Asara Resources Ltd

ABN 39 006 710 774

Half Year Report

For the period ended 31 December 2025

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Corporate Directory

Directors

Brett Montgomery, Non-Executive Chairman
Timothy Strong, Executive Director
Douglas Jones, Non-Executive Director

Company Secretary

Joanna Kiernan

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Auditors

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Perth WA 6000

Stock Exchange Listing

Australian Securities Exchange (ASX), ASX Code: AS1

The Company's shares are also traded on the Berlin Open Market (Freiverkehr, A0LGRE) and Frankfurt Open Market (WKN:A0LGRE).

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Directors' Report

The board of directors of Asara Resources Ltd (**Asara** or the **Company**) presents its half year report together with the condensed consolidated financial statements of the Company and the entities it controlled (**Group**) for the half year ended 31 December 2025 (**Half Year**, **Half Year Report**).

Directors

The following persons held office as directors of the Company during or since the end of the Half Year until the date of this report. Directors were in office for the entire period unless stated otherwise.

Brett Montgomery, Non-Executive Chairman
Timothy Strong, Executive Director
Douglas Jones, Non-Executive Director

Operating Results

During the Half Year, the Group incurred a loss after tax of $1,259,969 (2024: $450,646) which includes mineral exploration and evaluation expenditure of $152,155 (2024: $231,137).

Overview of Operations

Asara Resources is an exploration company with a portfolio of advanced minerals projects in Guinea, West Africa and in Chile, South America.

Set out below is a summary of the work undertaken during the Half Year on each of the Company's projects.

Kada Gold Project, Guinea (Kada)

The Company's flagship asset is the advanced Kada Gold Project (Kada), strategically located within the central Siguiri Basin in Guinea. The project lies approximately 36km along strike to the south of the >10Moz Siguiri Gold Mine operated by AngloGold Ashanti (Figure 1). Kada comprises two exploration permits, Kada and Bamféle, covering a combined area of approximately 200km², and has previously been explored by Newmont Corporation.

During the half year, activities at Kada focused on the commencement and ramp-up of the current drilling programme. A second drilling contractor was mobilised to site, bringing an additional air core (**AC**)/reverse circulation (**RC**) rig into the programme in December 2025. A number of drillholes were completed as RC holes with diamond drill tails (**RCD**) to test mineralisation at depth.

By the end of the reporting period, a total of four rigs were operating on the project, comprising one RC rig, one diamond drill (**DD**) rig, one AC/RC rig and one auger rig.

During the half year, the Company completed 47 drillholes for a total of 11,208 metres (excluding auger geochemistry), comprising:

- DD: 1 drillhole for 353m
- RCD: 16 holes for 4,382m
- RC: 29 holes for 6,381m
- AC: 1 drillholes for 92m
- Auger: 335 drillholes for 3,669m

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In parallel with exploration activities, the Company continued to actively engage with communities surrounding the Kada project area. This included ongoing consultations with local stakeholders and administrative authorities, including the sous-préfets (village chiefs) of neighbouring communities, as part of the Company's commitment to establishing a strong and mutually beneficial relationship with local communities as the project advances.

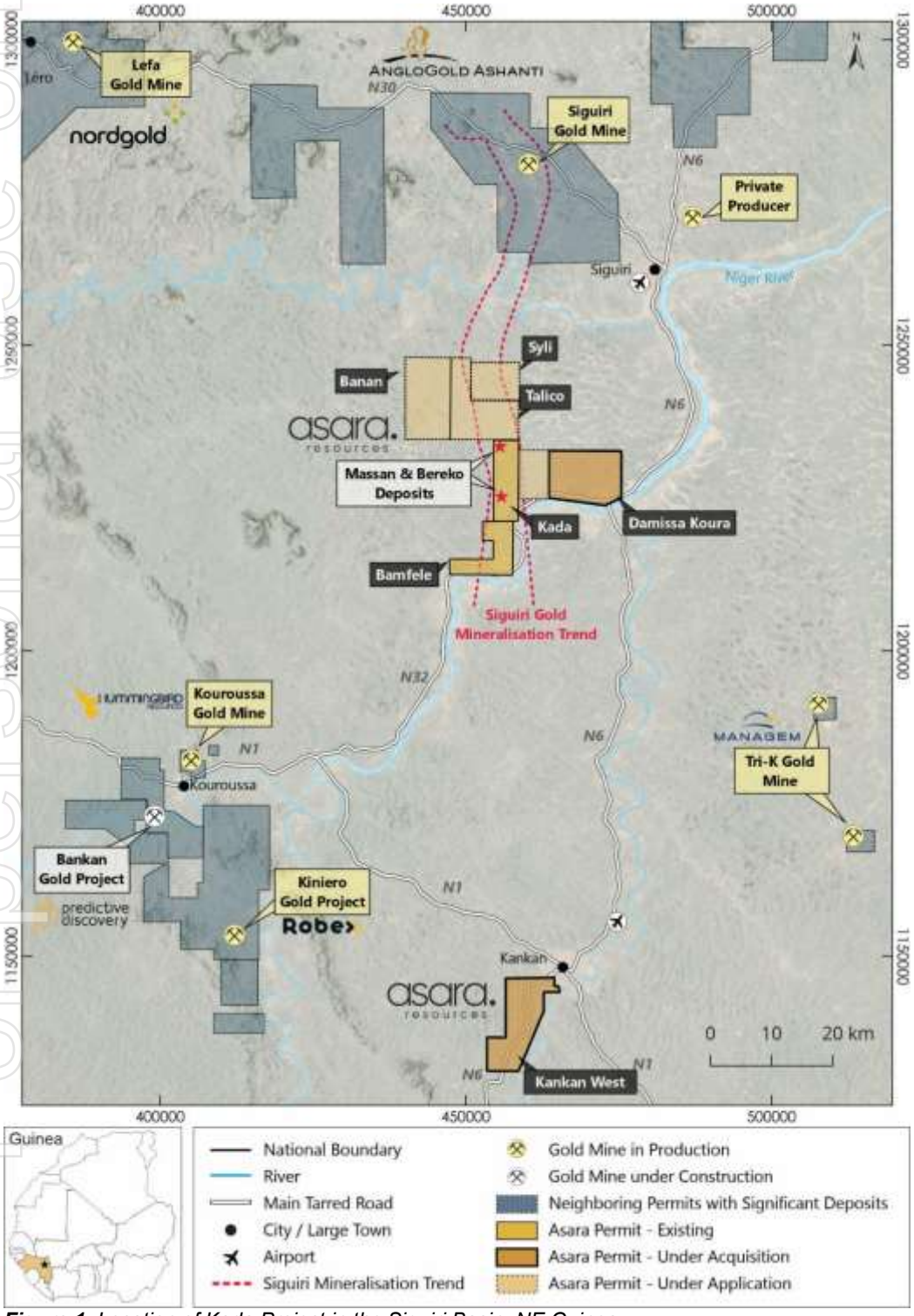


***Figure 1**. Location of Kada Project in the Siguiri Basin, NE Guinea.*

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Paguanta Copper and Silver-Lead-Zinc Project, Chile (Paguanta)

The Company has initiated a number of discussions regarding the potential divestment of its Paguanta silver, zinc, lead, copper project (**Paguanta**). This asset is non-core and remains on care and maintenance as the Company works towards monetizing its interest in Paguanta while the Company focuses on its flagship asset, Kada.

Loreto Copper Project, Chile (Loreto)

Pursuant to the US$17m Option and Joint Venture agreement with Teck Resources Chile Limitada (**Teck Chile**), Teck Chile continued to engage with surface landowners and local communities with respect to project access.

Corporate

On 28 July 2025 the Company announced that it had raised $25m (before costs) from sophisticated and institutional investors via a two-tranche placement (Placement). The Placement was comprised of the issue of 500,000,000 shares at an issue price of $0.05. The first tranche of 275,294,461 shares to raise approximately $13.76m was completed utilising the Company's existing capacity pursuant to ASX Listing Rule 7.1 and 7.1A. The second tranche of 224,705,539 to raise approximately $11.24m was subject to shareholder approval which was obtained on 12 September 2025.

Proceeds from the Placement have been applied primarily to exploration activities at Kada, including Resource extension and infill drilling at Massan, RC and auger drilling on the new licenses once granted, and mapping, trenching and geophysics over the entire Project area, upgrades to the exploration camp, costs of the transaction and general working capital.

Heads of Agreement – Arafura Ouest PTE Ltd

On 9 December 2025 the Company announced that it had moved to expand the Kada Project footprint by entering into a binding Heads of Agreement (HoA) to acquire 100% of Arafura Ouest PTE Ltd (Arafura), which owns, via its wholly owned Guinean subsidiary, Ara Exploration SARLU (Ara Exploration), the Damissa Koura and Kankan West Projects in Guinea (Permits). The Permits are located in the highly prospective Siguiri Basin in northeast Guinea and the acquisition of these significantly expands Asara's exploration portfolio to ~296km^2.

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Permit Schedule

The following table sets out the permits in which the Company had an interest, as at the end of the Half Year.

Permit name	Project name	Golden Rim Holding (%)	Changes for the Half Year to permits and/or interest
Guinea			
Kada	Kada	51	
Bamfele	Kada	51 effective. 100% legal ownership, held on behalf of Kada joint venture.	
Chile			
José Miguel 1 1-30 Exploitation	Paguanta	74	
José Miguel 2 1-30 Exploitation	Paguanta	74	
José Miguel 3 1-20 Exploitation	Paguanta	74	
José Miguel 4 1-30 Exploitation	Paguanta	74	
José Miguel 5 1-30 Exploitation	Paguanta	74	
José Miguel 6 1-30 Exploitation	Paguanta	74	
José Miguel 7 1-30 Exploitation	Paguanta	74	
José Miguel 8 1-10 Exploitation	Paguanta	74	
Carlos Felipe 1 1-30 Exploitation	Paguanta	74	
Carlos Felipe 2 1-30 Exploitation	Paguanta	74	
Carlos Felipe 3 1-30 Exploitation	Paguanta	74	
Carlos Felipe 4 1-30 Exploitation	Paguanta	74	
Carlos Felipe 5 1-30 Exploitation	Paguanta	74	
Carlos Felipe 6 1-30 Exploitation	Paguanta	74	
Teki I 1 1-20 Exploitation	Loreto	100 % ownership, joint ventured with Teck.	
Teki I 2 1-40 Exploitation	Loreto		
Teki I 3 1-60 Exploitation	Loreto		
Teki I 4 1-60 Exploitation	Loreto		
Teki I 5 1-60 Exploitation	Loreto		
Teki I 6 1-60 Exploitation	Loreto		
Teki I 7 1-20 Exploitation	Loreto		

Forward Looking Statements

Certain statements in this document are or maybe “forward-looking statements” and represent Asara’s intentions, projections, expectations or beliefs concerning among other things, future exploration activities. The projections, estimates and beliefs contained in such forward-looking statements necessarily involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Asara, and which may cause Asara’s actual performance in future periods to differ materially from any express or implied estimates or projections. Nothing in this document is a promise or representation as to the future. Statements or assumptions in this document as to future matters may prove to be incorrect and differences may be material. Asara does not make any representation or warranty as to the accuracy of such statements or assumptions.

Events Subsequent to period end

Since the end of the Half Year, no significant event has occurred, except as stated elsewhere in this Half Year Report.

Auditor's Independence Declaration

The auditor's independence declaration under section 307C of the *Corporations Act 2001* is set out on the following page of this Half Year Report.

This Half Year Report is signed in accordance with a resolution of the Directors, made pursuant to section 306(3) of the *Corporations Act 2001*.

On behalf of the Directors



Brett Montgomery

Chairman

16 March 2026

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Asara Resources 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
16 March 2026

B G McVeigh
Partner

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 $
Interest income		105,437	390
Other income		45,784	179,663
Administration expenses		(996,908)	(357,753)
Share based payments	4	(216,439)	(3,602)
Interest expense		-	(6,682)
Depreciation expense		(45,688)	(31,525)
Exploration and evaluation expenditure	6	(152,155)	(231,137)
Loss before income tax		(1,259,969)	(450,646)
Income tax expense		-	-
Loss for the period		(1,259,969)	(450,646)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		(1,063,917)	1,403,343
Other comprehensive (loss)/income for the period, net of tax		(1,063,917)	1,403,343
Total comprehensive (loss)/income for the period		(2,323,886)	952,697
Loss attributable to:			
Owners of the Company		(1,242,934)	(431,327)
Non-controlling interests		(17,035)	(19,319)
		(1,259,969)	(450,646)
Total comprehensive (loss)/income attributable to:			
Owners of the Company		(2,039,150)	695,357
Non-controlling interests		(284,736)	257,340
		(2,323,886)	952,697
Loss per share			
Basic (cents per share)		(0.09)	(0.06)
Diluted (cents per share)		(0.09)	(0.06)

The accompanying notes form part of these financial statements.

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Condensed Consolidated Statement of Financial Position as at 31 December 2025

	Note	31 December 2025 $	30 June 2025 $
Current Assets			
Cash and cash equivalents		21,419,811	3,202,474
Trade and other receivables		208,504	66,528
Other assets		52,319	58,607
Total Current Assets		21,680,634	3,327,609
Non-Current Assets			
Other financial assets		2,775	2,874
Plant and equipment		911,323	471,808
Exploration and evaluation expenditure	6	28,754,181	25,942,399
Total Non-Current Assets		29,668,279	26,417,081
Total Assets		51,348,913	29,744,690
Current Liabilities			
Trade and other payables		346,570	386,457
Total Current Liabilities		346,570	386,457
Non-Current Liabilities			
Provisions		-	-
Total Non-Current Liabilities		-	-
Total Liabilities		346,570	386,457
Net Assets		51,002,343	29,358,233
Equity			
Share capital	4	142,792,526	119,365,709
Reserves		1,465,668	1,805,661
Accumulated losses		(91,554,983)	(90,397,005)
Equity attributable to owners of the Company		52,703,211	30,774,365
Non-controlling interests		(1,700,868)	(1,416,132)
Total Equity		51,002,343	29,358,233

The accompanying notes form part of these financial statements.

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Condensed Consolidated Statement of Changes in Equity for the Half Year ended 31 December 2025

	Share Capital	Option Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Non-controlling Interests	Total Equity
	$	$	$	$	$	$
Balance at 1 July 2024	115,698,713	143,257	1,146,180	(89,063,108)	(1,392,331)	26,532,711
Loss for the period	-	-	-	(431,327)	(19,319)	(450,646)
Other comprehensive income for the period	-	-	1,126,684	-	276.659	1,403,343
Total comprehensive loss for the period	-	-	1,126,684	(431,327)	257,340	952,697
Transactions with owners recorded directly in equity						
Issue of shares and options	1,388,084	3,602	-	-	-	1,391,686
Share issue costs	(9,686)	-	-	-	-	(9,686)
Fair value of expired/exercised options	-	-	-	-	-	-
Balance at 31 December 2024	117,077,111	146,859	2,272,864	(89,494,435)	(1,134,991)	28,867,408
Balance at 1 July 2025	119,365,709	468,841	1,336,820	(90,397,005)	(1,416,132)	29,358,233
Loss for the period	-	-	-	(1,242,934)	(17,035)	(1,259,969)
Other comprehensive income for the period	-	-	(796,216)	-	(267,701)	(1,063,917)
Total comprehensive loss for the period	-	-	(796,216)	(1,242,934)	(284,736)	(2,323,886)
Transactions with owners recorded directly in equity						
Issue of shares	25,050,000	-	-	-	-	25,050,000
Share issue costs	(1,298,443)	-	-	-	-	(1,298,443)
Fair value of share options issued in relation to placing	(324,740)	324,740	-	-	-	-
Fair value of exercised options	-	(84,956)	-	84,956	-	-
Fair value of options vested in the period	-	2,277	-	-	-	2,277
Fair value of performance rights vested in the period	-	214,162	-	-	-	214,162
Balance at 31 December 2025	142,792,526	925,064	540,604	(91,554,983)	(1,700,868)	51,002,343

The accompanying notes form part of these financial statements.

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Condensed Consolidated Statement of Cash Flows for the Half Year ended 31 December 2025

	31 December 2025 $	31 December 2024 $
Cash flows from operating activities		
Payments to suppliers and employees	(1,342,736)	(448,258)
Mineral exploration expenditure	(152,155)	(400,079)
Interest received	105,437	390
Interest paid	-	(6,682)
Net cash (used in) operating activities	(1,389,454)	(854,629)
Cash flows from investing activities		
Payments for acquisition of exploration assets	(3,564,330)	(433,379)
Proceeds from sale of tenements	-	1,650,443
Purchase of plant and equipment	(484,371)	-
Net cash (used in)/from investing activities	(4,048,701)	1,217,064
Cash flows from financing activities		
Proceeds from issue of shares and options	25,050,000	1,388,085
Share issue costs	(1,298,443)	(9,686)
Repayments of borrowings	-	(500,000)
Net cash from financing activities	23,751,557	878,399
Net decrease in cash and cash equivalents held	18,313,402	1,240,834
Cash and cash equivalents at the beginning of the period	3,202,474	1,337,941
Translation differences on cash held in foreign currencies	(96,065)	218,186
Cash and cash equivalents at the end of the period	21,419,811	2,796,961

The accompanying notes form part of these financial statements.

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Notes to the Condensed Consolidated Financial Statements for the Half Year ended 31 December 2025

1. Summary of material accounting policies

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

Statement of compliance

This Half Year Report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 "Interim Financial Reporting". Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 "Interim Financial Reporting". This Half Year Report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report.

Basis of preparation

The condensed consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of investments. Cost is based on the fair value of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the half year financial report are consistent with those adopted and disclosed in the Company's annual financial report for the financial year ended 30 June 2025, except for the impact of the new Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

The Board of Directors authorised these half-year financial statements for issue on 12 March 2026.

Adoption of new and revised Australian Accounting Standards

The Group has adopted all the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current half-year.

The adoption of these standards has not had a material impact on the disclosures and/or amounts reported in these financial statements.

Standards and interpretations in issue but not yet effective

The Group has reviewed new and revised standards and interpretations that are in issue but are not mandatory for the current reporting period, and it was determined there will be no material change required to the Group's accounting policies.

2. Going Concern

The condensed consolidated financial statements have been prepared on the going concern basis which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

During the half year, the Group incurred a net loss after tax of $1,259,969 (2024: $450,646). At 31 December 2025, the Group had net assets of $51,002,343 (30 June 2025: $29,358,233) and net current assets of $21,334,064 (30 June 2025: $2,941,152), including cash and cash equivalents of $21,419,811 (30 June 2025: $3,202,474).

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The Directors have reviewed the Group's overall position and committed minimum expenditure requirements, and as at the date of this report, and are of the opinion that existing funds are sufficient for the Group to continue as a going concern and meet its obligations for the foreseeable future as they fall due.

These condensed consolidated financial statements do not include adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

3. Segment information

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

The Group operates in one business, namely exploration for mineral resources in various geographical regions. The financial results from this business are presented to the Board on a geographical basis.

Information on a geographical segment basis is presented below:

	Australia	South America	Africa	Group
	$	$	$	$
Half year 2025				
Segment revenue	105,437	-	-	105,437
Segment result	(1,102,777)	(156,851)	(341)	(1,259,969)
Exploration costs expensed	-	152,155	-	152,155
Depreciation expense	909	-	44,779	45,688
As at 31 December 2025				
Segment assets	20,525,283	54,119	30,769,511	51,348,913
Segment liabilities	74.866	151,120	120,584	346,570
Half year 2024				
Segment revenue	390	-	-	390
Segment result	(199,502)	(106,903)	(144,241)	(450,646)
Exploration costs expensed	10,589	106,903	113,645	231,137
Depreciation expense	929	-	30,596	31,525
As at 30 June 2025				
Segment assets	3,099,852	89,045	26,555,795	29,744,692
Segment liabilities	97,176	45,419	243,862	386,457

4. Issued capital

	31 December 2025	30 June 2025
	$	$
Ordinary shares		
Issued and fully paid: 1,603,677,828 (30 June 2025: 1,101,177,848) shares	142,792,526	119,365,709

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Shares

Movements in the ordinary share capital of the Company during the period were as follows:

		Number of Shares	Cents	$
30/06/2025	Opening Balance	1,101,177,848		119,365,709
01/08/2025	Share Placement	275,294,461	5.00	13,764,723
18/09/2025	Share Placement	174,705,539	5.00	8,735,277
20/10/2025	Share Placement	49,999,980	5.00	2,500,000
20/10/2025	Exercise of Options	2,500,000	2.00	50,000
	Cost of share issues			(1,623,183)
31/12/2025		1,603,677,828		142,792,526

Options

At 31 December 2025, the Company had the following unlisted options and performance rights on issue:

Option series	No. of options	Exercise price $	Issue Date	Expiry date
Unlisted options				
Class AAI	1,250,000	nil	24/02/2023	24/02/2026
Class AAJ	2,500,000	nil	24/02/2023	24/02/2027
Class AAK	5,000,000	0.070	24/02/2023	24/02/2027
Class AAK	5,000,000	0.020	03/06/2025	03/06/2028
Class AAN	11,200,000	0.075	12/09/2025	18/09/2028

Performance rights series	No. of options	Exercise price $	Issue Date	Expiry date
Unlisted Performance rights				
Class AAM	24,000,000	nil	03/06/2025	03/06/2029

Movements in the number of options and the Option Reserve during the period were as follows:

Issue / Expiry Date	Description	Number of Options	Fair value cents	$
30/06/2025	Balance	16,250,000		255,435
12/09/2025	Issue of AAN share options	11,200,000		324,740
	Vesting of AAK share options			2,277
	Value of AAL options exercised during the period	(2,500,000)		(84,956)
31/12/2025	Balance	24,950,000		497,496

The Company issued 11,200,000 options to the lead manager of the fundraise during the period, exercisable at $0.075 each expiring 18 September 2028 to the lead manager of the fundraise during the period. These options were valued at $324,740 utilising a Black & Scholes option pricing model with the following inputs and were included as part of share issue costs:

Grant date:	12 September 2025
Expiry date:	18 September 2028
Share price at grant date:	7.5 cents
Exercise price:	7.5 cents
Risk-free rate:	3.421%
Volatility:	94.12%

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Movements in the number and value of performance rights during the period were as follows:

Issue / Expiry Date	Description	Number of Options	Fair value cents	$
30/06/2025	Balance	24,000,000		213,406
	AAM Performance Rights Vesting Expense			214,162
31/12/2025	Balance	24,000,000		427,568

The option reserve relates to the fair value of options and performance rights granted by the Company. The fair values of options are transferred to share capital on exercise, or to accumulated losses on expiry of the options.

Details of the vesting conditions of the performance rights issued in the period are as follows:

Participant	Tranche 1.1	Tranche 1.2	Tranche 1.3	Tranche 2.1	Tranche 2.2	Tranche 2.3	Tranche 3	Total
M. Sharples	4,000,000	4,000,000	4,000,000	2,000,000	2,000,000	2,000,000	6,000,000	24,000,000
Grant Date	03 June 2025	03 June 2025	03 June 2025	03 June 2025	03 June 2025	03 June 2025	03 June 2025	
Expiry date	03 June 2029	03 June 2029	03 June 2029	03 June 2029	03 June 2029	03 June 2029	03 June 2029	
Volatility	94.2%	94.2%	94.2%	N/A	N/A	N/A	N/A	
Risk free rate (%)	3.478%	3.478%	3.478%	N/A	N/A	N/A	N/A	
Underlying fair value on date of grant	$0.0516	$0.0488	$0.0455	-[1]	-[1]	-[1]	-[1]	
Total Fair Value ($) – Life of rights	$206,435	$195,151	$182,092	-[1]	-[1]	-[1]	-[1]	$583,678
Total Fair Value ($) – expensed in the period	-	$191,338	$22,824	-[1]	-[1]	-[1]	-[1]	$214,162
Cummulative Fair Value ($) – expensed to 31 December 2025	$206,435	$194,994	$26,189	-[1]	-[1]	-[1]	-[1]	$427,618
Method of valuation	Hoadley	Hoadley	Hoadley	Hoadley	Hoadley	Hoadley	Hoadley	

Note 1: These Tranches were not valued, and no amount was expensed in relation to these rights as it was not considered probable that the vesting conditions of these rights would be achieved.

5. Fair value measurement of financial instruments

The carrying amounts of financial assets and financial liabilities of the Group not measured at fair value on a recurring basis approximate their fair values.

6. Exploration and Evaluation Expenditure

	31 December 2025	30 June 2025
	$	$
At beginning of period	25,942,399	23,375,592
Acquisition of exploration projects	3,564,330	2,397,295
Exchange (loss)/gain	(752,548)	169,512
	28,754,181	25,942,399

Exploration and evaluation assets are initially measured at cost and include the acquisition of permits / licenses, and the Group's share in joint projects, that provide the right to explore for minerals. All other exploration and evaluation expenditure including studies, exploratory drilling, trenching and sampling and associated activities is expensed as incurred.

The recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest

The Group assesses the existence of any impairment indicators for all assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. These include prospectivity of an area of interest and economic and political environments. If an impairment trigger exists, the recoverable amount of the asset is determined.

7. Events subsequent to reporting date

Since the end of the Half Year, no significant event has occurred, except as stated elsewhere in this Half Year Report.

8. Exploration Commitments

The Group has the following expenditure commitments at balance date in respect of exploration interests, subject to the right to withdraw at any time.

	Consolidated	
	31 December 2025	30 June 2025
	$	$
Not later than one year	-	-
Later than one year, but not later than 5 years	-	-
Later than 5 years	-	-
	-	-

9. Related Parties

The Company did not enter into any transactions, including loans, with key management personnel other than in relation to contractual remuneration.

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10. Contingent Assets and Liabilities

Contingent Asset

According to Guinea tax law, value added tax (VAT) paid in relation to the Company's Guinea tenements may be recovered from the Guinea tax authorities. No asset has been recognised in the Consolidated Statement of Financial Position as there is currently no certainty around timing for the recovery of the VAT or that the total VAT will be fully recovered. However, a contingent asset exists relating to total VAT paid to date. The total paid to the Guinea tax authorities to date has been capitalised as the acquisition of the Company's interest in the Kada Gold Project remains active.

Contingent Liabilities

1) Chilean exporters may recover the VAT paid with respect to their exports. Under certain circumstances, exporters may claim VAT credits in advance before exports are completed or the VAT has been incurred. CMP has received such VAT credits in advance of Chilean Unidad Tributaria Mensual (UTM) 31,340.58 which calculates to approximately AUD3.3 million at 31 December 2025 exchange rates (30 June 2025 : AUD3.3 million). It is expected that CMP will, in the future, export mineral concentrates from its operations and the VAT credit received will be applied to reduce this advanced VAT credit over time. If CMP does not carry out the exports as approved, such amounts of VAT credits claimed in advanced must be paid back to the tax authorities.

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Directors Declaration

The Directors declare that the condensed consolidated financial statements and notes of the consolidated entity set out on pages 11 to 19:

(a) comply with *Accounting Standard AASB 134 – Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

(b) give a true and fair view of the Group's financial position as at 31 December 2025 and of its performance, as represented by the results of its operations and its cash flows, for the Half Year.

In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



Brett Montgomery
Chairman
16 March 2026

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Asara Resources Limited

Report on the Condensed Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Asara Resources 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 half-year financial report of Asara Resources 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 half-year 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 half-year 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 half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 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 half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

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

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

B M'Veigh

B G McVeigh
Partner

Perth, Western Australia
16 March 2026

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