Stacking Department continued strongly with minimal downtime recorded. Enhanced reliability within the crushing and stacking circuit resulted in improved throughput consistency and reduced stacking interruptions, underscoring the effectiveness of recent optimisation initiatives. Acid supply issues remained a regional and significant issue, with supply not expected to normalise until the first week of November.

The management of proactive maintenance and operational refinement translated into sustained availability across the crushing, heap leach, and SX–EW circuits. These results reflect the cumulative benefits of recent improvement programs aimed at stabilising performance and maximising recoveries.

A total of 568,781 dry metric tonnes (dmt) of ore was stacked during the Quarter, with an estimated 5063t tonnes of total contained copper. Copper stripped totalled 2,301 tonnes, with 2,283 tonnes plated.

Note: Above figures are based on forecast averages pending final assays.

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Heap Leach and Stacking Operations

Ore stacking during the Quarter totalled 568,781 dmt, exceeding the quarterly target of 540,000 dmt by approximately 5%:

- July: 195,544 dmt
- August: 179,572 dmt
- September: 193,665 dmt

July established a new throughput record for the calendar year, driven by high mechanical reliability and improved reclaim management. August sustained this momentum while September delivered the second strongest month of the year.

While overall tonnage performance remained above budget, total metal stacked underperformed budget due to lower-than-expected ore feed grades. However, ore handling and agglomeration quality improved significantly following the reline of the agglomeration drum. This improvement led to more consistent leach permeability and stronger early recovery trends observed from Pads 19 and 20.

Stacking continuity and circuit stability were key features of the quarter, with the crushing plant operating with high reliably. The strong finish in September has established a resilient foundation for further gains in leach recovery and copper yield heading into Q4.

Key achievements during the Quarter included:

- 90% reline of the agglomeration drum resulting in material improvements to ore agglomeration
- Performed upgrades to several conveyor assets with complete belt change outs
- Performed a major reconfiguration of the stacking asset

Heap Leach and SX-EW Performance

Copper leached during the Quarter totalled 2,504 tonnes, approximately 8% below the 2,726tonne target:

- July: 714 t
- August: 877 t
- September: 913 t

Heap performance improved progressively through the period as the effects of earlier agglomeration issues diminished and new pad stacking areas came online. Acid addition was sub-optimal at times due to intermittent supply limitations, though leaching continued to improve with PLS grades climbing consistently throughout the quarter, moving from 1.87gpl at the beginning of July to 3.44gpl at the end of September.

The Solvent Extraction and Electrowinning (SX–EW) plant operated consistently, maintaining high availability and copper cathode product quality. Targeted asset improvement campaigns commenced throughout the

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Quarter to enhance current efficiency and reduce operational costs. The current efficiency program within the electrowinning plant is expected to continue into Q4, delivering performance improvements.

Key achievements during the Quarter included:

- Commencement of major refurbishment works within the EW cellhouse, including ongoing change out of the cell top furniture, improving current efficiency and contact integrity.
- Recommissioning of the tri-canter centrifuge, significantly enhancing solids removal capacity from the SX circuit and improving solution clarity.
- Installation of auxiliary solid removal assets to further drive settler stability.
- Trial increase of electrowinning amperage to 23,000A, validating potential for additional plating capacity while informing future cell upgrade programs.

MONTH	CU PLATED (T)	CU STRIPPED (T)
July 2025	653.9	665.0
August 2025	805.1	826.6
September 2025	824.6	809.7
Total	**2,283.6**	**2,301.3**



Figure 3: Heap Leach Pad 18 Stacking

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Production Guidance

The Board of Austral has decided that it would be in the Company's best interests to provide quarterly production guidance to better allow shareholders to understand the Company's operations, given that Austral is the only copper cathode producer in Australia (utilising the SX-EW processing plant and oxide feed material).

The Company continues to publish a quarterly update (in the quarterly report following the end of the previous quarter) outlining the actual production figures from the previous calendar quarter, and the forecast production for the next quarter. For the October Quarter 2025 ("**Q4**"), the Company provides the following production estimates:

Q4 2025 PERFORMANCE	GUIDANCE FOR Q4 2025
Total Material Movement	290,348t
Total Ore Mined	184,152dmt
Total Contained Cu	1,958t
Total Cu Produced	2,610t

The Company makes no representation on the current or future London Metal Exchange ("**LME**") copper price or foreign exchange rates.

Exploration Highlights

Despite operating with a reduced team, AR Exploration has managed to reach an important milestone of 11 692 surface geochemical samples – more than any previous operator of the Lady Annie Project – and all of it in just two years. This work has directly led to a rejuvenation of the drill-ready prospect pipeline across both the Eastern and Western Tenement Areas, with a total of 28 high-quality targets ready for drill testing.



Figure 4: Senior Field Technician Jeff Sandifort undertaking field geochemical analysis within Austral's expansive exploration tenure.

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Resource Exploration and Development

As Austral's asset acquisition and consolidation strategy continues to accelerate across the Mount Isa and Cloncurry Regions, the Exploration and Resource Development Team is proactively integrating the new assets into the development pipeline and prioritising high-impact, near-term drill targets. Several areas of focus have been identified across the Lady Annie, Flying Horse, Lady Colleen, McLeod Hill, Enterprise and Rocklands resource areas, with work expected to begin immediately upon finalisation of capital raising efforts.



Figure 5: Drone footage overlooking the Lady Brenda (foreground) and Lady Annie Pits, with Lady Loretta Mine in the background.

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AUSTRAL RESOURCES

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Tenure

No changes to the Company's tenure holding have taken place during the quarter, and all Mining Leases and Exploration Tenements remain in good standing. The Company holds 2,168km^2 of highly prospective exploration tenure comprised of 37 EPM's and 1 EPMA. The Company also holds 15 Mining Leases covering 53km^2 not including the Rocklands Mining Leases which add an additional 19.56 km^2.

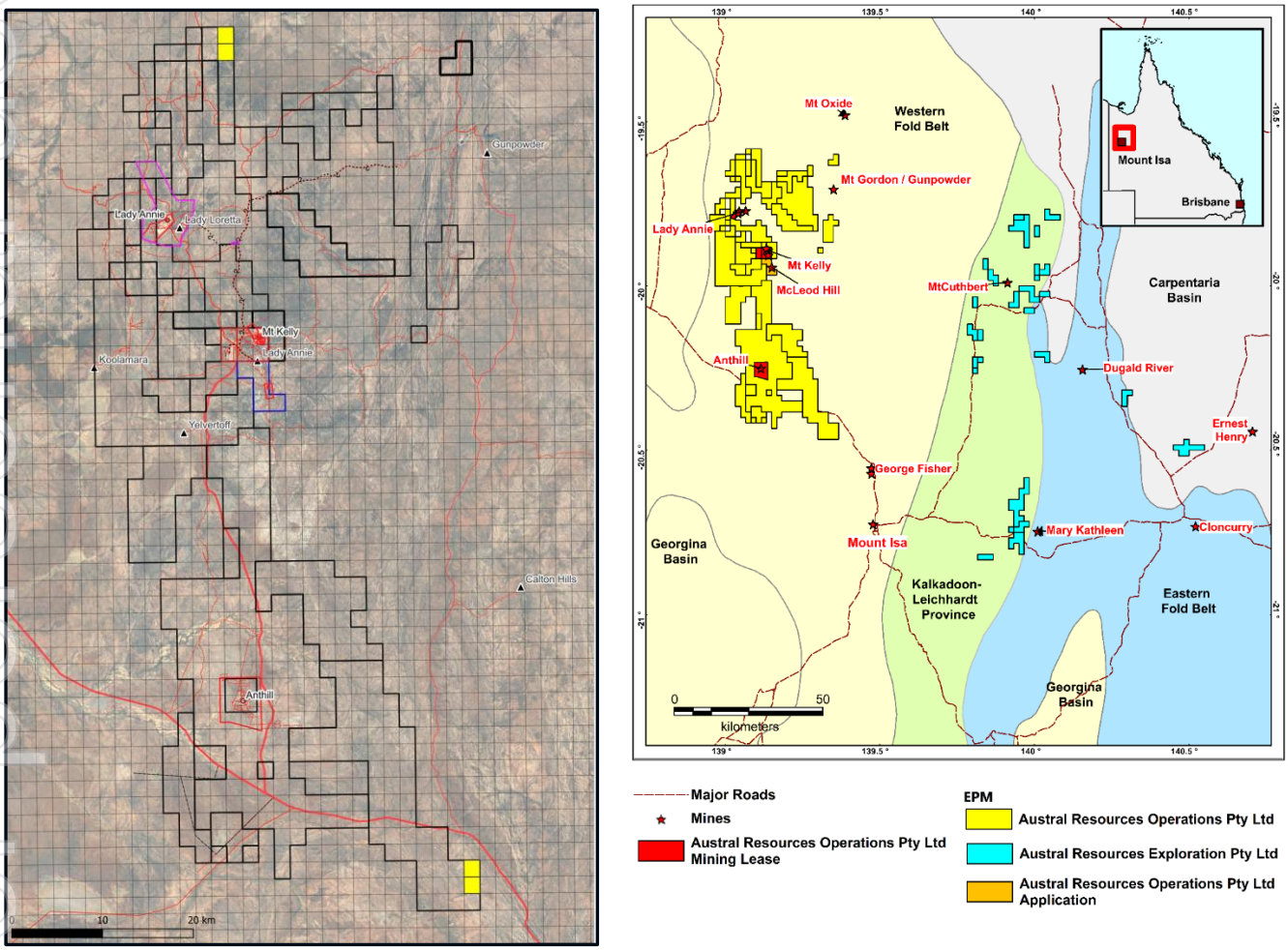


Figure 6. Plan of Austral tenure.

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Lodged by Investor Presentation

This announcement is authorised for market release by the Board of Directors.

FOR FURTHER INFORMATION, PLEASE CONTACT:

Austral Resources Australia
David Newling
Chairman
Level 9, 60 Edward Street
Brisbane City QLD 4000
P: +61 7 3520 2500

Investor Relations
Jane Morgan Management
Jane Morgan
P: +61 405 555 618
E: jm@janemorganmanagement.com.au

About Austral Resources

Austral Resources Australia Ltd (ASX:AR1) is a copper cathode producer operating in the Mt Isa region, Queensland, Australia. Its Mt Kelly copper oxide heap leach and solvent extraction electrowinning (SX-EW) plant has a nameplate capacity of 30,000tpa of copper cathode. Austral has developed its Anthill oxide copper mine, which has an Ore Reserve Estimate (ORE) of 2.87Mt at 0.94% Cu (comprising of 0.90Mt at 0.90% Cu proved ORE and 1.97Mt at 0.96% Cu Probable ORE). The Company has been producing copper cathode from mid-2022.

Austral also owns a significant copper inventory with a JORC-compliant Mineral Resource Estimate of 53.74Mt@ 0.74% Cu (comprising of 9.39Mt at 0.75% Cu Measured MRE, 33.03Mt at 0.76% Cu Indicated MRE and 11.32Mt at 0.67% Cu Inferred MRE) and 2,100km^2 of highly prospective exploration tenure in the heart of the Mt Isa district, a world-class copper and base metals province. The Company is implementing an intensive exploration and development program designed to extend the life of mine, increase its resource base, and then review options to commercialise its copper resources.

Detailed Ore Reserves and Mineral Resource Estimates information is provided in Austral Resources Prospectus, Section 7, Independent Technical Assessment Report, and the 2023 Annual Report. These documents are available on Austral's website: www.australres.com, and on the ASX released as "Prospectus" on 1 November 2021 and further updated on 28 October 2022 as "Lady Colleen Grade increases by 200%", "2023 Annual Report to Shareholders" on 2 April 2024, "Significant increase for the McLeod Hill Copper Mineral Resource" on 20 May 2024, "Mt Kelly Heap Leach Mineral Resource Estimate" on 28 October 2024 and "Austral Resources Annual Report to Shareholders" on 1 April 2025.

The Company confirms that it is not aware of any new information or data that materially affects the exploration results and estimates of Mineral Resources and Ore Reserves as cross-referenced in this release and that all material assumptions and technical parameters underpinning the estimates and forecast financial information derived from the production target continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original announcements.

To learn more, please visit: www.australres.com

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Appendix 1. Performance Right Information

Condition 11.5 of Austral's "Conditions of Quotation" of the Company following its initial public offering ("**IPO**") require certain disclosures be made in relation to unquoted KPI based Performance Rights ("**Rights**") disclosed in the Company's IPO Prospectus.

- Austral has no Rights on issue as at 30 September 2025 (of those issued at IPO).
- During the Quarter, no Rights were converted into ordinary shares and 17,240,465 Rights lapsed.
- Each Performance Right converts into one AR1 share upon vesting and exercise.

The Rights set out above will vest on satisfaction of the below mentioned performance hurdles:

#	Key Performance Indicator	Performance Right #	Vesting Date[1]	Expiry Date	Remaining 30 Sep 25
1	First material ore production from Anthill deposit	11,134,372	Exercised	n/a	-
2	Production of 20kt of copper cathode from Anthill Project	4,453,752	Lapsed	n/a	-
3	Generate 20kt inferred resource	11,134,372	Lapsed	n/a	-
4	Share price target of $0.50	8,907,500	Lapsed	n/a	-
5	Health Safety Security Environment and Quality (HSSEQ) and Indigenous Affairs – FY 2022	2,226,876	Cancelled	n/a	-
6	HSSEQ and Indigenous Affairs – FY 2023	2,226,876	Cancelled	n/a	-
7	Generate 20kt inferred resource	4,453,752	Lapsed	n/a	-
	Total[2]	44,537,500			-

[1] Unless otherwise specified, the Vesting Date represents the last possible date by which the relevant KPI must be met in order for the relevant Rights to vest.

[2] Total Rights on issue at IPO requiring disclosure. Austral has additional Rights on issue not requiring disclosure under the IPO Prospectus.

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The table below provides an overview of the Key Performance Indicators ("**KPI**").

N	KPI	Overview
1	5,000 tonnes of ore moved from the Anthill deposit within 6 months of commencement of overburden mining at the Anthill Project	This KPI will be considered satisfied on the movement of 5,000 tonnes of ROM ore from the Anthill pit to the crusher. This is defined as removing overburden and transporting ore from the Anthill pit within 6 months of commencement of overburden mining at the Anthill Project.
2	Production of at least 20,000 tonnes of copper cathode.	This KPI will be considered satisfied if the Company produces 20,000 tonnes of LME grade Copper cathode by the relevant Vesting Date.
3	Generate a JORC compliant Inferred Mineral Resource estimate of 20,000t of contained Cu through the exploration programme within 70km of the Mt Kelly processing facility	This KPI represents an exploration target for the exploration team to either continue more detailed exploration work on the top 12 prospects or explore and drill a new Mineral Resource estimate so that collectively an Inferred Mineral Resource estimate of 20,000 tonnes of contained Cu at a cut-off grade of 0.2% is achieved. This represents approximately half the resource at Anthill and must be within 70km of the Mt Kelly facility.
4	Share price target of $0.50	This KPI will be considered satisfied where the volume weighted price average of the Company's Shares trades at or above $0.50 for 20 consecutive Trading Days (as that term is defined in the Listing Rules).
5	Health, Safety, Security, Environment, Quality ("**HSSEQ**") and Indigenous Affairs – to 30 June 2022	This KPI will be considered satisfied where both of the following criteria are met during the relevant period: 1. the Company's published Lost Time Injury Frequency Rate ("**LTIFR**") is no more than 10% higher than the twelve-month rolling average LTIFR for surface minerals mines as reported in the Queensland Government 'Mines and Quarries Safety Performance and Health Reports' (adjusted on a pro-rata basis for any period prior to first production at the Anthill Project); and

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		2. the Company (or its relevant subsidiary) is not in material breach or in material dispute with any counterparty to any indigenous land use agreement ("**ILUA**") (including for example the agreements set out in section 12.7 of the Prospectus).
6	HSSEQ and Indigenous Affairs – from 1 July 2022 to 30 June 2023	This KPI will be considered satisfied where both of the following criteria are met during the relevant period: 1. the Company's published LTIFR is no more than 10% higher than the twelve-month rolling average LTIFR for surface minerals mines as reported in the Queensland Government 'Mines and Quarries Safety Performance and Health Reports'; and 3. the Company (or its relevant subsidiary) is not in material breach or in material dispute with any counterparty to any ILUA (including for example the agreements set out in section 12.7 of the Prospectus).
7	Generate a JORC compliant Inferred Mineral Resource estimate measuring 20,000 tonnes contained Cu in sulphide mineralisation	This KPI represents an exploration target for the exploration team to develop a more detailed exploration work on the sulphides (from existing pits, existing targets and drill a new Mineral Resource so that collectively an Inferred Mineral Resource estimate generating 20,000 tonnes of contained Cu in the sulphides at a cut-off grade of 0.2%.

Terms of the employee incentive plan under which the Rights were issued are listed in the Company's IPO prospectus.