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SUNSHINE METALS LIMITED

(ABN 12 063 388 821)

INTERIM FINANCIAL REPORT
31 DECEMBER 2025

SUNSHINE METALS LIMITED AND CONTROLLED ENTITIES

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SUNSHINE METALS LIMITED AND CONTROLLED ENTITIES

DIRECTORS' REPORT

The directors of Sunshine Metals Limited ("Sunshine Metals" or "the Company") present their report together with the consolidated interim financial report for the Company and entities it controlled during the half-year ended 31 December 2025 ("the Group").

DIRECTORS

The following persons were directors of Sunshine Metals Limited during the half-year and up to the date of this report. Directors were in office for the entire period unless otherwise stated.

- Alec Pismiris (Chairman)
- Damien Keys (Managing Director)
- Joanne Bergamin (Non-Executive Director)
- Fred White (appointed 5 August 2025)
- Paul Chapman (resigned 31 October 2025)
- Les Davis (resigned 31 August 2025)
- Anthony Torresan (resigned 31 August 2025)

Sunshine Metals welcomed Fred White to the Board, as part of the transition to a predominately Queensland based Board. Sunshine Metals thank Paul Chapman, Les Davis and Anthony Torresan for their valuable contribution.

REVIEW OF OPERATIONS

Sunshine Metals concentrated its exploration and drilling activities on the recently acquired (June 2025) Sybil epithermal gold project in North Queensland. Field activities included mapping, rock chip sampling and diamond drilling. A 14-hole (1,177.4m) diamond drill program was undertaken between August – October 2025, with 12 of 14 holes returning significant mineralisation, including:

- **4.4m @ 57.51g/t Au** from 23.6m (25FCDD003), including

  1.1m @ 148.0g/t Au from 23.6m
- **4.5m @ 17.23g/t Au** from 82.5m (25FCDD0012),
- **5.2m @ 9.01g/t Au** from 52.0m (25FCDD007)
- **3.8m @ 6.12g/t Au** from 22.6m (25FCDD002)
- **2.8m @ 15.15g/t Au** from 37.0m (25FCDD010)
- **7.0m @ 3.93g/t Au** from 65.0m (25FCDD008A)
- **6.0m @ 2.38g/t Au** from 58.6m (25FCDD006)

Sunshine increased the shallow, high grade gold Resource at the Liontown prospect by 14% to 108Koz after the drilling of 29 reverse circulation (RC) holes (1,834m) in May 2025. The drilling targeted shallow Au mineralisation, tightening drill spacing to ~25m x 25m.

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REVIEW OF OPERATIONS (CONTINUED)

Based on the drilling and refined interpretation, the Liontown Resource (including Liontown East) now stands at:

6.1Mt @ 3.6g/t AuEq for 714Koz AuEq recoverable (or 10.0% ZnEq)

Prospect	Lease Status	Resource Class	Tonnage (kt)	Gold (g/t)	Copper (%)	Zinc (%)	Silver (g/t)	Lead (%)	Zinc Eq. (%)	Gold Eq. (g/t)	Gold Eq. (oz)
Liontown Oxide	ML/MLA	Indicated	97	2.0	0.6	0.8	30	2.6	6.0	2.2	6,861
	ML/MLA	Inferred	77	1.5	0.7	0.8	18	1.0	4.6	1.7	4,209
	ML/MLA	**Total**	**174**	**1.8**	**0.6**	**0.8**	**24.7**	**1.9**	**5.4**	**2.0**	**11,070**
Liontown Trans.	ML/MLA	Indicated	207	2.2	0.8	2.2	40	2.6	7.5	2.7	17,969
	ML/MLA	Inferred	23	1.8	0.6	1.5	10	0.8	5.1	1.8	1,331
	ML/MLA	**Total**	**230**	**2.2**	**0.8**	**2.1**	**37.0**	**2.4**	**7.3**	**2.6**	**19,300**
Liontown Fresh	ML/MLA	Indicated	2,128	1.4	0.6	4.8	37	1.7	10.3	3.7	253,142
	ML/MLA	Inferred	2,319	1.9	1.1	2.3	16	0.7	9.4	3.4	253,496
		Total	**4,447**	**1.7**	**0.9**	**3.5**	**26**	**1.2**	**9.8**	**3.5**	**506,638**
Liontown East	MLA	Inferred	**1,462**	**0.7**	**0.5**	**7.4**	**29**	**2.5**	**11.1**	**4.0**	**188,266**
Liontown Total Resource			**6,139**	**1.5**	**0.8**	**4.4**	**27**	**1.6**	**10.0**	**3.6**	**714,204**

Table 1: Resource for Liontown (including Liontown East), part of the Ravenswood Consolidated Project[1].

The updated Resource was incorporated into the Liontown Mining Study, which considered the gold-rich portion of the larger gold-silver-copper-zinc Liontown Resource. The Mining Study commenced in September 2025.

A Queensland Government CEI-funded VTEM Max geophysical survey was completed across the Coronation Highway area. The survey was designed to identify discrete conductive anomalies and map regional magnetic responses associated with stratigraphy and structural architecture. Interpretation of the data has defined seven high-priority VMS conductors, which will be advanced through follow-up exploration programs and grade control.

Small reconnaissance drill programs (1,681.8m, 12 holes) were also completed at Liontown North (CEI Funded), Salla and Plateau. Best results from Plateau included:

- **8m @ 3.17g/t Au & 31g/t Ag** from 61m (25PLRC006)
- **2m @ 1.40g/t Au & 16g/t Ag** from 70m (25PLRC002)

[1] 2 Differences may occur in totals due to rounding.

DIRECTORS' REPORT

REVIEW OF OPERATIONS (CONTINUED)

Mineral Resources

Sunshine Metals Resource inventory comprises the Greater Liontown VMS (Zn-Cu-Au-Pb-Ag) and Plateau (Au) Resources.

There were no Ore Reserves at 31 December 2025.

Prospect	Lease Status	Resource Class	Tonnage (kt)	Gold (g/t)	Copper (%)	Zinc (%)	Silver (g/t)	Lead (%)	Zinc Eq. (%)	Gold Eq (g/t)	Gold Eq (oz)	Contained Gold (oz)	Contained Copper (t)	Contained Zinc (t)	Contained Silver (oz)	Contained Lead (t)
Liontown Oxide	ML/MLA	Indicated	97	2.0	0.6	0.8	30	2.6	*6.0*	2.2	6,861	6,237	582	805	93,559	2,474
		Inferred	77	1.5	0.7	0.8	18	1.0	*4.6*	1.7	4,209	3,713	547	639	44,561	762
Liontown Transitional	ML/MLA	Indicated	207	2.2	0.8	2.2	40	2.6	*7.5*	2.7	17,969	14,641	1,739	4,575	266,208	5,444
		Inferred	23	1.8	0.6	1.5	10	0.8	5.1	1.8	1,331	1,331	140	343	7,395	179
	ML/MLA	**Total**	**404**	**2.0**	**0.7**	**1.6**	**32**	**2.2**	***6.5***	**2.3**	**30,370**	**25,923**	**687**	**982**	**411,722**	**942**
Liontown Fresh	ML/MLA	Indicated	2,128	1.4	0.6	4.8	37	1.7	10.3	3.7	253,142	95,784	12,981	102,357	2,531,421	37,027
	ML/MLA	Inferred	2,319	1.9	1.1	2.3	16	0.7	9.4	3.4	253,496	141,659	25,045	52,641	1,192,921	16,001
		Total	**4,447**	**1.7**	**0.9**	**3.5**	**26**	**1.2**	**9.8**	**3.5**	**506,638**	**237,443**	**38,026**	**154,998**	**3,724,342**	**53,028**
Liontown East	ML/MLA	Inferred	1,462	0.7	0.5	7.4	29	2.5	11.1	4.0	188,266	34,162	7,136	108,936	1,375,350	37,081
		Total	**1,462**	**0.7**	**0.5**	**7.4**	**29**	**2.5**	**11.1**	**4.0**	**188,266**	**34,162**	**7,136**	**108,936**	**1,375,350**	**37,081**
Waterloo	ML/MLA	Indicated	406	1.4	2.6	13.2	67	2.1	23.2	8.4	109,379	17,883	10,612	53,633	876,881	8,503
	ML/MLA	Inferred	284	0.4	0.7	6.6	33	0.7	9.0	3.3	29,747	3,642	2,095	18,651	301,215	2,109
		Total	**690**	**1.0**	**1.8**	**10.5**	**53**	**1.5**	**17.4**	**6.3**	**139,127**	**21,525**	**12,707**	**72,284**	**1,178,095**	**10,613**
Orient	EPM	Indicated	331	0.2	1.1	10.9	55	2.5	15.2	5.5	58,191	2,152	3,537	36,030	584,686	8,271
	EPM	Inferred	33	0.2	0.9	14.2	50	2.2	17.5	6.3	6,582	234	298	4,642	52,779	717
		Total	**363**	**0.2**	**1.1**	**11.2**	**55**	**2.5**	**15.4**	**5.5**	**64,773**	**2,386**	**3,836**	**40,672**	**637,464**	**8,988**
Total VMS Resource			**7,367**	**1.4**	**0.9**	**5.2**	**31**	**1.6**	**10.9**	**3.9**	**929,173**	**321,439**	**62,391**	**377,872**	**7,326,975**	**110,651**
Plateau[#]	EPM	Inferred	961	1.7	-	-	10.7	-				**49,960**	-	-	**329,435**	-
Global Resource			**8,328**							**3.7**		**371,399**	**62,391**	**377,872**	**7,656,410**	**110,651**

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REVIEW OF OPERATIONS (CONTINUED)

Notes on Resource:

SHN earning 75% equity in Lighthouse Farm-In tenements. **Refer to SHN ASX release, 20 January 2023 "Consolidation of High-Grade Advanced Au Prospects, RW"**

The gold and zinc equivalent grades for Greater Liontown (g/t AuEq, % ZnEq) are based on the following prices:

US$2,900t Zn, US$9,500t Cu, US$2,000t Pb, US$2,500oz Au, US$30oz Ag. Metallurgical metal recoveries are broken into two domains: copper-gold dominant and zinc dominant. Each domain and associated recoveries are supported by metallurgical test work and are: Copper-gold dominant – 92.3% Cu, 86.0% Au, Zinc dominant 88.8% Zn, 80% Cu, 70% Pb, 65% Au, 65% Ag.

The AuEq calculation is as follows: AuEq = (Zn grade% * Zn recovery * (Zn price $/t * 0.01/ (Au price $/oz / 31.103))) + (Cu grade % * Cu recovery % * (Cu price $/t/ (Au price $/oz / 31.103))) + (Pb grade % * Pb recovery % * (Pb price $/t/ (Au price $/oz / 31.103))) + (Au grade g/t / 31.103 * Au recovery %) + (Ag grade g/t / 31.103 * Ag recovery % * ((Ag price $/oz / 31.103 / (Au price $/oz / 31.103)))

The ZnEq calculation is as follows: ZnEq = (Zn grade% * Zn recovery) + (Cu grade % * Cu recovery % * (Cu price $/t/ Zn price $/t * 0.01))) + (Pb grade % * Pb recovery % * (Pb price $/t/ Zn price $/t * 0.01)) + (Au grade g/t / 31.103 * Au recovery % * ((Au price $/oz / 31.103) / Zn price $/t * 0.01))) + (Ag grade g/t /31.103 * Ag recovery % * ((Ag price $/oz / 31.103) / Zn price $/t * 0.01)).

For Waterloo transition material, recoveries of 76% Zn, 58% Cu and 0% Pb have been substituted into the ZnEq formula. For Liontown oxide material, recoveries of 44% Zn, 40% Cu and 35% Pb have been substituted into the ZnEq formula. Further metallurgical test work is required on the Liontown oxide domain. It is the opinion of Sunshine and the Competent Person that the metals included in the ZnEq formula have reasonable potential to be recovered and sold.

The Ravenswood Consolidated VMS Resource is comprised of 7.0mt @ 1.3g/t Au, 0.9% Cu, 5.5% Zn, 1.7% Pb and 31g/t Ag (11.1% ZnEq). **For further details refer to SHN ASX Release, 11 December 2024, "904koz AuEq Resource at Ravenswood Consolidated".**

Competent Person Statement

The information in this report that relates to Exploration Results is based on, and fairly represents, information compiled by Mr Matt Price, a Competent Person who is a Member of the Australian Institute of Geoscientists (AIG) and the Australian Institute of Mining and Metallurgy (AusIMM). Mr Price has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr Price consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources at Liontown is based on information compiled and reviewed by Mr Lyon Barrett who is a Member of the Australian Institute of Mining and Metallurgy (AusIMM) and is a Principal Geologist employed by Measured Group Pty Ltd. Mr Barrett has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Mineral Resources. Mr Barrett consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources at Waterloo and Orient is based on information compiled and reviewed by Mr Stuart Hutchin, who is a Member of the Australian Institute of Geoscientists (AIG) and is a Principal Geologist employed by Mining One Pty Ltd. Mr Stuart Hutchin has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Mineral Resources. Mr Stuart Hutchin consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources at Liontown East is based on information compiled and reviewed by Mr Peter Carolan, who is a Member of the Australasian Institute of Mining and Metallurgy and was a Principal Geologist employed by Red River Resources Ltd. Mr Peter Carolan has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Mineral Resources. Mr Peter Carolan consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources at Plateau is based on information compiled and reviewed by Dr Damien Keys, who is a Member of the Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists (AIG). Dr Keys has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Mineral Resources. Dr Keys consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

SCHEDULE OF TENEMENT INTERESTS AS AT 31 DECEMBER 2025

Project	Tenement	Status	Beneficial Interest
Hodgkinson	EPM 18171	Granted	100%
Hodgkinson	EPM 19809	Granted	100%
Hodgkinson	EPM 25139	Granted	100%
Hodgkinson	EPM 27539	Granted	100%
Hodgkinson	EPM 27574	Granted	100%
Hodgkinson	EPM 27575	Granted	100%
Investigator	EPM 27343	Granted	100%
Investigator	EPM 27344	Granted	100%
Investigator	EPM 28369	Application	100%
Ravenswood	EPM 10582	Granted	100%
Ravenswood	EPM 12766	Granted	100%
Ravenswood	EPM 14161	Granted	100%
Ravenswood	EPM 16929	Granted	100%
Ravenswood	EPM 18470	Granted	100%
Ravenswood	EPM 18471	Granted	100%
Ravenswood	EPM 18713	Granted	100%
Ravenswood	EPM 25815	Granted	100%
Ravenswood	EPM 25895	Granted	100%
Ravenswood	EPM 26041	Granted	100%
Ravenswood	EPM 26152	Granted	100%
Ravenswood	EPM 26303	Granted	100%
Ravenswood	EPM 26304	Granted	100%
Ravenswood	EPM 26718	Granted	100%
Ravenswood	EPM 27357	Granted	100%
Ravenswood	EPM 27520	Granted	100%
Ravenswood	EPM 27824	Granted	100%

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Project	Tenement	Status	Beneficial Interest
Ravenswood	EPM 27825	Granted	100%
Ravenswood	EPM 28237	Granted	100%
Ravenswood	EPM 28240	Granted	100%
Ravenswood	EPM 29087	Granted	100%
Ravenswood	EPM 29048	Application	100%
Ravenswood	EPM 29049	Application	100%
Ravenswood	EPM 29215	Application	100%
Ravenswood	ML10277	Granted	100%
Ravenswood	ML100221	Approved	100%
Ravenswood	ML100290	Approved	100%
Ravenswood	ML100302	Approved	100%
Ravenswood#	EPM25617	Granted	0%
Ravenswood#	EPM26705	Granted	0%
Sybil	EPM26931	Granted	100%
Sybil	EPM29247	Application	100%
Sybil	EPM29248	Application	100%
Sybil	EPM29251	Application	100%

Farm-In tenements. SHN has the capacity to earn 75% beneficial interest over 3 years. Refer ASX: 20 January 2023.

CORPORATE

RESULTS OF OPERATIONS

The net loss after income tax for the period was $834,418 (31 December 2024: $1,021,429).

FINANCIAL POSITION

The net assets of the Company are $21,161,685 as at 31 December 2025 (at 30 June 2025: $15,477,410).

SUBSEQUENT EVENTS

As at the date of this report other than as disclosed in Note 15, no matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent periods.

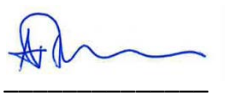
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SUNSHINE METALS LIMITED AND CONTROLLED ENTITIES

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's Independence Declaration as required under Section 307C of the Corporations Act 2001 is included within this financial report.

This consolidated interim financial report is signed in accordance with a resolution of the board of directors.



Alec Pismiris

Director

Dated at Perth this 9th day of March 2026

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SUNSHINE METALS LIMITED AND CONTROLLED ENTITIES

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

	Note	31 December 2025 $	31 December 2024 $
Other income	2	681,358	30,992
Corporate expenses	2	(876,756)	(591,356)
Net change in fair value of investments	6	98,509	(250,000)
Share-based payments	10	(731,380)	(58,124)
Exploration expensed		(6,149)	(30,036)
Impairment of exploration	5	-	(122,905)
Loss before income tax		(834,418)	(1,021,429)
Income tax		-	-
Loss for the period		(834,418)	(1,021,429)
Other comprehensive income/(loss) for the period		-	-
Total comprehensive loss for the period attributable to the members		(834,418)	(1,021,429)
		Cents	**Cents**
Basic and diluted loss per share (cents per share)	3	(0.03)	(0.06)

The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

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SUNSHINE METALS LIMITED AND CONTROLLED ENTITIES

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

	Note	31 December 2025 $	30 June 2025 $
Current Assets			
Cash and cash equivalents		4,653,905	1,921,716
Trade and other receivables	4	927,277	125,603
Prepayments		38,089	37,065
Total Current Assets		5,619,271	2,084,384
Non-Current Assets			
Exploration and evaluation expenditure	5	17,453,258	15,232,461
Property, plant and equipment		167,592	146,870
Other financial assets	6	32,725	261,330
Security deposits		320,200	315,275
Total Non-Current Assets		17,973,775	15,955,936
TOTAL ASSETS		23,593,046	18,040,320
Current Liabilities			
Trade and other payables		676,578	783,103
Provisions		114,090	74,353
Lease liability		81,357	102,628
Total Current Liabilities		872,025	960,084
Non-Current Liabilities			
Lease liability		4,336	47,826
Provision for rehabilitation	7	1,555,000	1,555,000
Total Non-Current Liabilities		1,559,336	1,602,826
TOTAL LIABILITIES		2,431,361	2,562,910
NET ASSETS		21,161,685	15,477,410
EQUITY			
Issued capital	8	43,963,556	38,359,736
Reserves	9	5,922,802	5,007,929
Accumulated losses		(28,724,673)	(27,890,255)
TOTAL EQUITY		21,161,685	15,477,410

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

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SUNSHINE METALS LIMITED AND CONTROLLED ENTITIES

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

	Issued Capital	Share-Based Payments Reserve	Accumulated Losses	Total Equity
	$	$	$	$
Balance at 01/07/2024	35,565,294	4,764,264	(25,619,075)	14,710,483
Loss for the period	-	-	(1,021,429)	(1,021,429)
Total comprehensive loss for the period	-	-	(1,021,429)	(1,021,429)
Capital raising costs	(12,179)	-	-	(12,179)
Share-based payments	-	58,124	-	58,124
Balance at 31/12/2024	35,553,115	4,822,388	(26,640,504)	13,734,999
Balance at 01/07/2025	38,359,736	5,007,929	(27,890,255)	15,477,410
Loss for the period	-	-	(834,418)	(834,418)
Total comprehensive loss for the period	-	-	(834,418)	(834,418)
Issue of fully paid ordinary shares	6,084,841	-	-	6,084,841
Capital raising costs	(481,021)	-	-	(481,021)
Share-based payments	-	914,873	-	914,873
Balance at 31/12/2025	43,963,556	5,922,802	(28,724,673)	21,161,685

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

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SUNSHINE METALS LIMITED AND CONTROLLED ENTITIES

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

	Note	31 December 2025 $	31 December 2024 $
Cash Flows from Operating Activities			
Payments to suppliers and employees		(837,469)	(472,856)
Interest received		65,063	30,849
Net Cash Used In Operating Activities		(772,406)	(442,007)
Cash Flows from Investing Activities			
Payments for exploration expenditure		(2,535,326)	(2,450,951)
Payments for acquisition of fixed assets		(78,149)	-
Proceeds from disposal of investments		327,114	-
Proceeds from sale of project	14	-	1,000,000
Net Cash Used In Investing Activities		(2,286,361)	(1,450,951)
Cash Flows from Financing Activities			
Gross proceeds from share issues		6,084,841	-
Costs of share issues		(293,885)	-
Net Cash From Financing Activities		5,790,956	-
Net increase/(decrease) in cash and cash equivalents held		2,732,189	(1,892,958)
Cash and cash equivalents at beginning of the financial period		1,921,716	3,393,840
Cash and cash equivalents at the end of the half-year	4	4,653,905	1,500,882

The above condensed consolidated statement of cash flows
should be read in conjunction with the accompanying notes.

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CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

NOTE 1: BASIS OF PREPARATION

The interim consolidated financial report is a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001* and Accounting Standard AASB 134: Interim Financial Reporting. Compliance with AASB 134 ensures that the financial report and notes also comply with International Financial Reporting Standards IAS 34: Interim Financial Reporting.

It is recommended that this consolidated interim financial report be read in conjunction with the annual financial report for the year ended 30 June 2025 and any public announcements made by Sunshine Metals Limited and its controlled entities during the half-year in accordance with the continuous disclosure requirements arising under the *Corporations Act 2001* and ASX Listing Rules.

The interim consolidated financial report does not include full disclosures of the type normally included in annual financial reports.

The interim consolidated financial report has been prepared on an accruals basis and is based on historical costs, cost is based on the fair value of the consideration given in exchange for assets.

Statement of compliance

The interim financial report was authorised for issue on 9th March 2026.

The interim financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures compliance with International Financial Reporting Standards (IFRS).

Significant accounting estimates and judgements

The preparation of the interim financial report requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

The judgements, estimates and assumptions applied in the interim financial report, including the key sources of estimation uncertainty were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2025.

The accounting policies and methods of computation have been consistently applied by the group and are consistent with those in the June 2025 annual financial report except for the impact (if any) of new and revised standards and interpretations outlined below.

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New and Revised Accounting Standards and Interpretations

Standards and Interpretations applicable to 31 December 2025

In the period ended 31 December 2025, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the current reporting period. As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Group and, therefore, no material change is necessary to Group accounting policies.

Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all Standards and Interpretations in issue not yet adopted for the period ended 31 December 2025. As a result of this review the Directors have determined that there is no material impact of the Standards and Interpretations in issue not yet adopted by the Group and, therefore, no change is necessary to Group accounting policies.

NOTE 2: LOSS BEFORE INCOME TAX

Loss before income tax includes the following income and expenses whose disclosure is relevant in explaining the financial performance for the interim period:

	Consolidated	
	6 months to 31 December 2025 $	6 months to 31 December 2024 $
(a) Other income		
Interest	71,265	30,992
Pluton dividend[(i)]	576,638	-
Other	33,455	-
	681,358	30,992
(b) Significant items		
Included in corporate expenses		
Consulting and directors fees	204,190	186,917
Share register maintenance and listing fees	50,419	35,584
Legal fees	74,418	18,352

[(i)] As announced to ASX on 16 January 2026, on 9 January 2026, the Company was advised by the liquidator of Pluton Resources Limited (Receivers and Managers Appointed)(In Liquidation) that a first and final dividend had been declared to the unsecured creditors on shipments of iron ore from the Cockatoo Island Project at the rate of 55 cents in the dollar. The Company has been seeking payment of outstanding royalty payments completed during the 2015 financial year and interest on unpaid royalties. An amount of $634,302 (GST inclusive) was received. The GST exclusive amount of $576,638 has been recorded as a receivable at 31 December 2025.

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NOTE 3: LOSS PER SHARE

The following reflects the data used in the calculations of basic and diluted loss per share:

	Consolidated	
	6 months to 31 December 2025 $	6 months to 31 December 2024 $
Loss per share (cents)	(0.03)	(0.06)
Loss used in calculating basic and diluted loss per share	(834,418)	(1,021,429)
	Number of Shares	Number of Shares
Weighted average number of ordinary shares used in calculating basic loss per share:	2,390,607,449	1,587,644,808

Diluted loss per share is the same as basic loss per share as the conversion to ordinary shares does not lead to an inferior view of the earnings performance of the Group.

NOTE 4: TRADE AND OTHER RECEIVABLES

	Consolidated	
	31 December 2025 $	30 June 2025 $
Pluton dividend	576,638	-
GST receivable	121,493	124,746
Grant funding receivable	228,804	-
Other	342	857
	927,277	125,603

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NOTE 5: EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated	
	6 months to 31 December 2025 $	Year to 30 June 2025 $
Exploration and evaluation phase		
Balance at the beginning of the period	15,232,461	13,284,429
Expenditure incurred during the period	2,220,797	3,945,937
Acquisition of Sybil Project [(ii)]	-	125,000
Impairment of exploration assets[(i)]	-	(122,905)
Disposal of Triumph Project[(i)]	-	(2,000,000)
Balance at the end of the period	17,453,258	15,232,461

[(i)] The Company entered into an agreement on 26 August 2024 to divest of the Triumph Project for $2 million to Dart Mining NL and has impaired the carrying value to this amount, resulting in an impairment charge in the year ended 30 June 2025 as well as an impairment charge in the current period. Refer to Note 14 for details of the sale.
[(ii)] On 23 June 2025, the Company completed the acquisition of the Sybil Project. Under the terms of the acquisition the Company is liable for the following payments in future:

- $300,000 in Sunshine fully paid ordinary shares payable on announcement of a maiden JORC Resource of 100,000 oz Au (or equivalent) from Sybil;
- A further $300,000 in Sunshine fully paid ordinary shares payable on announcement of a maiden JORC Resource of 200,000 oz Au (or equivalent) from Sybil;
- $500,000 in Sunshine fully paid ordinary shares payable within 14 days of commencement of mining; and
- 1% Net Smelter Royalty on gold production after the first 300,000oz Au are produced. Sunshine retains a pre-emptive right to acquire the royalty.

The ultimate recoupment of deferred exploration and evaluation expenditure in respect of an area of interest is dependent upon the discovery of commercially viable reserves and the successful development and exploitation of the respective areas or alternatively sale of the underlying areas of interest for at least its carrying value.

NOTE 6: OTHER FINANCIAL ASSETS

Non-Current	Consolidated	
	6 months to 31 December 2025 $	6 months to 30 June 2025 $
Investments in listed entities at fair value through profit or loss (FVTPL):		
Opening balance	261,330	11,330
Acquisition of investment[(i)]	-	1,000,000
Sale of investment	(327,114)	
Fair value adjustment	98,509	(750,000)
	32,725	261,330

(i) Refer to Note 14 for details of acquisition of investment in Dart Mining NL.

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NOTE 7: PROVISIONS

	Consolidated	
	31 December 2025 $	30 June 2025 $
Provision for rehabilitation	1,555,000	1,555,000

Provision for rehabilitation

The provision for the estimated costs to rehabilitate historical mining areas has been based on a closure cost estimate methodology prepared by experienced mine closure consultants. The responsibility for and the amount of the obligation is subject to ongoing review and does not take into account commercial factors that could significantly reduce the actual work required and the cost of doing so. These factors are discussed in detail below.

In 2002, the Company acquired the mineral assets of Nugold Hill Mines Limited ("Nugold") pursuant to an acquisition agreement. The acquisition included the Xanadu Gold Project which comprised three mining leases and an exploration license ("Xanadu"). The Xanadu tenements were relinquished by the Company in 2009 and were subsequently acquired and explored by third parties thereafter. As a consequence of mining operations undertaken by Nugold prior to the Company's acquisition of Xanadu, there exists an obligation to rehabilitate the site of the historical mining activities. The Company has a security bond of $114,000 in place with the Department of Mines, Industry, Regulation and Safety ("DMIRS"). Mine closure consultants have provided a report to the Company which includes a costed plan to rehabilitate Xanadu as required by DMIRS. The costed plan forms the basis of the provision for rehabilitation.

The Company reserves its rights in relation to the rehabilitation obligation, if any. It should be noted that:

- the Company is undertaking a legal review to determine whether rehabilitation obligations were part of the Nugold acquisition;
- the Company is undertaking a review to determine what rehabilitation obligations arose from third party activities in the period from relinquishment in 2009 to 31 December 2025;
- the Company has not accepted the scope of the DMIRS rehabilitation obligations;
- Xanadu is subject to active exploration by third parties which may reduce the need for rehabilitation due to potential future mining activities;
- the rehabilitation obligation as estimated by using the DMIRS Rehabilitation Liability Estimate Calculator in the 2022 financial year was $357,000; and
- the costed plan does not consider the above factors and is subject to change.

Notwithstanding the above, the directors have taken a conservative approach and made provision for the closure cost estimate prepared by the mine closure consultants.

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NOTE 8: ISSUED CAPITAL

	Consolidated	
	31 December 2025	30 June 2025
	$	$
(a) Issued Capital		
Ordinary shares fully paid	43,963,556	38,359,736

(b) Movements in ordinary share capital

Date	Details	No. of Shares	$
01/07/2024	Opening balance	1,587,644,808	35,565,294
03/04/2025	Placement – Tranche 1	396,666,667	2,380,000
21/05/2025	Placement – Tranche 2	103,333,333	620,000
	Less: capital raising costs	-	(205,558)
30/06/2025	Closing balance	2,087,644,808	38,359,736
01/07/2025	Opening balance	2,087,644,808	38,359,736
05/09/2025	Placement – Tranche 1	405,083,333	4,861,000
04/11/2025	Placement – Tranche 2	11,583,334	139,000
Various	Options exercised	73,322,746	1,084,841
	Less: capital raising costs	-	(481,021)
31/12/2025		2,577,634,221	43,963,556

NOTE 9: RESERVES

	Consolidated	
	31 December 2025	30 June 2025
(a) Composition	$	$
Share based payments reserve	5,922,802	5,007,929

NOTE 9: RESERVES (continued)

(b) Movements in options

Date	Details	No. of Unlisted Options	Exercise Price	Expiry Date
01/07/2024	Opening balance	351,673,945		
04/12/2024	Director options	9,500,000	$0.0165	04/12/2027
21/05/2025	Placement options	166,666,667	$0.015	21/05/2027
21/05/2025	Broker options	10,000,000	$0.009	21/05/2027
13/06/2025	Employee options	22,700,000	$0.018	13/06/2028
	Expired	(1,700,000)	$0.07	31/07/2024
30/06/2025	Closing balance	558,840,612		
01/07/2025	Opening balance	558,840,612		
05/08/2025	Director options	9,500,000	$0.018	13/06/2028
08/09/2025	Broker options	15,000,000	$0.018	08/09/2028
04/11/2025	Director options	39,000,000	$0.018	04/11/2028
	Exercised	(73,322,746)	Various	Various
	Expired	(289,240,611)	Various	Various
31/12/2025	Closing balance	259,777,255		

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NOTE 10: SHARE BASED PAYMENTS

The following share-based payment transactions occurred or were recognised during the half-year ended 31 December 2025:

- 9,500,000 options exercisable at $0.018 expiring 13/06/2028 were issued to a director. These options were valued at $54,511 and were fully expensed.
- 15,000,000 options exercisable at $0.018 expiring 08/09/2028 were issued to the lead manager. These options were valued at $183,493 and recognized as a capital raising cost.
- 39,000,000 options exercisable at $0.018 expiring 04/11/2028 were issued to directors. These options were valued at $676,869 and were fully expensed.

All share options issued during the half-year ended 31 December 2025 vested immediately. The total amount of $731,380 relating to director options was recognised as a share-based payment expense.

Fair values of share options issued are determined using the Black-Scholes model based on information available as at the measurement date, considering the exercise price, term of option, the share price at grant date, expected price volatility of the underlying share, expected yield and the risk-free interest rate for the term of the option. Parameters for all share options issued during the period were:

Measurement date	5/8/2025	8/9/2025	31/10/2025
Issue date	5/8/2025	8/9/2025	4/11/2025
Expiry date	13/6/2028	8/9/2028	4/11/2028
Dividend yield	Nil	Nil	Nil
Expected volatility	100%	100%	100%
Risk-free interest rate	3.47%	3.47%	3.47%
Expected life of options (years)	2.9 years	3 years	3 years
Underlying share price	$0.011	$0.019	$0.025
Option exercise price	$0.018	$0.018	$0.018
Value of option	$0.00574	$0.01223	$0.01736
Number of options issued	9,500,000	15,000,000	39,000,000
Value of options	$54,511	$183,493	$676,869
Amount expensed during the half-year	$54,511	-	$676,869
Amount recognised in equity	-	$183,493	-

NOTE 11: CONTINGENT LIABILITIES

The Company has no known material contingent liabilities as at 31 December 2025.

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NOTE 12: SEGMENT INFORMATION

Business Segments

The directors have considered the requirements of AASB 8 – Operating Segments and the internal reports that are reviewed by the chief operating decision maker (the Board) in allocating resources and have concluded that at this time there are no separate identifiable business segments.

The operations and assets of Sunshine Metals Limited and its controlled entities are employed in exploration activities relating to minerals in Australia.

NOTE 13: FINANCIAL INSTRUMENTS

Financial Instruments

The following table presents the Group's assets and liabilities measured and recognised at fair value:

31 December 2025	**Level 1**	**Level 2**	**Level 3**	**Total**
	$	**$**	**$**	**$**
Equity investments at FVTPL	32,725	-	-	32,725

30 June 2025	**Level 1**	**Level 2**	**Level 3**	**Total**
Asset	**$**	**$**	**$**	**$**
Equity investments at FVTPL	261,330	-	-	261,330

The methods and valuation techniques used for the purposes of measuring fair value are unchanged compared to the previous reporting period.

The carrying amounts of the current receivables, current payables and other liabilities are considered to be a reasonable approximation of their fair value.

NOTE 14: SALE OF TRIUMPH PROJECT

On 26 August 2024, the Company entered into a binding sale and purchase agreement with Dart Mining NL ("Dart"), to divest the Triumph Gold Project ("Triumph") for a total consideration of $2 million, comprised of $1 million in cash and $1 million in Dart fully paid ordinary shares. A $50,000 deposit was received on execution of the agreement. Completion occurred on 6 December 2024 and the Company received $950,000 cash and 83,333,333 Dart fully paid ordinary shares valued at $0.012 each representing the price at which the capital raising undertaken by Dart associated with the transaction was completed at.

NOTE 15: EVENTS SUBSEQUENT TO REPORTING DATE

As at the date of this report other than the receipt of the Pluton dividend as disclosed in Note 2, no matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent periods.

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SUNSHINE METALS LIMITED AND CONTROLLED ENTITIES

DIRECTORS' DECLARATION

1. In the opinion of the directors:

   a. the accompanying interim financial report 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 31 December 2025 and of its performance for the half-year then ended; and

      ii. complying with Australian Accounting Standard AASB 134 'Interim Financial Reporting', 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.

2. This declaration has been made after receiving the declarations required to be made by the Directors in accordance with Section 303(5) of the *Corporations Act 2001* for the half-year ended 31 December 2025.

Signed in accordance with a resolution of the board of directors.

Dated this 9th day of March 2026



_____

Alec Pismiris
Director

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HLB MANN JUDD
ADVISORY AND ACCOUNTING

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Sunshine Metals Limited

Report on the Condensed Interim Financial Report

Conclusion

We have reviewed the interim financial report of Sunshine Metals Limited ("the Company") and its controlled entities ("the Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2025, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, selected explanatory notes, and the directors' declaration, for the Group comprising the Company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying interim financial report of Sunshine Metals Limited does not comply with the *Corporations Act 2001* including:

(a) giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibility is further described in the *Auditor's Responsibility for the Review of the Financial Report* section of our report. We are independent of the Company 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 audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibility of the Directors for the Financial Report

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

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the interim financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001.*

HLB Mann Judd
Chartered Accountants

L Di Giallonardo
Partner

Perth, Western Australia
9 March 2026

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HLB MANN JUDD
ADVISORY AND ACCOUNTING

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Sunshine Metals Limited for the half-year ended 31 December 2025, 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 review; and

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



Perth, Western Australia
9 March 2026

L Di Giallonardo
Partner

hlb.com.au

HLB Mann Judd ABN 22 193 232 714
A Western Australian Partnership
Level 4, 130 Stirling Street, Perth WA 6000 / PO Box 8124 Perth BC WA 6849
T: +61 (0)8 9227 7500 **E:** mailbox@hlbwa.com.au
Liability limited by a scheme approved under Professional Standards Legislation.

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