ASX ANNOUNCEMENT

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27 January 2026

DECEMBER 2025 QUARTERLY ACTIVITIES REPORT

Highlights:

- **Austral completed a $40.0m placement and was requoted on ASX on 5 November 2025 after a suspension period of 26 months (since September 2023).**
- **Severe wet-season weather was successfully managed with minimal lost time as a result of robust pre-wet preparation and risk mitigation ensuring personnel safety and resulting in quarter exceeding budget and outperforming previously issued production guidance, notwithstanding temporary access disruptions at Rocklands.**
- **Exploration and non-critical field activities experienced short-term weather-related constraints, however these impacts were managed without adverse safety or environmental outcomes and are expected to normalise as access conditions improve, preserving forward exploration momentum.**
- **Mining at Anthill performed well during the quarter, with 480,727 wet metric tonnes (wmt) of Ore mined at a grade of 0.93% Cu.**
- **A total of 469,160 dry metric tonnes (dmt) of Ore was stacked at the Mt Kelly Heap Leach during the Quarter, with an estimated 3,985 tonnes of contained copper.**
- **Copper stripped at the Mt Kelly SX-EW plant totalled 2,644 tonnes, with 2,589 tonnes plated.**
- **The Company has established a Technical Committee, responsible for the Rocklands restart strategy as announced in the Company's ASX re-quotation process.**
- **December Quarter achieved ~$41.3m in cash from sales of copper cathode, generating a net operating cash inflow of $3.6m, with positive EBITDA for FY2025.**
- **At 31 December 2025, the group held $19.6 million cash at bank.**

Copper producer Austral Resources Australia Ltd (ASX:ARI) ("Austral" or the "Company") is pleased to announce the quarterly report for the period ended 31 December 2025 ("Quarter" or the "Report").

Chairman's comment:

Austral's Chairman, Mr David Newling, commented:

"Our Q4 production figures, even with the adverse weather conditions, built upon the positive momentum from Q3. As we enter 2026, we are looking to conclude mining at Anthill (to fulfill our APA obligations) and commence multiple mining operations that, supported by strong copper demand, will see the Company well placed to deliver operational outcomes expected or exceeded by shareholders.

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The production figures we achieve today are the result of many months of hard work by our employees and contractors in keeping our operations safe, consistent and reliable. Our systems and processes are world class, just like our assets, and as we continue to attract interest from various parties, we see our vision crystalising to become Australia's next mid-tier copper powerhouse."

OPERATIONS

LADY ANNIE OPERATIONAL HIGHLIGHTS

Despite the December quarter being primarily focused on the Company's ASX re-quotation, the Company delivered strong operational outcomes, as outlined in its latest ASX announcement ("Lady Loretta Mine Acquired Increasing Copper Pipeline" on 16 January 2026). The Company advanced several key operational objectives and, notwithstanding historic rainfall and flooding during the wet season, outperformed both internal targets and stated production guidance.

- Anthill mining and haulage continued throughout the Quarter with a total material movement ex pit of 480,035 bank cubic metres ("**BCM**"), which is significantly positive given the water and real estate constraints in the final chapters of production. Road train haulage from Anthill RoM to the Mt Kelly RoM for the quarter was 520,739wmt of ore grading 0.91% copper, which is the highest grade ore delivered to the Mt Kelly RoM to date for Anthill East Pit Stage 2 (refer Figure 1). The Anthill Run of Mine ("**ROM**") ended the Quarter with 314,000wmt of ore on hand containing a total of 1,932t of copper while the Mt Kelly ROM held 75,000wmt containing 589t of copper.
- Processing operations at Mt Kelly delivered resilient performance under challenging conditions. Crushing and stacking operations stacked approximately 469,160 dry metric tonnes (dmt) of ore during the Quarter, with throughput constrained by acid supply interruptions early in the period and sustained rainfall during November and December. Heap leach performance remained strong, with total copper leached of approximately 2,916 tonnes for the Quarter, supported by elevated solution grades and effective acid utilisation. The SX–EW circuit plated approximately 2,589 tonnes and stripping 2,644 tonnes of copper with cathode purity consistently maintained at 99.999% (LME Grade A).
- Planned and opportunistic maintenance was completed during the Quarter, leveraging periods of reduced throughput associated with acid supply constraints and wet weather. Critical works were undertaken across the crushing circuit, agglomeration equipment and the electrowinning cellhouse, contributing to improved mechanical reliability and plant condition heading into the peak wet season period.
- No environmental compliance issues were recorded during the Quarter.

Q4 PERFOMANCE	GUIDANCE	ACTUAL
Total Material Movement	290,348 dmt	1,004,376 dmt
Total Ore Mined	184,152 dmt	447,076 dmt
Total Contained Cu	1,958t	4,148t
Total Cu Produced	2,610t	2,644t

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ANTHILL MINE

Anthill operational activities for the fourth quarter of 2025 centred on the continued mining of Anthill East Pit Stage 2, working levels from 255 to 235 giving a 20m vertical advance for the quarter. 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 213,677BCM of ore and 266,358BCM 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, fourth quarter 2025 saw the production of 480k wet metric tonnes of ore with an average copper grade of 0.93%Cu, resulting in approximately 4,148t of contained copper metal, accounting for a moisture content of 7%.

A total of 520k wet metric tonnes of blended ore was transported from Anthill to Mt Kelly RoM during the quarter at an average grade of 0.91%Cu. This is a step improvement on grade from last quarter due to the expected increasing grade as the mine deepens.

The closing stockpile at Mt Kelly RoM was 75kt containing 589 copper metal tonnes while the stockpile at Anthill was 314kt containing 1932 tonnes of copper metal.

In summary, the fourth quarter saw increasing challenging conditions in Anthill East Pit Stage 2 as mining drops further below the water table. Wet and boggy conditions hamper individual mining tasks and so slow the overall mining cycle. 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.



Figure 1: AHE Stage 1 Backfill Waste Dump (left) and E2 Pit (right)

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Figure 2: Anthill ROM

PROCESSING

During the Quarter, processing operations delivered resilient metallurgical performance despite wet-season rainfall and intermittent constraints on ore stacking. While acid supply interruptions early in the period and sustained rainfall through November and December impacted throughput, strong operational discipline and plant reliability supported solid copper recovery and consistent electrowinning performance.

469,160 dry metric tonnes (dmt) of ore were processed during the Quarter, equating to 505,000 wet metric tonnes (wmt) stacked. Heap leach operations delivered strong metallurgical outcomes, with total copper leached of 2,916 tonnes.

Cathode purity was consistently maintained at 99.999% (LME Grade A).

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Heap Leach and Stacking Operations

During the Quarter, ore stacking totalled 505,000 wet metric tonnes (wmt) against a target of approximately 543,000 wmt, with reduced stacking volumes primarily attributable to acid supply interruptions in October and sustained wet-season rainfall during November and December.

Monthly stacking performance was as follows:

- October: 188,000 wmt
- November: 180,000 wmt
- December: 137,000 wmt

Crushing and stacking downtime was predominantly weather-related rather than equipment driven. Targeted maintenance activities were undertaken during periods of reduced throughput, improving plant condition and operational readiness heading into peak wet-season conditions. Heap leach performance strengthened progressively through the Quarter, supported by improved solution grades and disciplined solution management.

Solvent Extraction &Electrowinning Performance

During the Quarter, copper stripped totalled 2,644 tonnes against a quarterly target of 2,610 tonnes, reflecting strong and improving SX–EW performance despite variability in leach solution availability earlier in the period.

The solvent extraction and electrowinning ("SX–EW") circuit delivered consistent and improving performance throughout the Quarter, underpinned by stabilising current efficiency, improved cathode condition and enhanced cellhouse reliability.

Cathode purity was maintained at 99.999% (LME Grade A).

Key achievements during the Quarter included:

- Targeted refurbishment of EW cell furniture and cathode handling systems, improving electrical contact and plating stability.
- Improvements in current efficiency and cathode condition, supporting higher and more consistent stripping rates.
- Continued optimisation of solution chemistry and operating practices across the SX-EW circuits.

Month	Cu Plated (t)	Cu Stripped (t)
October 2025	822	854
November 2025	874	876
December 2025	893	914
Total (Quarter)	**2,589**	**2,644**

Quarterly copper production finished above budget and guidance, which was supported by a strong improvement in SX–EW performance, plant reliability and metallurgical control. Progressive gains in current efficiency, cathode condition and solution management drove higher stripping rates through the period, with December delivering the strongest monthly outcome of the year. These improvements have positioned the operation for more consistent performance through the wet season and into subsequent quarters.

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Figure 3: Heap Leach Pad

PRODUCTION GUIDANCE

The Board considers it is in the Company's best interests to continue providing quarterly production guidance to support shareholder understanding of the Company's operations as Australia's only copper cathode producer.

The Company provides a quarterly production update within its quarterly report, outlining actual production achieved in the preceding quarter and production guidance for the forthcoming quarter. For the March Quarter 2026 ("Q1"), the Company provides the following production guidance:

Q1 2026 PERFORMANCE	GUIDANCE NOTE
Total Material Movement	450,240dmt
Total Ore Mined	260,244dmt
Total Contained Cu	3,622t
Total Cu Produced	2,650t

This production guidance solely relates to activities from the Anthill Mine, whilst the Company fulfills its remaining obligations under the Anthill Project Agreement. Significant increases in production are expected as the Company commences multiple mining operations during 2026.

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

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ROCKLANDS

Corporate Restructuring & Governance

The Company successfully completed the Deed of Company Arrangement on 24 October 2025, formally concluding the sale process of Rocklands to Austral and its exit from administration. Following the completion of the sale process, operational control of Copper Resources Australia was transferred to Austral Resources, with existing site-based personnel retained, including the Site Senior Executive/General Manager, ensuring continuity of operations, safety systems, and local knowledge.

Environmental & Regulatory Compliance

The Company completed an EA amendment to accurately reflect the constructed infrastructure of the Morris Creek Dam, thereby resolving a long-standing legacy compliance matter.

Material progress was achieved on re-profiling of the Potential Acid Forming (PAF) waste dump. These works are required to meet Design Storage Allowance (DSA) criteria and reduce long-term environmental risk.

Progressive Rehabilitation and Closure Plan (PRCP) activities continued in accordance with regulatory requirements, supporting ongoing compliance and the Company's social licence to operate.

Operational Readiness

The operation recommenced 24-hour operations, providing continuous monitoring and enhanced operational responsiveness during weather-impacted periods.

All critical water management infrastructure and drainage systems were audited and prepared ahead of the wet season. Pumping systems were optimised to manage elevated rainfall and inflows.

CORPORATE

CEO Search

The Company has engaged a Brisbane-based executive search firm to undertake the recruitment of a CEO to assist the Board in delivering on Austral's vision to build Australia's next mid-tier copper powerhouse.

In the interim, the Chairman has and will continue to fulfil executive duties alongside the COO and CFO to manage the Company appropriately as it executes its strategy.

A further update will be provided once an appointment has been made.

Financial Performance

Anthill Mine produced 2,644 tonnes of saleable copper and sold 2,669 tonnes of copper cathode during the Quarter, generating $41.3 million in sales revenue.

Sales for the Quarter achieved an average realised copper price of $15,458.56 per tonne.

Copper prices strengthened significantly during the Quarter, with the spot copper price trading above US$12,500 per tonne at the end of December. This strength has continued into Q1 2026.

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Cash Flow ($ Millions)	December 2025 Qtr
Copper Cathode Sales	41.26
Mine Operating Costs	(37.65)
Operating Mine Cash Flow	**3.61**
Corporate	(1.16)
Exploration	(0.19)
Care & maintenance (Rocklands Project)	(0.82)
Net Interest and Other Income	0.59
Group Cash Flow	**2.03**
Asset Sales/Purchases (CRA)	(18.00)
Thiess Settlement	(17.50)
Financing Proceeds	14.41
Net Equity Raise Proceeds	37.59
Net Group Cash Flow	**18.53**
Opening Cash Balance	**1.06**
Closing Cash Balance	**19.59**

Financing

As at 31 December 2025, Austral Resources held $19.59 million in cash at bank. Total restricted cash (for rehabilitation bonds) at 31 December 2025 is $50.73 million.

The Rocklands Acquisition was completed on 24 October 2025, with cash consideration of $18.0 million funded through proceeds from the Rocklands Prepayment Facility. The US$15.0 million (A$22.1 million) Rocklands Prepayment Facility with Glencore Australia Holdings Pty Ltd was finalised on 8 October 2025. This facility was fully drawn at 31 December 2025.

During the Quarter, the Company completed a $40.0 million placement at $0.05 per share, with funds received in November 2025.

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Technical Committee and Working Group

The Company committed, as part of its ASX re-quotation in November 2025, to establish a Technical Committee that would be responsible for the Company's mining, mine development and exploration opportunities.

This committee has been constituted and ratified by the Board. Neil Meadows, Independent Non-Executive Director of the Company, will be the Chairman of the Committee and has established a working group to act at the direction of the Committee.

The composition of the Committee is as follows:

- Neil Meadows – Committee Chairman, Non-executive Director
- Dan Jauncey – Committee member, Non-executive Director
- Sean Westbrook – Committee member, Non-executive Director
- Peter Rohner – Independent consultant
- Shane O'Connell – Committee secretariat, Chief Operating Officer

The Board has tasked the Committee with overseeing the re-commissioning of the Rocklands processing facility and will report to the Board on its progress on a periodic basis.

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EXPLORATION

Regional Exploration Achievements

During the quarter, Austral Exploration continued to advance geochemical prospecting and target definition activities focused on the Company's Eastern Project Areas as well as its newly acquired Canyon EPM (EPM 28881) closely located to the Company's Mt Kelly processing facility.

Austral Exploration continued its boots on the ground exploration activities, collecting 1,624 surface geochemical samples and analyses over almost ~850 line kilometres of highly prospective geology. This work has continued to identify additional areas and targets requiring further work, including geophysical surveys and drill testing.

Canyon EPM Awarded to Austral

On 17 December 2025, the Company announced the granting of the Canyon EPM (EPM 28881) for a term of five years. An extensive body of work completed by Austral Exploration shows a number of compelling Copper Oxide Targets (Figure 4) within 3km of the Company's Mt Kelly processing facility. Furthermore, securing this tenure enhances the Company's ability to progress exploration targeting strike-expansion of its McLeod Hill Copper Resource which is believed to continue into the Canyon EPM.

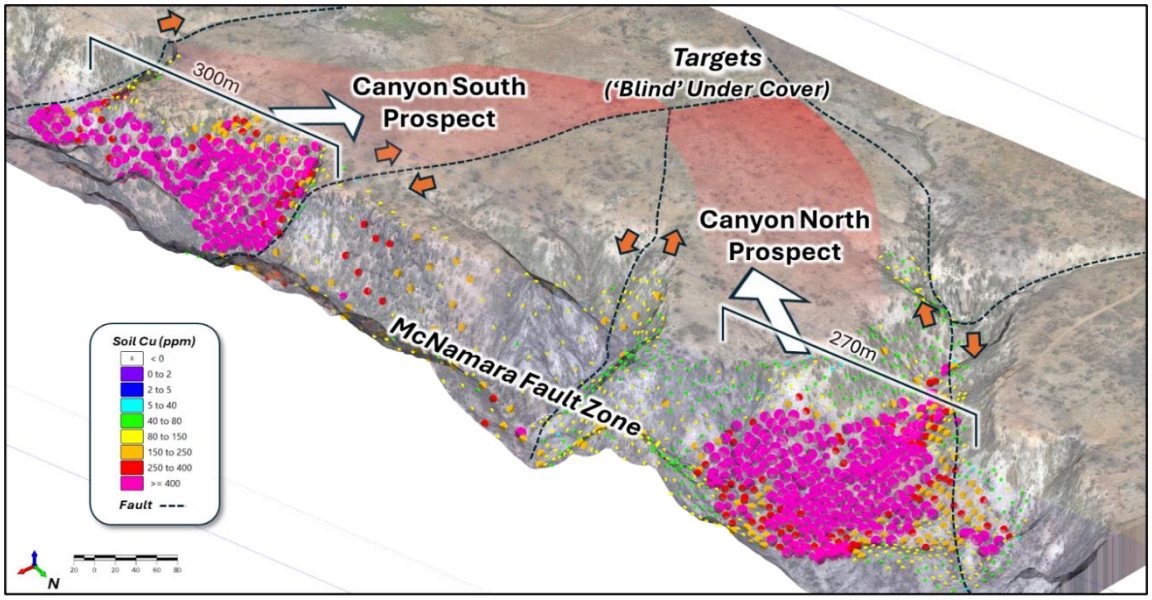


Figure 4: Oblique section highlighting intense copper anomalism associated with the Canyon Prospects (ASX Announcement "Copper Oxide Growth Opportunity Next to Mount Kelly Plant", 17 December 2025).

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Copper-Gold Exploration Targets Strengthen Growth Pipeline

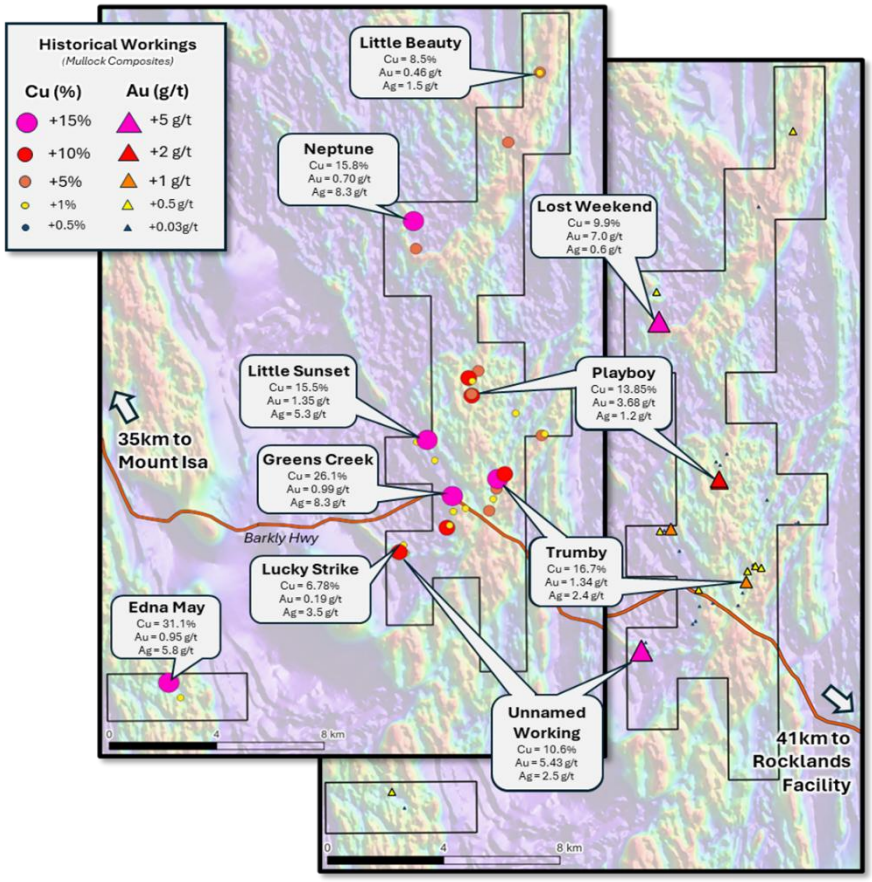


Figure 5: Results of mullock composite sampling programme undertaken across 34 historic copper working with AR's Cameron River Project area (ASX Announcement "Copper-Gold Exploration Targets Strengthen Growth Pipeline", 18 December 2025).

On 18 December 2025, Austral provided an update on developments across the Company's Eastern Isa Project Areas. This release followed consecutive field seasons of disciplined and cost-effective geochemical field investigations by the Exploration team to identify and define high-priority copper-gold targets recommended for immediate geophysical investigations and drill-testing. In concert with surface geochemical definition of future drill-targets, mullock composite samples were collected from thirty-four undrilled historical copper workings aiming to assess the potential for gold upside in addition to copper system fertility. The results of this work provide encouraging upside potential for the Company's organic growth strategy to complement the acquisition of the Rockland's mine and processing facilities.

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Exploration Drilling and Resource Development

The Company remains committed to maximising shareholder value through organic growth opportunities and monetising the Company's existing Cu sulphide resource base, which has been supplemented with a further 10.22Mt @ 0.64% Cu, 0.13g/t Au from the Rocklands Mine[1]. A total of 363 drillholes have been designed and optimised to date targeting a mix of near-mine and regional exploration targets, providing considerable optionality and logistical contingency. The total number of drillholes and drill meters to be completed will be rationalised during the year as drilling progresses. Immediate near-mine drilling scheduled for 2026/27 include Rocklands, Lady Annie, Flying Horse, Lady Colleen, McLeod Hill and Enterprise.

Tenure

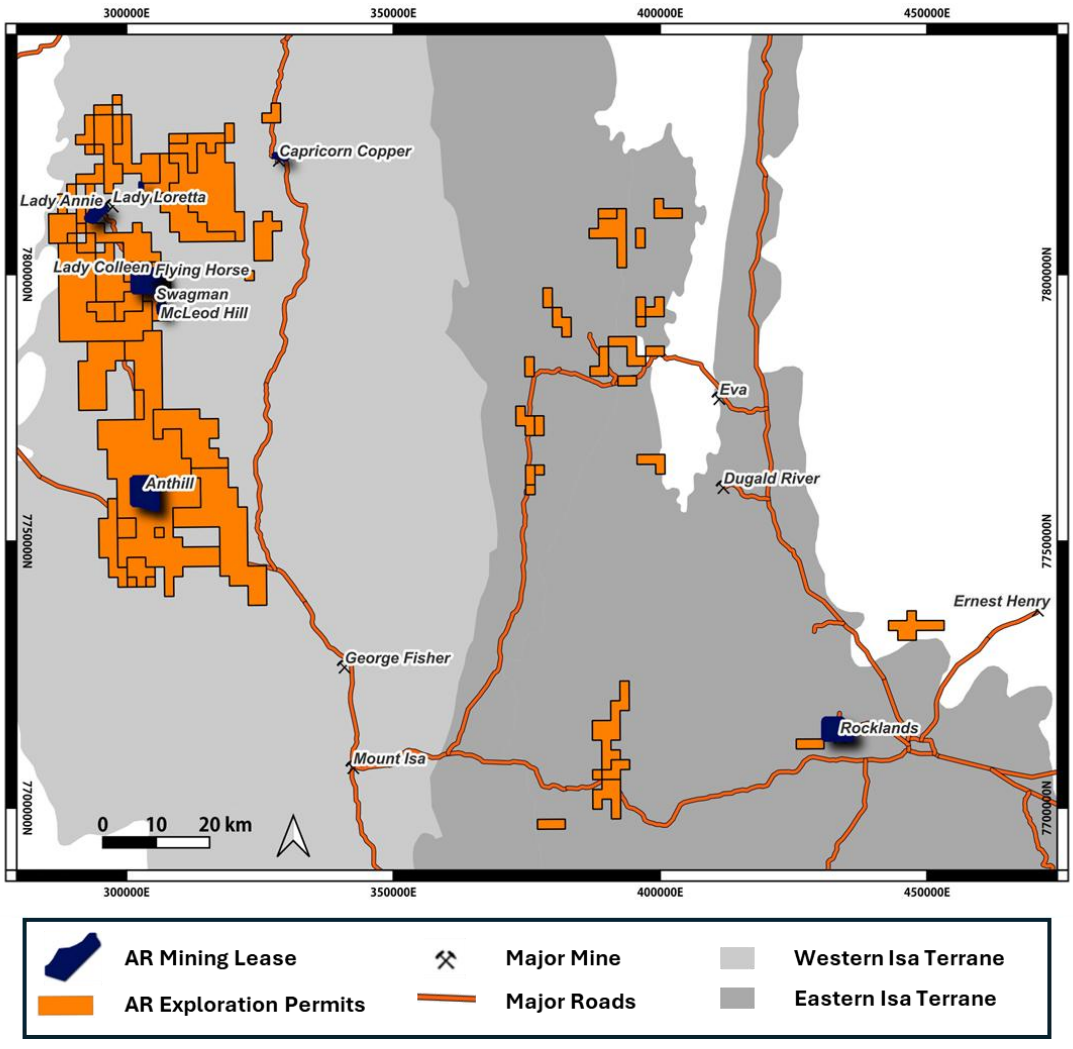


Figure 6: Plan of Austral Tenure

1 ASX Announcement, "Austral Resources Prospectus' on 4 September 2025.

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During the quarter, several low-prospectivity sub-blocks totalling (83.6km^2) were relinquished as per the statutory requirements of the NROLA legislation. The loss of tenure has been partially offset by the acquisition of Rocklands assets and the awarding of the Canyon EPM (EPM 28881).

The Company now holds hold 2,100.6km^2 of highly prospective exploration tenure comprised of 37 EPM titles across the world-class Mount Isa Region. The Company also holds 15 Mining Leases covering 65.7km^2.

EVENTS POST BALANCE DATE

Lady Loretta Mine acquisition

The Company announced the acquisition of the Lady Loretta mine to substantially increase its copper pipeline on 16 January 2026. Whilst further details about this acquisition can be found in the relevant ASX announcement, the Company will be required to convene a shareholder meeting to approve this transaction.

The Company currently intends to issue a Notice of Meeting in early February 2026 to shareholders.

This announcement is authorised for market release by Austral's board of directors.

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About Austral Resources

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

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AUSTRAL RESOURCES

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About Austral Resources

Austral Resources Australia Ltd is an ASX listed 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. The recent acquisition of the Rocklands Facility enables the dual processing capabilities for copper sulphides and copper oxides, as well as an increased exposure to gold.

Austral has recently embarked on an aggressive growth and consolidation strategy across the World Class Mount Isa Region, which includes the Rocklands Deposit. Austral now owns a significant copper inventory with a JORC compliant Mineral Resource Estimate standing at 64 Mt @ 0.73% Cu (468,414t of contained copper) (comprising of 52.8Mt @ 0.74% Cu at the Lady Annie Project – 8.8Mt at 0.75% Cu Measured MRE, 33.0Mt at 0.76% Cu Indicated MRE and 11.0Mt at 0.69% Cu Inferred MRE and 11.26Mt at 0.69% Cu at the Rocklands Project – 9.12Mt at 0.72% Cu Indicated MRE and 2.14Mt at 0.55% Cu Inferred MRE), two processing facilities, as well as 2,101km^2 of highly prospective exploration tenure in the heart of the Mt Isa district, a world class copper and base metals province. The Company intends to implement an intensive exploration and development programme designed to extend the life of mine, increase its resource base and continually review options to commercialise its copper resources. The Lady Annie MRE of 12.16Mt at 0.76% Cu is comprised of 3.0Mt at 0.7% Cu Measured MRE, 8.52Mt at 0.8% Cu Indicated MRE and 0.64Mt at 0.57% Cu Inferred MRE.

Ore Reserves and Mineral Resource Estimate Statements

Detailed information that relates to Ore Reserves and Mineral Resource Estimates is provided in Austral Resources Prospectus, Section 7, Independent Technical Assessment Report. This document is available on Austral's website: www.australres.com and on the ASX released as "Prospectus" on 1 November 2021, update for actual production as "Austral Resources Annual Report to Shareholders" on 1 April 2025, "Maiden Mineral Resource at Enterprise" on 9 August 2022, "Significant Increase of McLeod Hill Copper Mineral Resource" on 20 May 2024, "Acquisition of Rocklands to Transform Austral" on 3 July 2025 and "Austral Resources Prospectus" on 4 September 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. The Rocklands sulphide MRE of 10.22Mt @ 0.64% Cu, 0.13g/t Au is comprised of 8.13Mt @ 0.67% Cu, 0.14g/t Au indicated MRE and 2.09Mt @ 0.51% Cu, 0.10g/t Au inferred MRE per "Austral Resources Prospectus" on 4 September 2025.