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AUSTRAL RESOURCES

ANNUAL REPORT 2025



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Austral Resources is building Australia's next mid-tier copper powerhouse in North West Queensland

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HIGHLIGHTS

6.08mt
TOTAL MATERIAL MOVED

$121.6m
TOTAL SALES REVENUE OF THE ECONOMIC GROUP[i]

8,224t
TOTAL COPPER SALES OF THE ECONOMIC GROUP[ii]

506kt
TOTAL CONTAINED COPPER

$17.882m
TOTAL OPERATING CASHFLOW (NET)[iii]

8.49
TRIFR

i. Sales revenue of the Economic Group includes the Continuing and Discontinued Operations (Austral Resources Australia Ltd, Austral Resources Operations P/L, Austral Resources Exploration P/L and Copper Resources Australia P/L) until the APA was signed on 3 September 2025 ($66.1m) and the Discontinued Operation Anthill Project that was sold on 3 September 2025 to 31 December 2025 ($55.5m).

ii. Copper Sales of the Economic Group includes the Continuing and Discontinued Operations (Austral Resources Australia Ltd, Austral Resources Operations P/L, Austral Resources Exploration P/L and Copper Resources Australia P/L) until the APA was signed on 3 September 2025 (4,716t) and the Discontinued Operation Anthill Project that was sold on 3 September 2025 to 31 December 2025 (3,508t).

iii. Operating Cash Outflow of the Economic Group includes the Continuing and Discontinued Operations (Austral Resources Australia Ltd, Austral Resources Operations P/L, Austral Resources Exploration P/L and Copper Resources Australia P/L) until the APA was signed on 3 September 2025 and the Continuing Operations to 31 December 2025.

CHAIRMAN'S LETTER

Preliminary

Dear Shareholders,

Labor omnia vincit

This is the phrase that best describes what 2025 has meant to the Company. Hard work conquers all is ingrained in all that the Company does, from the operators and managers at site, the employees in the head office, and the senior management and directors guiding the Company.

And it is this hard work that has shone through during 2025, to see the Company recapitalised, requoted, producing copper, and well on its way to achieving its vision to becoming Australia's next mid-tier copper powerhouse.

We did it the hard way, completing a remarkable turnaround not seen in corporate Australia for some time. And this point should not be lost on any of us. The future looks bright, and if we continue with our hard work, I am sure that our vision will be achieved in the coming years.

Year in review

The Anthill operation was the Company's main production focus for the year as the decision was made to centre on a single mining campaign to repay the Company's obligations under the Anthill Project Agreement (APA). As we continue into 2026, I am pleased to say that mining has now finished at Anthill and only the processing tail remains to fulfill our obligations under the APA.

Our mining and haulage contractor, Regroup, has been terrific in their commitment and flexibility as the weather became particularly challenging during the wet season. We endured a 1 in 500 years weather event at the end of the year, and notwithstanding, produced the largest monthly amount of copper (910t) since the Company emerged from receivership in mid-2024.

We are now focussing on mining the Company's ready-to-go pits at Mount Clarke/Flying Horse and the Lady Annie cutback, which will be the mining goal for the coming year.

Our processing team has commenced initialising Mount Kelly's second cellhouse and through some improvements, we have seen cellhouse efficiency and production cycles continue to improve into 2026. We view Mount Kelly as the Company's foundation – solid, performing, well known – and it is reassuring to know that this asset will be fully utilised for at least the next decade to come.

The entire operational team, led by our COO Shane O'Connell, their efforts and dedication – particularly through the wet season – has been outstanding, with no environmental or operational notices issued. The resilience and preparedness demonstrated throughout the wet season are a fantastic testament to the strength of our planning, the discipline of our execution, and the professionalism of our people in safeguarding both our assets and our social licence to operate.

Rocklands restart

In early September, we completed the acquisition of Rocklands – an asset with a chequered history, but one with an ambition of opportunity.

Some may have questioned the logic of the acquisition but now as the only company in Australia with the ability to process copper oxide and copper sulphide ores, we are starting to see the benefits of our strategy.

The Board constituted a technical committee during the year, lead by Neil Meadows, who are tasked with the restart of the Rocklands processing facility. They were quick to not only identify the primary failures but also to source the relevant equipment for the new crushing circuit. We are committed and fully funded to our restart strategy of having a nameplate capacity at 3.0mtpa of processing capacity at Rocklands. However, based on our current level of engagement with third parties regarding toll treating, it is possible that we may have to expand that capacity before we commence full operations again in mid-2027.

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The future looks bright, and if we continue with our hard work, I am sure that our vision will be achieved in the coming years

Our future ambition

Since emerging from receivership in mid-2024, our strategy has been to utilise our significant infrastructure to leverage our position as North West Queensland's regional consolidator. It is difficult to survive (as it is in any business) with just one asset, and we see it no differently in the North West region.

The strategy has resonated with a wide range of stakeholders, and the Queensland Government's recent investment (via QTMCF), alongside other institutional investors in the most recent equity raising, is validation that we are no longer a junior resource company but an institutional grade operation.

In leveraging our two asset bases, we see a dual track strategy to bring our own tenements online whilst we continue to look at inorganic opportunities to grow.

As we continue to deploy this dual track operational strategy, I look forward to being able to provide our shareholders with updates centralised around our disciplined production growth, and meaningful organic exploration upside as we unlock further value across our existing asset base.

Our vision has not changed – we remain an Australian pure play copper company whose ambition is to be of a scale where inclusion into the ASX's main indices is the outcome.

On behalf of the Board, I extend my gratitude to our shareholders, employees, and stakeholders for their continued support and trust.

Sincerely,



David Newling
Chairman
Austral Resources Australia

REVIEW OF OPERATIONS

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Austral Resources delivered a year of sustained operational and corporate momentum in 2025, building upon the foundations established in 2024 to achieve record-breaking performance across key operational metrics while simultaneously transforming the Company's strategic position within the Mount Isa–Cloncurry copper province.

Operationally, the year demonstrated Austral Resources' (Austral) ability to optimise existing assets through systematic improvements, capital-efficient initiatives and disciplined execution of mining and processing plans at the Anthill copper mine and Mount Kelly processing facility in North West Queensland. Progressive grade improvements, record stacking throughput and enhanced SX-EW performance underpinned consistent production of LME Grade A copper cathode, reinforcing the strength and resilience of the Company's oxide platform.

In parallel with these operational achievements, 2025 marked a pivotal strategic inflection point. During the year, Austral completed an extensive technical, financial and legal due diligence programme and successfully executed the Deed of Company Arrangement (DOCA), culminating in the acquisition of the Rocklands Copper Mine. This transaction represents a significant milestone in Austral's regional consolidation strategy which was referred to as the "three pillars".

The addition of Rocklands provides a fully permitted sulphide processing platform to complement Austral's established oxide heap leach and SX-EW operations at Mount Kelly. The integration of sulphide processing capability materially enhances production optionality, reduces third-party dependency risk and establishes the foundation for a regionally integrated and Australian first, copper production hub with both oxide and sulphide treatment pathways.

Concurrently, the Company successfully completed a capital raising and ASX relisting after being suspended for 2 years which materially strengthened the balance sheet whilst restoring full market participation. The relisting marked the formal conclusion of the restructuring process and repositioned Austral as a well-capitalised, multi-asset copper producer with a clear pathway toward scalable, long-life production growth.

Collectively, 2025 was defined not only by operational outperformance but by strategic execution. Austral exits the year stronger, more diversified, and structurally positioned to capitalise on favourable copper market fundamentals while advancing its consolidation strategy across the Mount Isa region.

Forging ahead responsibly

Safety and Environment

Safety remained the Company's highest priority throughout 2025, with comprehensive programs implemented to identify, assess, and control workplace risks. The year saw sustained focus on workplace supervision, leadership in risk management, and proactive hazard identification.

A key safety milestone in 2025 was the successful completion of refresher competency assessments across a range of heavy equipment, including water carts, excavators, graders, front-end loaders, articulated haul trucks, and rigid haul trucks. This program strengthened operator adherence to critical controls, including safe operating procedures, structured pre-start inspections, emergency response readiness, and site compliance standards. The initiative was designed to mitigate operational risk exposure and ensure all personnel-maintained alignment with OEM specifications and site-specific safety obligations.

Contractor management and compliance audits remained a priority throughout the year. Tyre and rim management practices, maintenance system compliance assessments, and critical control validations were targeted with reviews completed. These audits strengthened contractor accountability and improved overall safety performance across all operations. The Company progressed toward full incorporation of critical controls as part of its safety and health management systems in preparation for the new legislative requirements in effect from 1 June 2026.

During the reporting period, the Resources Safety & Health Queensland Inspectorate undertook several scheduled regulatory inspections at both Anthill and Lady Annie Operations as part of its ongoing compliance oversight program. These visits included specialist reviews focusing on psychosocial risk management, electrical compliance, and the storage and handling of hazardous chemicals.

A number of recommendations were issued, and minor sub-standard conditions were identified during the inspections. All matters were systematically addressed and rectified within the prescribed timeframes, in full alignment with Inspectorate directives and legislative requirements.

The outcomes reflect the maturity and effectiveness of the Company's Safety and Health Management System, disciplined supervisory oversight, a demonstrated commitment to continuous improvement and statutory compliance.

Austral maintained exemplary environmental compliance throughout 2025, with full adherence to Environmental Authority requirements as set by the Department of Environment, Tourism, Science and Innovation (DETSI). Regular environmental monitoring continued throughout the year. This included potable water testing, sewage effluent testing, and surface water sampling conducted in strict accordance with environmental guidelines and the Environmental Protection Act 1994 and Water Act 2000.

No environmental incidents were reported during 2025, reflecting the Company's adherence to best practices in environmental management. In September 2025, a DETSI pre-wet season inspection was completed with no issues identified, demonstrating successful ongoing maintenance of the heap leach and operational work areas. The associated water-take modelling and calculations were finalised in November 2025, with the completed package submitted to DETSI for review, further evidencing the Company's proactive approach to regulatory compliance and environmental stewardship.

Mining Operations

Mining operations at Anthill progressed through East Pit Stage 2 following the completion of the West Pit in early 2025. Regroup continued as the mining contractor throughout the year. The operation delivered progressive improvements in copper grades and haulage tonnages, reflecting the quality of the ore body and effective mine sequencing. Copper grades advanced from 0.60% copper (CU) in January to 1.06% Cu by October, with a very-high-grade core of over 30kt at 1.44% Cu delivered in October. This demonstrated the strength of the remaining resource.

Road haulage operations showed marked improvement through the year, with monthly tonnages increasing from 139kt in January to 208kt by July. This was supported by the introduction of subcontractor assistance to supplement Regroup's haulage capacity. Average copper grade delivered to the Mount Kelly ROM similarly improved from 0.64% Cu in early 2025 to 0.90% Cu by October. This has positioned the operation for strong metal recovery in the processing circuit.

The mining operation navigated challenging ground conditions throughout 2025, including high groundwater inflows and soft, clay-rich zones as mining advanced below the water table. The technical services team maintained close oversight of drilling, blasting, excavation, and haulage activities. They adapted quickly to changing conditions while maintaining operational continuity and safety standards.

Financially

These outcomes were underpinned by Austral's robust and mature grade control programme, which continues to be a core strength of the operation. Detailed grade control drilling, supported by rigorous QA/QC protocols and systematic production drill hole sampling, enabled high-resolution definition of ore boundaries and minimised dilution. Sequential copper assaying and tight geological interpretation ensured that high-grade zones were accurately identified, modelled, and selectively mined.

The integration of geological modelling, production reconciliation, and daily operational feedback allowed for continuous refinement of ore block models and mining polygons. This disciplined approach delivered strong alignment between forecast and actual grades, improved ROM feed consistency to Mount Kelly, and maximised metal recovery.

Austral's established grade control systems, developed and refined across its copper operations, provide confidence in short-term mine planning and underpin the reliable conversion of mineral resources to production tonnes. This mature framework continues to mitigate geological risk while optimising value extraction from the remaining Anthill resource.

Key Achievements

- Progressive strong improvements in copper grades and haulage tonnages (grades rose from 0.60% Cu in January to 1.06% Cu by October).
- Delivery of a very-high-grade core (~30kt at 1.44% Cu in October).
- Increased road haulage tonnages increase (139kt in January to 208kt by July) with the use of subcontractor assistance.
- Improved average copper grade delivered to Mount Kelly ROM (0.64% early 2025 to 0.90% by October).
- Continued operational continuity and safety while managing challenging ground conditions (high groundwater inflows, soft clay zones).
- Successful implementation of Austral's robust grade control program (detailed drilling QA/QC sampling). This included integration of geological modelling, production reconciliation and daily feedback which resulted in an improved forecast alignment, ROM feed consistency and metal recovery.



Lighthouse Royalty

Drill and Blast

Drilling activities continued throughout 2025 with a single drill and blast rig operating day shift and night shift. Monthly drilling meters varied based on mining requirements and ground conditions. Totals ranged from 9,357 meters in January to 12,028 meters in October. Drilling performance was influenced by several factors, including wet and boggy collar pipe conditions in early 2025, the need to match mining rates to expose fresh drill horizons, and poor ground conditions due to groundwater interacting with soft, sticky clay-rich zones.

The Company maintained flexibility in drilling operations to accommodate varying ground conditions and mining sequences. Standby days were incurred when mining exposed final floors or when drilling horizons were not yet available. This reflects a disciplined approach to drill and blast sequencing. Production blasts were executed safely and effectively throughout the year, supporting continuous ore supply to the crushing and stacking circuit.

Excavation

Regroup, appointed as mining contractor in September 2024, excavated material from the Anthill pits throughout 2025. Monthly excavation volumes ranged from 196,000 bank cubic metres to 245,821 BCM, with performance influenced by equipment availability, ground conditions, and staffing levels. The completion of West Pit in early 2025 marked a significant milestone, with subsequent mining focused exclusively on East Pit Stage 2.

Excavation performance faced consistent challenges throughout the year, including top loading through very soft and boggy conditions, low equipment availability of both the 1250 excavator (ongoing GET and bucket repair issues) and the 777 fleet (various mechanical issues). Poor drill and blast conditions slowed production when attempting to establish solid drill horizons through free dig zones of mud and clay. Wet and boggy ground conditions remained the primary constraint to production as mining continued to push further below the water table through clay and muddy ground.

Despite these challenges, the mining team maintained operational continuity and adapted quickly to changing conditions. The Company worked closely with Regroup to improve equipment availability and operational efficiency, with progressive improvements observed through the year.

Ore Production and Road Haulage

Ore production from Anthill showed strong grade performance throughout 2025, with average copper grades increasing progressively from 0.60% Cu in January to 1.06% Cu by October. This grade progression aligned with modelled expectations as mining advanced into higher-grade zones within East Pit Stage 2. In October 2025, the pit delivered a very-high-grade core of over 30kt at a grade of 1.44% Cu, demonstrating the quality of the ore body.

Monthly ore production volumes varied based on mining conditions and pit sequencing. High-grade ore production ranging from 90kt to 115kt per month, supplemented by low-grade ore providing additional metal tonnes to the ROM over modelled expectations. The extended low-grade halo continued to contribute valuable copper metal throughout the year.

Road haulage operations showed progressive improvement through 2025, with monthly tonnages increasing from 139kt in January to 208kt by July. This improvement was supported by the introduction of subcontractor assistance to supplement Regroup's haulage capacity. Average copper grade delivered to Mount Kelly ROM also improved throughout the year, rising from 0.64% Cu in early 2025 to 0.90% Cu by October, reflecting the higher-grade zones encountered in East Pit Stage 2.

Stockpile management remained disciplined throughout the year, with the Mount Kelly ROM stockpile maintained at levels ranging from 44kt to 79kt to ensure consistent feed supply to the crushing circuit. The Anthill ROM stockpile held between 315kt and 422kt throughout the year, providing operational flexibility and buffer capacity.

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Processing

The Mount Kelly processing facility achieved several milestone performances in 2025, demonstrating the effectiveness of systematic improvement initiatives implemented throughout the year. Total copper stripped reached approximately 8,232 tonnes for the year, with cathode purity maintained at 99.999% (LME A-grade) throughout, meeting the stringent quality requirements for LME-registered copper.

December 2025 marked another operational milestone with 913.5 tonnes of copper stripped—the highest monthly total recorded for the year. This achievement demonstrated the team's ability to increase throughput capacity of the Electrowinning cellhouse through focused operational improvements while maintaining consistent product quality.

A defining achievement of 2025 was the record monthly stacking throughput of 194,193 tonnes in July—over 15,000 tonnes above plan and the highest monthly total recorded for the year. This performance reflected improved asset availability and effective reclaim management. New data and monitoring capabilities significantly improved response times, and key maintenance initiatives strategically implemented drove increased equipment availability. Total ore stacked for the year reached approximately 1,837,277 dry metric tonnes, supporting consistent metal recovery through the heap leach circuit.

The year saw the completion of a comprehensive improvement program across the SX-EW circuit, targeting long-term performance, efficiency, and cost optimisation. Key initiatives included the anode cleaning campaign, successful commissioning of a new continuous organic treatment system, recommissioning of the site's centrifuge, and upgrade of the filter press pre-treatment system. EW Cellhouse's current efficiency reached 84.93%, an increase of approximately 12% from the start of the campaign. These capital-efficient improvements delivered lasting gains across multiple performance areas, ranging from energy efficiency and organic life extension, to improved operational control and cost reduction.

Crushing and Stacking

The crushing and stacking circuit demonstrated progressive performance improvement throughout 2025, with total ore stacked reaching approximately 1,837,227 tonnes for the year. Monthly stacking volumes ranged from 85,581 tonnes in February to a record 195,544 tonnes in July, reflecting the team's ability to optimize circuit performance and equipment availability.

Early 2025 stacking performance faced challenges including screen deck repair shutdowns, agglomeration drum issues, ROM loader availability constraints, and irrigation supply limitations. The team responded proactively to these challenges, implementing targeted improvements in equipment maintenance, agglomeration moisture addition, and reclaim stockpile management.



Leading Sustainably

July 2025 marked a standout achievement with record stacking throughput of 195,544 dmt—over 15,000 tonnes above plan and the highest monthly total recorded for the year. This performance was supported by improved asset availability, effective reclaim management, new data and monitoring capabilities that significantly improved response times, and key maintenance initiatives implemented to strategically drive increased equipment availability.

Throughout the year, the crushing and stacking team completed several critical maintenance programs, including agglomeration drum relines, cone crusher relines, multiple belt replacements, and gearbox change-outs on primary crushing conveyors. These initiatives strengthened long-term circuit reliability and positioned the operation for sustained performance.

Agglomeration quality emerged as a focus area in 2025, with the team implementing targeted improvements in moisture addition during crushing and stacking operations. Insufficient moisture addition in early months had limited proper agglomerate formation, compromising percolation pathways and reducing solution access in the heap. Improvements implemented through the year enhanced solution permeability and supported improved copper recovery in the latter half of 2025.

Heap Leach

Heap leach performance in 2025 reflected both the challenges of sub-optimal agglomeration in early months and the progressive improvements achieved through targeted interventions. Total copper leached for the year demonstrated the circuit's ability to maintain consistent metal recovery despite varying ore characteristics and solution conditions.

Monthly copper leached ranged from 462 tonnes in February to 947 tonnes in November, with performance influenced by ore stacking rates, agglomeration quality, irrigation strategies, and acid management. The team deployed targeted irrigation adjustments and acid management strategies throughout the year to optimise leach efficiency.

Key achievements in heap leach operations included improved ore saturation and heap permeability from new irrigation design. Effective wet weather planning prevented weather-related downtime. Asset refurbishment was completed on primary feed line rising mains. Progressive increases in Pilbara Minerals PLS copper inventory also provided improved buffer capacity and supported long-term circuit stability.









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ILS free acid management remained a focus throughout the year, with the team maintaining the balance between ILS acid tenure and PLS pH to optimize both leach recovery and downstream SX performance. All solution grades consistently met or exceeded targets, with PLS grade averaging above target levels in the latter half of 2025.

Solvent Extraction and Electrowinning

The SX-EW circuit operated with discipline and consistency throughout 2025, maintaining strong process control and product quality. Total copper plated for the year reached approximately 8,230 tonnes, with copper stripped totaling 8,232 tonnes. Cathode purity remained at 99.999% (LME A-grade) throughout the year, meeting the stringent quality requirements for LME-registered copper.

Monthly copper stripped ranged from 443 tonnes in February to 913 tonnes in December, with the December result representing the highest stripped copper tonnage recorded for the year. This achievement demonstrated the team's ability to increase throughput capacity of the Electrowinning cellhouse through focused operational improvements.

The year 2025 saw the completion of a comprehensive, capital-efficient improvement program across the SX-EW area, targeting long-term performance, efficiency, and cost optimization. This resulted in many key achievements. The anode cleaning campaign, which delivered improved current distribution and enhanced cell performance across the tankhouse. Finalising the capping board changeout program which improved electrical contact integrity, reducing the risk of shorts. Successful commissioning of a new continuous organic treatment system, enhancing organic phase health and improving phase separation efficiency. Recommissioning of the site's centrifuge, expanding organic treatment capacity and offering operational flexibility for crud management. Upgrading of the filter press pre-treatment system, resulting in improved pre-coat quality and positioning the site to achieve measurable savings in reagent use.

Additional capital-efficient improvements included the lead anode replacement campaign, upgrade of significant volumes of cell top furniture, and removal of solids from SX settlers, which improved phase disengagement and throughput potential. Collectively, these systematic initiatives delivered lasting gains across multiple performance areas, ranging from energy efficiency and organic life extension to improved operational control and cost reduction. The capital-efficient approach – refurbishing and optimizing existing assets rather than purchasing new equipment – demonstrated the Company's disciplined approach to value maximisation.

The ability to execute these improvements while maintaining consistent copper production underlined the capability and resilience of the SX-EW team. Although SX throughput was moderated at times due to limited extractant availability and other operational constraints, the team responded proactively by adjusting circuit parameters, managing solution chemistry, and maintaining stable operations under constrained conditions.



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Exploration

Regional Exploration Achievements

In line with the sustained Company-wide performance for the year, 2025 was a healthy year for exploration, undertaking more than 5,600 surface geochemical samples, spanning more than 280 line-kilometres of previously unexplored territory across the Company's tenement portfolio.

The 'boots on the ground' approach, in addition to cost-effective and innovative approaches adopted by AR Exploration, has resulted in the rejuvenation of the Company's prospect pipeline, with an extensive list of high-quality copper targets delivered and ready for initial drill testing in the coming year.

With a restocked prospect pipeline, the acquisition of additional assets and a renewed balance sheet, the Company will move into the next phase of the exploration cycle, judiciously and cost-effectively drill testing many of the new targets during 2026 and into 2027.

Figure 1. AR Exploration Team has continued the 'boots-on-the-ground' approach to successfully rejuvenate the Company's prospect pipeline during 2025.





Resource Development

The Company remains committed to maximising shareholder value through organic growth opportunities and monetising its existing copper sulphide resource base, which collectively stands at 25.1Mt @ 0.90% Cu across eight separate deposits[1] within its Western Isa Project, with a further 11.26Mt @ 0.69% Cu, 0.13g/t Au from the Rocklands Mine[2]. The consolidation strategy successfully executed by the Company during 2025 has collectively enhanced the current resource inventory and provided a multitude of additional avenues for near-mine exploration, resource development and growth.

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 flexibility. The total number of drill meters designed and ready to be executed in 2026 now exceeds 20,000m with some rationalisation expected during the year as drilling progresses. Immediate near-mine and near-resource drilling scheduled for 2026-2027 include Rocklands, Lady Annie, Flying Horse, Lady Colleen, McLeod Hill and Enterprise.

1. ASX Announcement, "Austral Resources Annual Report to Shareholders", 1 April 2025.
2. See ASX Announcement, "Austral Resources Prospectus", 4 September 2025.

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Figure 2. Cross-section through the Lady Annie Deposit highlighting both the copper oxide and copper sulphide targets now available to the company with the acquisition of the Lady Loretta Mining Lease (see ASX Announcement "Lady Loretta Mine Acquired Increasing Copper Pipeline", 30 January 2026. The potential quantity and grade of the Exploration Target is conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource, and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

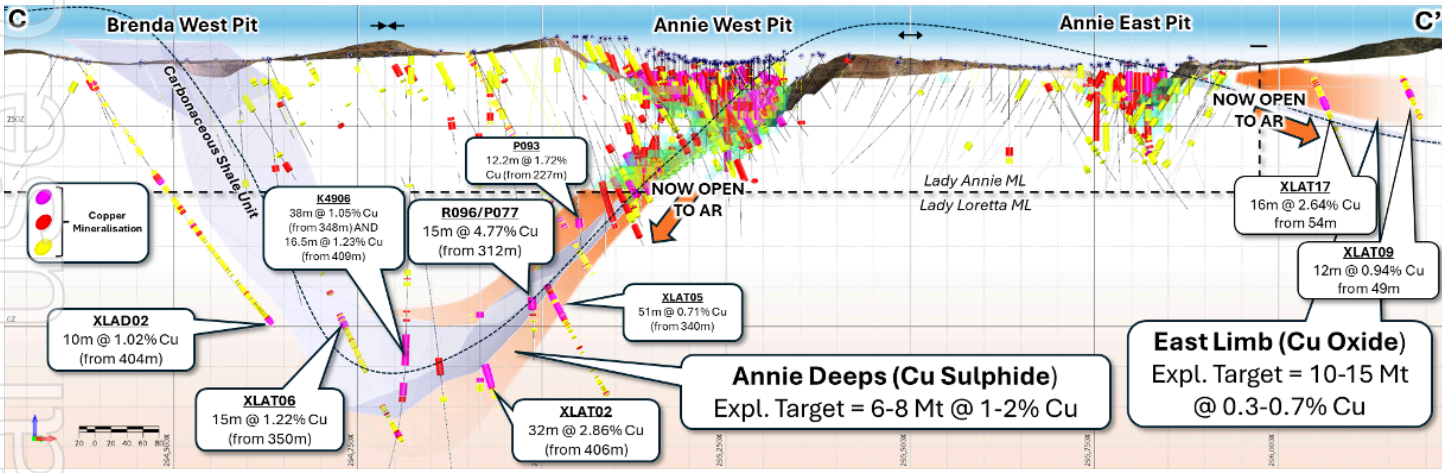


Figure 3. A multipurpose drill rig is current onsite at Rocklands undertaking confirmatory drilling at the undeveloped Double Oxide (RS5) copper-gold lode.

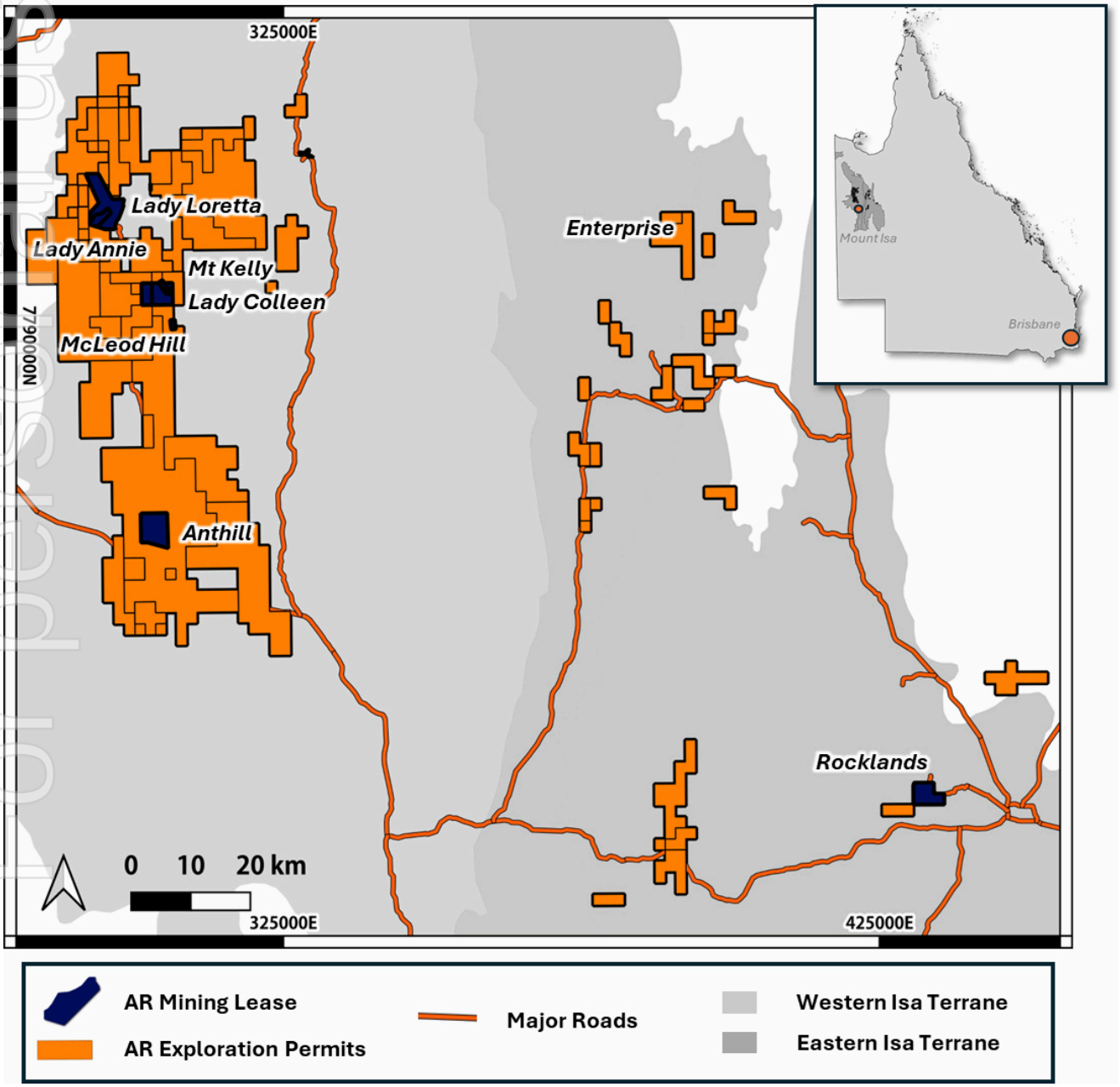


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Tenure

During 2025[3], 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), and additional acquisitions. The Company now holds 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 spanning 65.7km^2.

Figure 4. Current outline of the Company's tenement holding (as of 31st December 2025)



3. See ASX Announcement, 'Lady Loretta Mine Acquired Increasing Copper Pipeline', 30 Jan 2026.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

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Our ESG Commitments

The Company formally commenced its ESG journey in 2022 with the development of an ESG Strategy and Program. A dedicated oversight of the Program followed in 2023, through the establishment of the ESG Committee. This charter includes board members, operational representatives, and independent advisors, with regular meetings to ensure emerging ESG trends and stakeholder feedback are integrated into our planning and reporting.

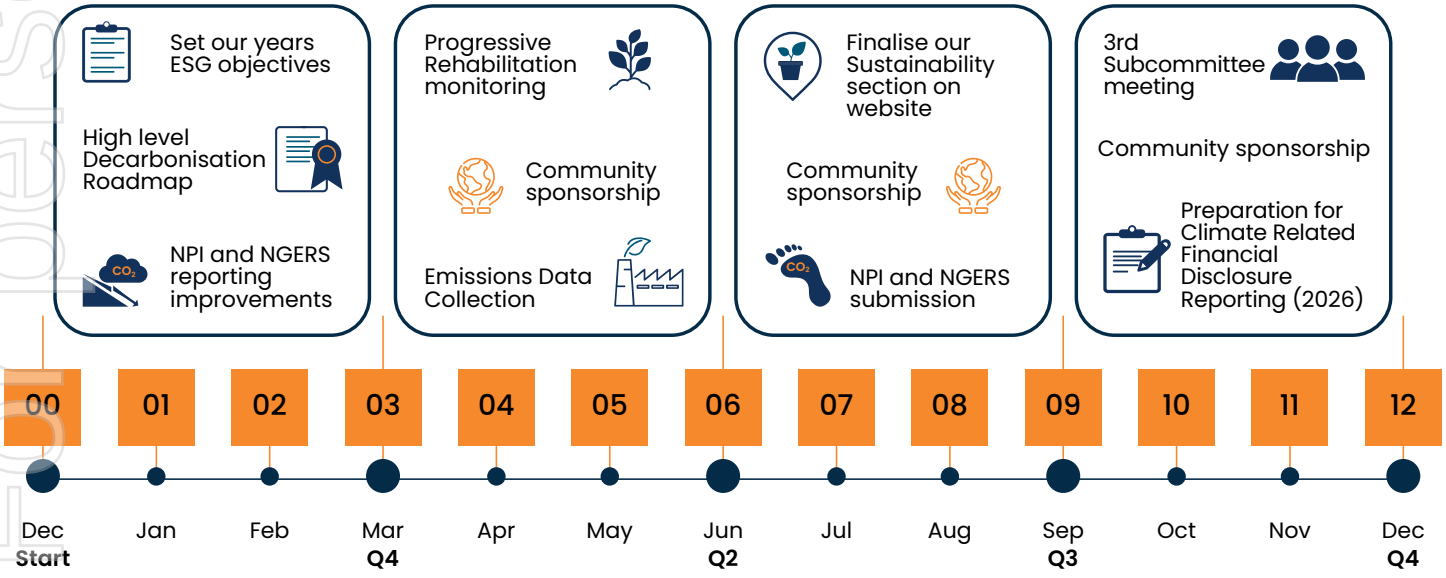
Since then, the Company has continued to strengthen and mature its ESG position through the implementation of targeted initiatives where it can achieve the greatest positive impact. This includes proactively managing our environmental footprint through robust performance standards, supporting strong community relationships including landholders and Traditional Owners, and evolving governance practices to enhance transparency and accountability.

In 2025, the Company's outward messaging and commitment to sustainability strengthened through a dedicated section on the website, Our ESG Commitments including a separate page for each of the five key ESG priorities – Environment, Health, Safety & Wellbeing, Community Engagement, Our People and Approach to Governance.

This ongoing work reflects the Company's broader mission to operate responsibly while contributing meaningfully to the Mount Isa region and ensuring long term sustainable business in the copper supply chain towards a low carbon future. This includes the acquisition of the Rocklands Copper Mine, with plans to refurbish operations ahead of copper production in 2027.

2025 ESG Program

The roadmap below reflects the Company's 2025 ESG Programme highlights. Key achievements including emissions reporting and preparation for climate related disclosures are provided with more detail in the following sections of this report.



Environment

The Company's environmental practices are governed by regulatory conditions in mining approvals, lease requirements, and licenses, supported by periodic independent performance audits and a uniform internal reporting system for all environmental incidents. It focuses on five key environmental performance standards aligned with its Environmental Authority: emissions and energy, air quality, water, waste management, and rehabilitation and closure.

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Energy and Emissions 2025

The Company's submitted its Scope 1 and Scope 2 emissions and energy data in accordance with the requirements of the National Greenhouse and Energy Reporting (NGER) Scheme for the 2024-2025 financial year. NGERs Reporting for FY 24-25 was 24,137 t CO_2-e as represented in the table below. The table also includes a summary of the energy consumed through fuels and energy produced on-site through electricity, fuel or heat.

Austral GHG Emission FY25 (t $C0_2$-e)

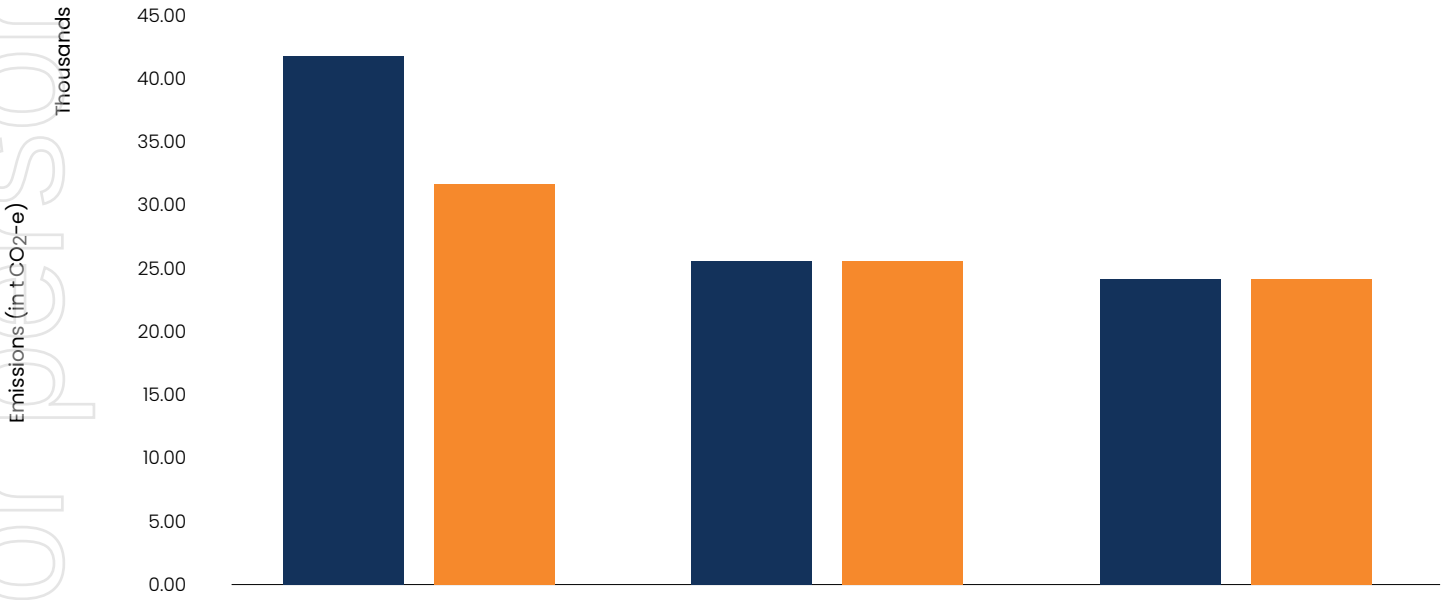
Scope 1	Scope 2	Total
24,137	–	24,137

Energy Produced and Energy Consumed (GJ)

Energy Consumed Total	Energy Consumed Net	Energy Produced
436,038	351,216	84,822

The bar graph below represents the Scope 1 and Scope 2 emissions for Austral over the last 3 financial years which indicates a year-on-year decline in actual emissions.

NGERs Reporting at Austral Resources



	2022-2023	2023-2024	2024-2025
Total Emissions	41,807.00	25,225.00	24,137.00
Scope 1 Emissions	31,699.00	25,225.00	24,137.00

The primary source of Scope 1 emissions is diesel consumption used for:

- Electricity Generation (on-site power generation) – 69%
- Operation of Heavy Vehicles (Mining Fleet machinery) – 27%
- Light Vehicles (Road registered light vehicles) – 4%

Assessing this data provides the foundation for the Company's decarbonisation roadmap by identifying the most material emissions drivers across its operations. Austral is progressing toward establishing an emissions intensity reduction target and will begin formally measuring this metric going forward. An intensity based approach, which measuring emissions relative to production, offers a more accurate reflection of operational efficiency and is particularly important as the Company integrates the Rocklands Copper Mine into its portfolio.

By setting targets based on emissions intensity rather than absolute emissions, the Company can more effectively track and enhance performance even as production levels fluctuate. This approach supports informed, strategic decision making focused on initiatives that deliver the greatest reduction in emissions intensity and underpins the Company's long term transition to a lower carbon operating model.

Social

The Company places strong emphasis on building constructive, transparent and mutually beneficial relationships with the communities in which it operates. The Company's community engagement approach is centered on working closely with local landholders, partnering respectfully with Traditional Owners, and maintaining open communication channels with all stakeholders.

In 2025, the Company developed a new Community Sponsorship Form, and supported BushKids and other local initiatives. The Company prides itself in offering practical help for neighbours, including:

- Grading roads for truck access at Barr Creek, Yelvertoft, Thorntonia, Koolamara, and Carlton Hills.
- Providing water trucks, graders, and troughs, as well as accommodation for mustering camps.
- Creating firebreaks and lending a hand with machinery recovery and repairs when needed.

ESG Subcommittee Meeting 2025

In November 2025, the Company convened its third annual ESG Subcommittee meeting, bringing together a broad cross-section of stakeholders, including employees, local landholders, Traditional Owner representatives, and supply chain partners. The Subcommittee plays a critical role in shaping the Company's sustainability agenda by providing diverse perspectives, strengthening governance transparency, and guiding continual improvement across environmental, social and economic dimensions.

Stakeholders were briefed on significant milestones, including the acquisition of the Rocklands Copper Mine, and advancements within the Progressive Rehabilitation Program. Participants also noted several important initiatives, such as the launch of a Sustainability section on the Company's website and improvements to emissions data collection to support reporting obligations.

The meeting concluded with an open, interactive discussion designed to solicit feedback and gather insights into emerging ESG priorities. Participants shared perspectives on opportunities to strengthen community engagement, operational transparency, and long term sustainability outcomes, and a summary of the key themes are included below:

Strengthening Community Presence and Awareness

- Enhancing the Company's profile through increased visibility at key locations such as Mount Isa Airport.
- Building stronger ties through regular participation in local community and industry networking events.

Developing a Skilled and Sustainable Workforce

- Expanding partnerships with schools, trade colleges and TAFE to promote vocational career pathways.
- Delivering school excursions, open days and work experience opportunities to inspire local talent.
- Presenting at university career fairs and providing structured student placements to build future capability.

Looking Glass ESG

Enhancing Community Value and Resilience

- Maintaining practical support for landholders and graziers across operational areas.
- Delivering community training opportunities and informal events such as BBQs to strengthen relationships.
- Working collaboratively with councils and neighbouring mines to enhance regional fire preparedness and emergency response capacity.

Supporting Responsible Land and Environmental Stewardship

- Strengthening weed management and introducing more flexible, context appropriate rehabilitation approaches.
- Continuing to integrate local knowledge into rehabilitation and land management practices.

Promoting Collaboration and Shared Outcomes

- Expanding partnerships with Traditional Owners, local organisations, education providers, and industry peers to support sustainable regional development.

Governance

The Company's approach to governance is founded on transparency, accountability, and continuous improvement across its ESG program. In 2025, Austral undertook a comprehensive review of its corporate policies and processes as part of funding due diligence assessments for the Rocklands Copper Mine.

Mandatory Climate Related Disclosures 2025

The Australian Accounting Standards Board (AASB) S2 Climate related Disclosures, issued as part of the Australian Sustainability Reporting Standards (ASRS), came into effect in January 2025, forming a key component of Australia's new mandatory climate reporting framework under the Corporations Act. Based on the category requirements in the table below, the Company has been identified as a Group 2 entity. The Company's first annual reporting period will start in July 2026, and climate reports are required by 31 December 2027 for December year end entity reporters.

The Company commenced preparations for upcoming climate related reporting obligations in September 2024. This work included an onsite Sustainability and Climate Risk Assessment, which identified relevant physical and transition risks and opportunities, along with the controls currently in place. A review of the Company's Scope 1 and Scope 2 emissions profile was also undertaken to inform the development of a high-level decarbonisation roadmap.

First annual reporting periods starting on or after	Category 1: Company size Large entities and their controlled entities meeting at least two of three Cat 1 criteria:			Category 2: National Greenhouse and Energy Reporting (NGER) Reporters	Category 3: Asset Owners
	EOFY Consolidated Revenue	EOFY Consolidated gross assets	EOFY employees		
1 January 2025 Group 1	$500 million or more	$1 billion or more	500 or more	NGER reporter above NGER reporting threshold (in s 13(1)(a) of the NGER Act 2007	N/A
1 July 2026 Group 2	$200 million or more	$500 million or more	250 or more	All other NGER reporters	$5 billion assets under management or more
1 January 2027 Group 3	$50 million or more	$25 million or more	100 or more	N/A	N/A

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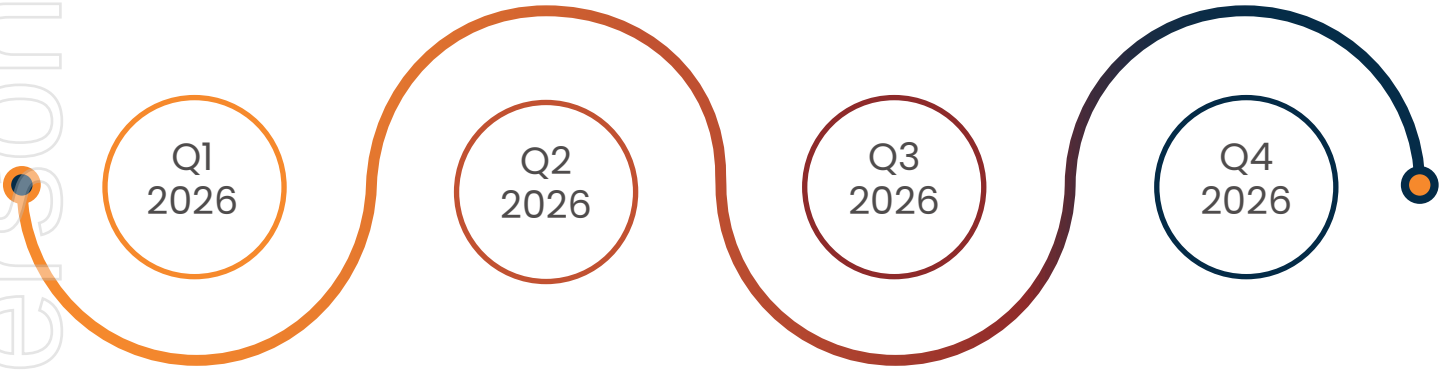
	Climate reports required for the first year ending on dates shown below		
Entity reporting year-end	**Group 1 entities**	**Group 2 entities**	**Group 3 entities**
31 December year-end	31 December 2025	31 December 2027	31 December 2028
31 March year-end	31 March 2026	31 March 2028	31 March 2029
30 June year-end	30 June 2026	30 June 2027	30 June 2029
30 September year-end	30 September 2026	30 September 2027	30 September 2028

To continue their preparations, the Company will need to complete Scenario Analysis to assess risks under the SSP1-2.6 and SSP5-8.5 IPCC climate scenarios across short, medium, and long-term horizons. Further, the emissions profiling will need to be reviewed to ensure alignment with AR6 carbon accounting guidelines, as it currently complies with AR5 for NGERS.

Inputs from the risk assessment, scenario analysis, and emissions review will collectively inform the development of the Company's ASRS disclosures, including climate related governance, strategy, risk management, and metrics and targets.

2026 ESG Program

The following roadmap has been developed to outline the Company's 2026 ESG Program priorities, with a key focus on continuing preparations to meet its mandatory climate related reporting requirements.



- Finalise 2026 ESG Plan
- Review and publish company policies
- Develop draft calendar of events
- Consider impacts of acquired assets on emissions and mandatory reporting requirements

- Confirm decarbonisation pathways to meet emissions intensity reduction targets
- Conduct scenario analysis for climate risk
- Share calendar of events with key stakeholders

- NGERs and NPI data collection
- NPI submission
- Research and prepare applications for funds and grants opportunities
- Complete scenario analysis for climate risks
- Review and implement AR6 carbon accounting guidelines

- NGERs submission
- Annual ESG Sub Committee Meeting
- Continue mandatory reporting preparation – financial disclosures
- Develop 2027 ESG plan



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BOARD OF DIRECTORS

Name	**David Newling** *Chairman* BBus, CAANZ, MAppFin, FFin, AAusIMM, MIML, GAICD
Committees	• Audit & Risk Committee (Member) • Nomination & Remuneration Committee (Chair)
Memberships	• Fellow, Financial Services Institute of Australia • Member, Australian Institute of Management • Member, Institute of Chartered Accountants Australia and New Zealand (CAANZ) • Associate Member, Australasian Institute of Mining and Metallurgy (AusIMM) • Graduate Member, Australian Institute of Company Directors (AICD)
Listed directorships	None.
Experience and expertise	Mr Newling is an experienced financial executive with strong strategic and governance expertise. He currently serves as Chief Executive Officer of The Springwood Group, the family office of a prominent Australian retailing family. With a diverse career spanning public, private, and not-for-profit sectors, David is recognised for his pragmatic leadership, calm decision-making under pressure, and exceptional stakeholder relationship management. His track record includes trusted partnerships, effective corporate governance, and successful board leadership.
Interest in shares and options	Nil

Name	**Dan Jauncey** *Non Executive Director (Former Managing Director & Chief Executive Officer)*
Committees	• ESG Committee (Member) • Technical Committee (Member)
Memberships	• Member, Australian Institute of Company Directors (AICD) • Member, Young Presidents' Organization
Listed directorships	None.
Experience and expertise	Mr Jauncey founded Matilda Earth Moving in 2000 and later established Matilda Equipment in 2003 to provide late-model, low-hour ancillary equipment on a rental basis to the resources sector. Under his leadership, the business expanded nationally and into Papua New Guinea, earning a place in the BRW Fast 100 in 2012. Matilda Equipment was successfully sold to an ASX-listed company in 2018. Dan played a key role in the 2019 acquisition of Austral Resources' core mining assets and contributed across operations, capital raising, and strategy until his appointment as Managing Director and CEO in July 2022. He oversaw LME Grade A copper production, the Anthill Project, and exploration growth until resigning as CEO on 31 October 2024. He remains a Non-Executive Director, bringing hands-on operational insight and a focus on agility and competitiveness in the global copper market.
Interest in shares and options	222,572,924 shares In accordance with directors interest notice lodged with the ASX.

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Name	**Michael Hansel** *Non-Executive Director* LLB (Hons) BCom (Hons), BBus
Committees	• Audit & Risk Committee (Chair)
Memberships	• Queensland Law Society
Listed directorships	None.
Experience and expertise	Mr Hansel is Managing Director of GLG Legal, specialising in mergers and acquisitions, IPOs, capital raisings, corporate governance, takeovers, and joint ventures. He advises numerous ASX-listed and large private companies, with a particular focus on the resources sector. Appointed as a Non-Executive Director of Austral Resources in February 2022, he chairs the Audit and Risk Committee. Michael is consistently recognised as a leading corporate and commercial lawyer in publications including Doyle's Guide and The Best Lawyers™.
Interest in shares and options	1,014,943 shares

Name	**David Quinlivan** *Non-Executive Director* BAppSci (Min Eng), Grad Dip Fin Serv, FAusIMM, FCISI, MMICA
Committees	• Audit & Risk Committee (Member) • Nomination & Remuneration Committee (Member)
Memberships	• Fellow, Australasian Institute of Mining and Metallurgy (AusIMM) • Fellow, Chartered Institute for Securities & Investment (FCISI) • Member, Mining Industry Consultants Association
Listed directorships	Vault Minerals Ltd (ASX:VAU).
Experience and expertise	Mr Quinlivan is a mining engineer with over 50 years of industry experience. His career began in 1973 with Mount Newman Mining and included senior operational and development roles at WMC Limited. He has held executive leadership positions including CEO of Alacer Gold Corporation, CEO of Sons of Gwalia Ltd (post-administration), COO of Mount Gibson Iron Ltd, and Managing Director of Ora Banda Mining. He has also chaired several listed companies, including Silver Lake Resources. David brings deep technical, operational, and executive expertise to the Austral board.
Interest in shares and options	Nil

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Name	**Neil Meadows** *Non-Executive Director* MAppSci (Metallurgy), Grad Dip Bus Admin, GAICD, MAusIMM
Committees	• Technical Committee (Chair) • Nomination & Remuneration Committee (Member) • ESG Committee (Member)
Memberships	• Member, Australasian Institute of Mining and Metallurgy (AusIMM)
Listed directorships	None.
Experience and expertise	Mr Meadows is a metallurgist with more than 40 years' experience in refinery operations, general management, and manufacturing across multiple commodities and jurisdictions. He has held senior roles with BHP Billiton, Minara Resources, Karara Mining, Wiluna Mining Corporation, European Metals Holdings, Queensland Nickel, and most recently served as President of the Koniambo Nickel Smelter (Glencore-operated joint venture in New Caledonia). Neil contributes extensive processing and operational leadership to the board.
Interest in shares and options	Nil

Name	**Sean Westbrook** *Non-Executive Director* BSc (Hons)
Committees	• ESG Committee (Chair) • Technical Committee (Member)
Memberships	• Member, Australian Institute of Geoscientists (AIG) • Member, Society of Economic Geologists (SEG)
Listed directorships	CopperCorp Resources Inc. (TSX-V: CPER)
Experience and expertise	Mr Westbrook is a geologist with over 25 years of international experience in mineral exploration, project development, and management across copper, gold, base metals, and iron ore. He has held senior technical and leadership roles with BHP Billiton Iron Ore, PanAust, Oz Minerals, and Harmony Gold, and has managed exploration and pre-feasibility projects in Australia, Southeast Asia, Papua New Guinea, and Chile. Sean has been instrumental in project acquisitions and the successful listing of several exploration companies. He provides strong geological and exploration expertise to the Austral board.
Interest in shares and options	Nil



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SENIOR MANAGEMENT TEAM

Name	**Shane O'Connell** *Chief Operating Officer*
Qualifications	Airline Transport Pilot Licence (CASA & PNG CAA) Chief Pilot Approvals Head of Check and Training Authorised Flight Examiner Approved Maintenance Controller plus qualifications in Crew Resource Management, Human Factors, Security, Dangerous Goods, Fire Management, and Civil Construction Fellow, Australasian Institute of Mining and Metallurgy (AusIMM)
Experience and expertise	Mr O'Connell brings more than 20 years of senior management experience across aviation, civil construction, and mining operations. He has held director and senior leadership roles, including as a government delegate for civil aviation safety authorities in Australia, Papua New Guinea, and the United States. Prior to joining Austral Resources in July 2019, Shane owned and managed a private earthmoving company specialising in civil engineering and rehabilitation. As COO, he oversees day-to-day operations, production performance, regulatory negotiations (including the Anthill Project), safety and compliance, and internal coordination to deliver consistent LME Grade A copper cathode production. Shane is a member of the ESG Committee.

Name	**Angus Peterson** *Chief Financial Officer*
Qualifications	Bachelor of Commerce (Finance and Accounting) Member Institute of Chartered Accountants Australia and New Zealand (CAANZ)
Experience and expertise	Mr Peterson joined Austral Resources in March 2021, bringing extensive financial and industry experience. He spent over nine years at KPMG, including more than two years in Houston, Texas, auditing oil and gas clients in the energy and natural resources sectors. He later served as Financial Reporting Manager at ASX-listed TerraCom Resources (coal mining). As CFO, Angus manages all financial operations, including accounting, cash flow, monthly reporting, financial statement preparation, and integration of finance functions, ensuring robust financial stewardship.

Name	**Jarek Kopias** *Company Secretary*
Qualifications	Bachelor of Commerce (Accounting) Graduate Diploma in Advanced Corporate Governance Chartered Secretary (AGIA, ACG) Certified Practising Accountant (CPA Australia)
Experience and expertise	Mr Kopias has over 25 years of experience in financial and company secretarial roles within the resources sector, including positions at WMC Resources (Olympic Dam), Newmont Mining Corporation, and Stuart Petroleum (pre-merger with Senex Energy). He currently serves as CFO and/or Company Secretary for several ASX-listed entities including Resolution Minerals, iTech Minerals, Altitude Minerals, Core Lithium, Iron Road, and Patagonia Lithium. Jarek joined Austral Resources in July 2021. He supports the Board in corporate governance, strategic planning, compliance, and continuous improvement of systems and processes. Jarek is a member of the ESG Committee.

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FINANCIAL REPORT

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DIRECTORS' REPORT

Lodged Only

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Austral Resources Australia Ltd (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 31 December 2025.

Directors

The following persons were directors of Austral Resources Australia Ltd during the whole of the financial year and up to the date of this report, unless otherwise stated:

- David Newling
- Daniel Jauncey
- Michael Hansel
- David Quinlivan (Appointed 4 November 2025)
- Neil Meadows (Appointed 4 November 2025)
- Sean Westbrook (Appointed 4 November 2025)

Principal activities

During the financial year, the principal activities of the consolidated entity consisted of exploration, development and production activities of copper resources at the consolidated entity's mining tenements predominately situated in Queensland, Australia.

Dividends

No dividends have been paid, recommended, or declared during the current financial year (2024: Nil).

Review of operations

The profit attributable to the owners of Austral Resources Australia Ltd for the consolidated entity after providing for income tax amounts to $11,874,000 (31 December 2024: loss of $22,620,000).

Austral Resources Australia Ltd has achieved the following for the year ended 31 December 2025:

- Copper cathode sales from continuing operations zero tonnes (2024: zero tonnes);
- Copper cathode sales from discontinued operations of 4,716 tonnes (2024: 6,341 tonnes) at an average sale price of US$9,830 per tonne (2024: US$8,160 per tonne);
- Revenue from continuing operations $3,529,000 (2024: $0);
- Revenue from discontinued operations until the date of their disposal $66,131,000 (2024: $82,087,000);
- Net operating cash outflows of $17,882,000 (2024: inflows of $9,415,000); and
- Cash and cash equivalents of $19,304,000 (2024: $79,000).

Significant changes in the state of affairs

On 25 October 2025, Austral completed the acquisition of Copper Resources Australia Pty Ltd through a Deed of Company Arrangement, obtaining full ownership of the Rocklands Copper Mine and processing facility. The acquisition has been consolidated into the Group's financial results from this date.

Matters subsequent to the end of the financial year

On 16 January 2026, Austral announced the acquisition of the Lady Loretta mining leases and associated EPMs and site infrastructure. The acquisition unlocks substantial copper mineralisation and a pathway to supporting Mount Kelly's copper production pipeline. On completion of the transaction, Austral will receive US$40 million (A$59.9 million) in cash, with approximately US$9.6 million (A$14.4 million) to be deducted from the payment to cash-back the current estimated rehabilitation bond for the Lady Loretta mine, increasing unrestricted cash of Austral by approximately US$30.4 million (A$45.5 million). Austral will assume the rehabilitation and closure liability (Management assessed the rehabilitation provision to be reasonable based on the due diligence process) and will pay Glencore a 2.5% Net Smelter Return royalty on all copper produced from the Tenements. The transaction was approved by shareholders on 27 March 2026.

Lapsed Listing

On 19 February 2026, Austral announced binding commitments had been received for A$65 million capital raise. The capital raise has been cornerstoned by the QIC Critical Minerals and Battery Technology Fund which has committed to $15 million. The raise is split into 2 Tranches. Tranche 1 is for $38.2 million and was completed on 18 February 2026. Tranche 2 is $26.8 million and was approved by shareholders on 27 March 2026. On completion the Placement will be applied to fund acceleration in copper production and production capability at both Rocklands and Mount Kelly including infrastructure, equipment, drilling, care and maintenance, and working capital.

No other matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations

The consolidated entity intends to continue its production, development and exploration activities on its existing projects and to acquire further suitable projects for exploration as opportunities arise.

Environmental regulation

The consolidated entity is subject to and is compliant with all aspects of environmental regulation of its exploration and mining activities. The directors are not aware of any environmental law that is not being complied with.

Principal risks

The consolidated entity operates in the copper industry in Australia. There are a number of factors, both specific to the consolidated entity and to the copper industry in general, which may, either individually or in combination, affect the future operating and financial performance of the consolidated entity, its prospects and/or the value of the consolidated entities shares. Many of the circumstances giving rise to these risks are beyond the control of the board and management. The major risks believed to be associated with investment in the consolidated entity are as follows:

Operational Risk

The Company's current and proposed copper production operations may be affected by a range of operational factors. These include failure to achieve the predicted grade in mining, processing, technical difficulties encountered in commissioning and operating plant and equipment, mechanical failure, problems which affect extraction rates and costs, adverse weather conditions, industrial and environmental accidents, industrial disputes, unforeseen delays, unexpected shortages or increase in the costs of consumables, spare parts, plant and equipment.

Development risk

There is a risk that circumstances (including unforeseen circumstances) may cause a delay to project development, exploration milestones or other operating factors, resulting in receipt of revenue at a later date than expected. Additionally, the construction of new projects/expansion by the consolidated entity may exceed the currently envisaged timeframe or cost for a variety of reasons outside the control of the consolidated entity.

Exploration and evaluation risk

The long-term value of Austral will depend on its ability to find and develop resources that are economically recoverable within Austral's licences. Mineral exploration and development is inherently highly speculative and involves a significant degree of risk. There is no guarantee that it will be economic to extract these resources or that there will be commercial opportunities available to monetise these resources.

Reserves and resource estimates

The Ore Reserves estimates represent expressions of judgement on the estimated tonnages and grades which Austral has determined are technically feasible and economically viable to mine and process under present and assumed future conditions. Any adjustments to reserves could affect the consolidated entity's exploration and development plans which may, in turn, affect the consolidated entity's performance. If Austral's actual realisation of mineral quantities and grades is less than estimated, there will be a corresponding effect on the operations and financial performance of the Company.

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Environmental risks

The consolidated entity's operations and projects are subject to the laws and regulations of all jurisdictions in which it has interests and carries on business, regarding environmental compliance and relevant hazards.

As with most development and exploration projects operations, the consolidated entity's activities are expected to have an impact on the environment. Significant liability could be imposed on the consolidated entity for damages, clean-up costs, or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of property acquired by the consolidated entity, or non-compliance with environmental laws or regulations.

There is also a risk that the environmental laws and regulations may become more onerous; increasing the consolidated entity's operation costs.

Changes in commodity price

The consolidated entity's potential future revenues are likely to be derived mainly from copper revenue and/or from royalties gained from potential joint ventures or other arrangements. Consequently, the consolidated entity's potential future earnings will likely be closely related to the price of copper.

If the consolidated entity is producing copper and the market price of copper were to fall below the costs of production and remain at such a level for any sustained period, the consolidated entity would experience losses and could have to curtail or suspend some or all of its proposed activities.

Exchange rate risk

The revenues, earnings, assets and liabilities of the consolidated entity may be exposed adversely to exchange rate fluctuations.

Information on directors

Name:	**David Newling**
Title:	Non-executive Chair
Qualifications:	BBus, CAANZ, MAppFin, FFin, AAusIMM, MIML, GAICD
Experience and expertise:	Mr Newling is an experienced financial executive with strong strategic and governance expertise. He currently serves as Chief Executive Officer of The Springwood Group, the family office of a prominent Australian retailing family. With a diverse career spanning public, private, and not-for-profit sectors, David is recognised for his pragmatic leadership, calm decision-making under pressure, and exceptional stakeholder relationship management. His track record includes trusted partnerships, effective corporate governance, and successful board leadership.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	• Chair of Nomination & Remuneration Committee • Member of the Audit & Risk Committee
Interests in shares, options and performance rights:	None

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Name:	**Daniel Jauncey**
Title:	Non-executive Director and former Managing Director and Chief Executive Officer
Qualifications:	AICD
Experience and expertise:	Mr Jauncey founded Matilda Earth Moving in 2000 and later established Matilda Equipment in 2003 to provide late-model, low-hour ancillary equipment on a rental basis to the resources sector. Under his leadership, the business expanded nationally and into Papua New Guinea, earning a place in the BRW Fast 100 in 2012. Matilda Equipment was successfully sold to an ASX-listed company in 2018. Dan played a key role in the 2019 acquisition of Austral Resources' core mining assets and contributed across operations, capital raising, and strategy until his appointment as Managing Director and CEO in July 2022. He oversaw LME Grade A copper production, the Anthill Project, and exploration growth until resigning as CEO on 31 October 2024. He remains a Non-Executive Director, bringing hands-on operational insight and a focus on agility and competitiveness in the global copper market.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	• Member of the ESG Committee • Member of the Technical Committee
Interests in shares, options and performance rights:	229,508,560 ordinary shares held by entities controlled by Mr Jauncey and related parties.

Name:	**Michael Hansel**
Title:	Non-executive Director
Qualifications:	LLB (Hons), BCom (Hons), BBus
Experience and expertise:	Mr Hansel is Managing Director of GLG Legal, specialising in mergers and acquisitions, IPOs, capital raisings, corporate governance, takeovers, and joint ventures. He advises numerous ASX-listed and large private companies, with a particular focus on the resources sector. Appointed as a Non-Executive Director of Austral Resources in February 2022, he chairs the Audit and Risk Committee. Michael is consistently recognised as a leading corporate and commercial lawyer in publications including Doyle's Guide and The Best Lawyers™.
Other current directorships:	None
Former directorships (last 3 years):	Cannindah Resources Ltd (ASX: CAE)
Special responsibilities:	• Chair of the Audit & Risk Committee
Interests in shares, options and performance rights:	1,014,943 ordinary shares held by entities controlled by Mr Hansel.

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Name:	**David Quinlivan** (Appointed 4 November 2025)
Title:	Non-executive Director
Qualifications:	BApp Sci, Min Eng. Grad Dip Fin Serv, FAusImm, FCISI, MMICA
Experience and expertise:	Mr Quinlivan is a mining engineer with over 50 years of industry experience. His career began in 1973 with Mt Newman Mining and included senior operational and development roles at WMC Limited. He has held executive leadership positions including CEO of Alacer Gold Corporation, CEO of Sons of Gwalia Ltd (post-administration), COO of Mount Gibson Iron Ltd, and Managing Director of Ora Banda Mining. He has also chaired several listed companies, including Silver Lake Resources. David brings deep technical, operational, and executive expertise to the Austral board.
Other current directorships:	Vault Minerals Ltd (ASX: VAU)
Former directorships (last 3 years):	Dalaroo Metals Ltd (ASX: DAL) Silver Lake Resources Ltd (ASX: SLR)
Special responsibilities:	• Member of the Audit & Risk Committee • Member of the Nomination & Remuneration Committee
Interests in shares, options and performance rights:	None

Name:	**Sean Westbrook** (Appointed 4 November 2025)
Title:	Non-executive Director
Qualifications:	BSc (Hons)
Experience and expertise:	Mr Westbrook is a geologist with over 25 years of international experience in mineral exploration, project development, and management across copper, gold, base metals, and iron ore. He has held senior technical and leadership roles with BHP Billiton Iron Ore, PanAust, Oz Minerals, and Harmony Gold, and has managed exploration and pre-feasibility projects in Australia, Southeast Asia, Papua New Guinea, and Chile. Sean has been instrumental in project acquisitions and the successful listing of several exploration companies. He provides strong geological and exploration expertise to the Austral board.
Other current directorships:	CopperCorp Resources Inc. (TSX-V: CPER)
Former directorships (last 3 years):	None
Special responsibilities:	• Chair of ESG Committee • Member of the Technical Committee
Interests in shares, options and performance rights:	None

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Name:	**Neil Meadows** (Appointed 4 November 2025)
Title:	Non-executive Director
Qualifications:	Masters App Sci (Metallurgy), Grad Dip Bus Admin, GAICD, MAusIMM
Experience and expertise:	Mr Meadows is a metallurgist with more than 40 years' experience in refinery operations, general management, and manufacturing across multiple commodities and jurisdictions. He has held senior roles with BHP Billiton, Minara Resources, Karara Mining, Wiluna Mining Corporation, European Metals Holdings, Queensland Nickel, and most recently served as President of the Koniambo Nickel Smelter (Glencore-operated joint venture in New Caledonia). Neil contributes extensive processing and operational leadership to the board.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	• Chair of the Technical Committee • Member of Nomination & Remuneration Committee • Member of ESG Committee
Interests in shares, options and performance rights:	None

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary

Mr Kopias has over 25 years of experience in financial and company secretarial roles within the resources sector, including positions at WMC Resources (Olympic Dam), Newmont Mining Corporation, and Stuart Petroleum (pre-merger with Senex Energy). He currently serves as CFO and/or Company Secretary for several ASX-listed entities including Resolution Minerals, iTech Minerals, Altitude Minerals, Core Lithium, Iron Road, and Patagonia Lithium. Jarek joined Austral Resources in July 2021. He supports the Board in corporate governance, strategic planning, compliance, and continuous improvement of systems and processes. Jarek is a member of the ESG Committee.

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Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 31 December 2025, and the number of meetings attended by each director were:

	Full board		Audit and Risk Committee	
	Attended	Held	Attended	Held
David Newling	18	18	3	3
Daniel Jauncey	18	18	3	3
Michael Hansel	18	18	3	3
David Quinlivan (Appointed 4 November 2025)	2	2	0	0
Sean Westbrook (Appointed 4 November 2025)	2	2	0	0
Neil Meadows (Appointed 4 November 2025)	2	2	0	0

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

Remuneration report (audited)

The remuneration report details the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The objective of the consolidated entity's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness;
- acceptability to shareholders;
- performance linkage/alignment of executive compensation; and
- transparency.

The Board is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the consolidated entity depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performing and high quality personnel.

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The Board has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the consolidated entity.

The reward framework is designed to align executive reward to shareholders' interests. The Board has considered that it should seek to enhance shareholders' interests by:

- having economic profit as a core component of plan design;
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value;
- attracting and retaining high calibre executives.
- ensuring safety is a primary focus of all who work at any of the Company's operation; and
- ensuring the Company complies with all of its environmental obligations.

Additionally, the reward framework should seek to enhance executives' interests by:

- rewarding capability and experience;
- reflecting competitive reward for contribution to growth in shareholder wealth; and
- providing a clear structure for earning rewards.

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

Non-executive director remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Board. The Board may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration.

Executive remuneration

The consolidated entity aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits;
- short-term performance incentives;
- share-based payments; and
- other remuneration such as superannuation and long service leave.

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Board based on individual and business unit performance, the overall performance of the consolidated entity and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the consolidated entity and provides additional value to the executive.

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The short-term incentives ('STI') program is designed to align the targets of the business units with the performance hurdles of executives. STI payments are granted to executives based on specific annual targets and key performance indicators ('KPI's') being achieved and include share-based payments. KPI's include profit contribution, leadership contribution and product management.

The long-term incentives ('LTI') include long service leave and other long term incentive based opportunities. Incentives are awarded are awarded to executives over a period of three years based on long-term incentive measures. These include increase in shareholder value relative to the entire market and the increase compared to the consolidated entity's direct competitors. The Board reviewed the long-term equity-linked performance incentives specifically for executives during the year ended 31 December 2025.

Consolidated entity performance and link to remuneration

Remuneration for certain individuals is directly linked to the performance of the consolidated entity. A portion of cash bonus and incentive payments are dependent on defined earnings per share targets being met. The remaining portion of the cash bonus and incentive payments are at the discretion of the Board. Refer to the section 'Additional information' below for details of the earnings and total shareholders return for the last five years.

The Board is of the opinion that the continued improved results can be attributed in part to the adoption of performance based compensation and is satisfied that this improvement will continue to increase shareholder wealth if maintained over the coming years.

Use of remuneration consultants

During the financial year ended 31 December 2025, the consolidated entity did not engage remuneration consultants.

Voting and comments made at the company's 2025 Annual General Meeting ('AGM')

At the 2025 AGM, 89% of the votes received supported the adoption of the remuneration report for the year ended 31 December 2024. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration

Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.

The key management personnel of the consolidated entity consisted of the following directors of Austral Resources Australia Ltd:

- David Newling - Non-Executive Chairman
- Daniel Jauncey - Non-Executive Director
- Michael Hansel - Non-Executive Director
- David Quinlivan (Appointed 4 November 2025)
- Sean Westbrook (Appointed 4 November 2025)
- Neil Meadows (Appointed 4 November 2025)

And the following persons:

- Shane O'Connell - Chief Operating Officer
- Angus Peterson - Chief Financial Officer
- Jarek Kopias - Company Secretary

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2025	Short-term benefits: Cash salary and fees $	Post-employment benefits: Super-annuation $	Share-based payments: Performance Rights $	Total $
Non-Executive Directors:				
David Newling (Chairman)[i]	71,039	8,345	–	79,384
Daniel Jauncey[iii]	54,545	6,409	(273,541)	(212,587)
Michael Hansel	54,545	6,409	(17,627)	43,327
David Quinlivan[ii]	5,952	714	–	6,666
Neil Meadows[ii]	5,952	714	–	6,666
Sean Westbrook[ii]	5,952	714	–	6,666
Other Key Management Personnel:				
Shane O'Connell	300,000	29,966	(90,816)	239,150
Angus Peterson	250,000	28,798	–	278,798
Jarek Kopias	74,480	–	(14,224)	60,256
	822,465	82,069	(396,208)	508,326

i. Director's fees have not been paid to Chairman David Newling since appointment. Subject to shareholder approval of the proposed share issuance at the General Meeting scheduled for 27 March 2026, director's fees payable for the period from his appointment to 31 December 2025 will be satisfied through the issue of equity securities rather than cash.

ii. Represents remuneration from 5 November 2025 to 31 December 2025.

iii. The negative amount reflected in the table arises from the lapse of performance rights during the period where the applicable performance conditions were not met. In accordance with accounting standards, previously recognised share-based payment expense associated with these rights has been reversed.

2024	Short-term benefits: Cash salary and fees $	Post-employment benefits: Super-annuation $	Share-based payments: Performance Rights $	Total $
Non-Executive Directors:				
David Newling (Chairman)[i]	34,495	5,674	–	40,169
Phillip Thomas (Former Chairman)[ii]	46,154	5,084	(55,577)	(4,339)
Michael Hansel	54,545	6,136	5,398	66,081
Daniel Jauncey	310,126	30,390	(13,652)	326,864
Other Key Management Personnel:				
Shane O'Connell	300,888	30,798	(4,532)	327,154
Angus Peterson[iii]	28,846	3,317	–	32,163
Jarek Kopias	51,880	–	(710)	51,170
	826,934	81,399	(69,073)	839,262

i. Director's fees have not been paid since appointment. Subject to shareholder approval of the proposed share issuance at the General Meeting scheduled for 27 March 2026, director's fees payable for the period from his appointment to 31 December 2025 will be satisfied through the issue of equity securities rather than cash. This represents remuneration from 1 July 2024 to 31 December 2024.

ii. Represents remuneration from 1 January 2024 to 30 June 2024.

iii. Represents remuneration from 22 November 2024 to 31 December 2024.

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The proportion of remuneration linked to performance and the fixed proportion are as follows:

	Fixed remuneration		At risk – STI		At risk – LTI	
Name	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
Non-Executive Directors:						
David Newling (Chairman)	100%	100%	0%	0%	0%	0%
Phillip Thomas (Former Chairman)	–	(1,181)%	–	384%	–	897%
Michael Hansel	141%	92%	2%	2%	6%	6%
Daniel Jauncey	(29)%	104%	39%	(1)%	90%	(3)%
David Quinlivan	100%	–	0%	–	0%	–
Neil Meadows	100%	–	0%	–	0%	–
Sean Westbrook	100%	–	0%	–	0%	–
Other Key Management Personnel:						
Shane O'Connell	138%	101%	(11)%	0%	(27)%	(1)%
Angus Peterson	100%	0%	0%	0%	0%	0%
Jarek Kopias	124%	101%	(7)%	0%	(17)%	(1)%

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	**Shane O'Connell**
Title:	Chief Operating Officer
Agreement commenced:	12 August 2019
Term of agreement:	No fixed term
Details:	Base salary for the year ending 31 December 2025 of $300,000 plus superannuation, to be reviewed annually by the board. 3-month termination notice by either party, participation in the STI and LTI Schemes and performance rights plan as per Board approval and KPI achievement, non-solicitation and non-compete clauses.

Name:	**Angus Peterson**
Title:	Chief Financial Officer
Agreement commenced:	22 November 2024
Term of agreement:	No fixed term
Details:	Base salary for the year ending 31 December 2025 of $250,000 plus superannuation, to be reviewed annually by the board. 3-month termination notice by either party, participation in the STI and LTI Schemes and performance rights plan as per Board approval and KPI achievement, non-solicitation and non-compete clauses.

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Name:	**Jarek Kopias**
Title:	Company Secretary
Agreement commenced:	5 July 2022
Term of agreement:	No fixed term
Details:	Variable hourly rate fee to be reviewed annually by the Board. 30-day termination notice by either party, participation in the performance rights plan as per Board approval and KPI achievement, non-solicitation and non-compete clauses.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Performance Rights

There were no performance rights granted in the year ended 31 December 2025.

The terms and conditions of each grant of Performance Rights during the year affecting remuneration in the current or a future period with respect to KMP are shown below. In addition to the performance condition, KMP must satisfy a service condition of continuous employment with the Company up to and including the date when the performance conditions are achieved. Performance Rights are issued for no consideration and no amount is payable on vesting.

#	Key Performance Indicators	Performance Right #	Vesting Date[1]	Expiry Date[2]
KPI1	First material ore production from Anthill deposit	-	Vested	30 Jun 25
KPI2	Production of 20kt of Copper cathode from Anthill Project	-	Forfeited	30 Jun 26
KPI3	Generate 20kt inferred resource	-	Forfeited	30 Jun 26
KPI4	Share price target of $0.50	-	Forfeited	30 Jun 26
KPI5	HSSEQ1	-	Vested	30 Jun 25
KPI6	HSSEQ2	195,230	Vested[3]	30 Jun 26
KPI7	Generate 20kt inferred resource	-	Forfeited	30 Jun 26
	Total	**195,230**		

1. Unless otherwise specified, the Vesting Date represents the last possible date by which the relevant KPI must be met in order for the relevant Performance Rights to vest.
2. Expiry date applies where the KPI has been met by the relevant Vesting Date. Where a KPI is not met, the Performance Rights will lapse no later than 3 months after the Vesting Date.
3. KPI has been assessed as partially met and vested following an assessment by the Board of the Company, remaining unvested rights have been forfeited.

The table below provides an overview of the Key Performance Indicators:

No	KPI	Overview
1	5,000 tonnes of ore moved from the Anthill deposit within 6 months of commencement of overburden mining at the Anthill Project	This KPI will be considered satisfied on the movement of 5,000 tonnes of ROM ore from the Anthill pit to the crusher. This is defined as removing overburden and transporting ore from the Anthill pit within 6 months of commencement of overburden mining at the Anthill Project.

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No	KPI	Overview
2	Production of at least 20,000 tonnes of Copper cathode.	This KPI will be considered satisfied if the Company produces 20,000 tonnes of LME grade Copper cathode by the relevant Vesting Date.
3	Generate a JORC compliant Inferred Mineral Resource estimate of 20,000t of contained Cu through the exploration program within 70km of the Mount Kelly processing facility	This KPI represents an exploration target for the exploration team to either continue more detailed exploration work on the top 12 prospects or explore and drill a new Mineral Resource estimate so that collectively an Inferred Mineral Resource estimate of 20,000 tonnes of contained Cu at a cut-off grade of 0.2% is achieved. This represents approximately half the resource at Anthill and must be within 70km of the Mount Kelly facility.
4	Share price target of $0.50	This KPI will be considered satisfied where the volume weighted price average of the Company's Shares trades at or above $0.50 for 20 consecutive Trading Days (as that term is defined in the Listing Rules).
5	HSSEQ1	This KPI will be considered satisfied where the following criteria are met during the relevant period (*measurement period 1 July 2022 to 30 June 2023*): 1. *Safety KPI – 50% of the HSSEQ1 Performance Rights on issue* • 100% vesting upon achieving a 20% decrease in the All Injury Frequency Rate (AIFR) from the previous year. • 50% vesting upon achieving a 10% decrease in the AIFR from the previous year. • 0% vesting upon achieving a 0% decrease in the AIFR from the previous year. • Pro rata vesting allocation by 1% increments for a 1% to 19% decrease in the AIFR. 2. *Environment KPI – 30% of the HSSEQ1 Performance Rights on issue* • 100% vesting upon achieving no environmental fines/breaches from DES (Breach) for the year to June 2023. • The % vested is reduced by the value of any fines imposed (calculated with reference to the Company's Share price at the time of the Breach) in the year to June 2023. 3. *Indigenous Affairs KPI – 20% of the HSSEQ1 Performance Rights on issue* • 100% vesting upon achieving no impact on operations due to breaches/delays resulting from Indigenous Affairs matters for the year to June 2023. • 0% vesting where management of Indigenous Affairs matters results in a material impact on operations due to breaches/delays for the year to June 2023.

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The table below provides an overview of the Key Performance Indicators:

No	KPI	Overview
6	HSSEQ2	This KPI will be considered satisfied where the following criteria are met during the relevant period *(measurement period 1 July 2023 to 30 June 2024)*: 1. *Safety KPI – 50% of the HSSEQ1 Performance Rights on issue* • 100% vesting upon achieving a 20% decrease in the All Injury Frequency Rate (AIFR) from the previous year. • 50% vesting upon achieving a 10% decrease in the AIFR from the previous year. • 0% vesting upon achieving a 0% decrease in the AIFR from the previous year. • Pro rata vesting allocation by 1% increments for a 1% to 19% decrease in the AIFR. 2. *Environment KPI – 30% of the HSSEQ1 Performance Rights on issue* • 100% vesting upon achieving no environmental fines/breaches from DES (Breach) for the year to June 2024. • The % vested is reduced by the value of any fines imposed (calculated with reference to the Company's Share price at the time of the Breach) in the year to June 2024. 3. *Indigenous Affairs KPI – 20% of the HSSEQ1 Performance Rights on issue* • 100% vesting upon achieving no impact on operations due to breaches/delays resulting from Indigenous Affairs matters for the year to June 2024. • 0% vesting where management of Indigenous Affairs matters results in a material impact on operations due to breaches/delays for the year to June 2024.
7	Generate a JORC compliant Inferred Mineral Resource estimate measuring 20,000 tonnes contained Cu in sulphide mineralisation	This KPI represents an exploration target for the exploration team to develop a more detailed exploration work on the sulphides (from existing pits, existing targets and drill a new Mineral Resource so that collectively an Inferred Mineral Resource estimate generating 20,000 tonnes of contained Cu in the sulphides at a cut-off grade of 0.2%.

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The movements in the current year of the number of Performance Rights granted to KMP are as follows:

	Grant Date	Vesting Date	Balance at the start of the year	Granted as part of remuneration	Number of Rights Exercised	Number of Rights Forfeited /Other	Balance at the end of the year	Number of Vested Rights
Michael Hansel	12 May 22	7 Jul 22	400,837	–	(400,837)	–	–	–
	12 May 22	30 Jun 25	400,837	–	–	(400,837)	–	–
	12 May 22	30 Jun 25	320,670	–	–	(320,670)	–	–
	12 May 22	30 Jun 25	160,335	–	–	(160,335)	–	–
	17 Oct 22	30 Jun 23	77,500	–	(77,500)	–	–	–
	17 Oct 22	30 Jun 24	36,606	–	(36,606)	–	–	–
Daniel Jauncey	04 Aug 21	30 Jun 25	5,567,187	–	–	(5,567,187)	–	–
	04 Aug 21	30 Jun 25	4,453,750	–	–	(4,453,750)	–	–
	04 Aug 21	30 Jun 25	2,226,875	–	–	(2,226,875)	–	–
	17 Oct 22	30 Jun 23	1,076,382	–	(1,076,382)	–	–	–
	17 Oct 22	30 Jun 24	508,416	–	(508,416)	–	–	–
Shane O'Connell	04 Aug 21	30 Jun 25	1,848,306	–	–	(1,848,306)	–	–
	04 Aug 21	30 Jun 25	1,478,645	–	–	(1,478,645)	–	–
	04 Aug 21	30 Jun 25	739,323	–	–	(739,323)	–	–
	17 Oct 22	30 Jun 23	357,358	–	(357,358)		–	–
	17 Oct 22	30 Jun 24	168,793	–	–		–	168,793
Jarek Kopias	04 Aug 21	07 Jul 22	289,493	–	(289,493)	–	–	–
	04 Aug 21	30 Jun 25	289,493	–	–	(289,493)	–	–
	04 Aug 21	30 Jun 25	231,595	–	–	(231,595)	–	–
	04 Aug 21	30 Jun 25	115,798	–	–	(115,798)	–	–
	17 Oct 22	30 Jun 23	55,972	–	–	–	–	–
	17 Oct 22	30 Jun 24	26,437	–	–	–	–	26,437
Total			**20,830,608**	**–**	**(2,802,564)**	**(17,832,814)**	**–**	**195,230**

Additional information

The earnings of the consolidated entity for the five years to 31 December 2025 are summarised below:

	2025 $'000	2024 $'000	2023 $'000	2022 $'000	2021 $'000
Sales revenue	–	–	110,280	54,828	37,260
EBITDA	14,421	(19,703)	31,724	(11,026)	(4,692)
EBIT	12,738	(20,991)	12,798	(22,477)	(5,067)
Profit/(loss) after income tax	11,874	(22,620)	1,920	(29,800)	(11,728)

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The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2025	2024	2023	2022	2021
Share price at financial year end ($)	0.057	0.160	0.160	0.215	0.165
Total dividends declared (dollars per share)	–	–	–	–	–
Basic profit/(loss) per share (dollars per share)	0.02	(0.04)	0.004	(0.06)	(0.08)

Additional disclosures relating to key management personnel

Shareholding

The number of shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

Ordinary shares	Balance at the start of the year	Additions	Disposals/ Other	Balance at the end of the year
David Newling (Chairman)	–	–	–	–
Daniel Jauncey[i]	264,933,671	4,574,889	(40,000,000)	229,508,560
Michael Hansel	500,000	514,943	–	1,014,943
David Quinlivan	–	–	–	–
Sean Westbrook	–	–	–	–
Neil Meadows	–	–	–	–
Shane O'Connell	1,848,306	357,358	–	2,205,664
Angus Peterson	25,000	–	–	25,000
Jarek Kopias	–	345,465	–	345,465
	267,306,977	5,792,655	(40,000,000)	233,099,632

i. Balance of holdings includes shares held by related parties as required under the accounting standards and Corporations Act 2001.

Option holding

No options over ordinary shares in the company are held by directors or other members of key management personnel of the consolidated entity.

Other transactions with key management personnel and their related parties

Austral Equipment Solutions Pty Ltd

Payments to Austral Equipment Solutions Pty Ltd relate to the hire of equipment during the year. Austral Equipment Solutions Pty Ltd is owned by Dan Jauncey, the Non-Executive Director of Austral Resources Australia Pty Ltd. The total value of transactions during the year was $467,881 (2024: $909,078) and amount payable at 31 December 2025 is $1,235,102 (2024: $713,029). All transactions were made on normal commercial terms and conditions and at market rates.

Equipment Engineering Solutions Pty Ltd

Payments to Equipment Engineering Solutions Pty Ltd relate to services during the year. Equipment Engineering Solutions Pty Ltd is owned by Dan Jauncey, the Non-Executive Director of Austral Resources Australia Pty Ltd. The total value of transactions during the year was $277,108 (2024: $166,320) and amount payable at 31 December 2025 is $360,268 (2024: $83,160). All transactions were made on normal commercial terms and conditions and at market rates.

Trustee for O'Connell family trust T/A Rural Earthworx

Payments to Rural Earthworx relate to the hire and operation of heavy equipment during the year. Rural Earthworx is owned by Shane O'Connell, the Chief Operating Officer of Austral Resources Australia Pty Ltd. The total value of transactions during the year was $1,035,529 (2024: $851,817) and amount payable at 31 December 2025 is $14,500 (2024: nil). All transactions were made on normal commercial terms and conditions and at market rates.

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This concludes the remuneration report, which has been audited.

Performance rights issued

Performance rights subject to performance conditions at the date of this report are as follows:

KPI No.	Grant date	Vesting Date	Expiry date	Fair value at Grant date	Number of performance rights
1.	4 Aug 21	Vested	30 Jun 25	$0.200	-
2.	4 Aug 21	Forfeited	30 Jun 26	$0.200	-
3.	4 Aug 21	Forfeited	30 Jun 26	$0.200	-
4.	4 Aug 21	Forfeited	30 Jun 26	$0.090	-
5.	17 Oct 22	Vested	30 Jun 25	$0.165	-
6.	17 Oct 22	Vested	30 Jun 26	$0.165	-
7.	4 Aug 21	Vested	30 Jun 26	$0.200	195,230
	Total				**195,230**

Each Performance Right converts into one AR1 share upon vesting and exercise.

Shares issued on the exercise of performance rights

3,442,821 ordinary shares of Austral Resources Australia Ltd ordinary were issued on the exercise of performance rights during the year ended 31 December 2025 (2024: nil).

Shares under option

There were no unissued ordinary shares of Austral Resources Australia Ltd under option at the date of this report.

Shares issued on the exercise of options

There were no ordinary shares of Austral Resources Australia Ltd issued on the exercise of options during the year ended 31 December 2025 (2024: nil) and up to the date of this report.

Indemnity and insurance of officers

The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to ensure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Financial Report

Proceedings on behalf of the company

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

The consolidated entity was not a party to any such proceedings during the period.

Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 28 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor, is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 28 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

Officers of the company who are former partners of RSM Australia Partners

There are no officers of the company who are former partners of RSM Australia Partners.

Rounding of amounts

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor

RSM Australia Partners continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



David Newling
Chairman

31 March 2026
Brisbane

AUDITOR'S INDEPENDENCE DECLARATION

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Austral Resources Australia Ltd for the year ended 31 December 2025, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

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

RSM AUSTRALIA PARTNERS

R J MORILLO MALDONADO
Partner

Melbourne, VIC
Dated: 31 March 2026

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FINANCIAL STATEMENTS

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General information

The financial statements cover Austral Resources Australia Ltd as a consolidated entity consisting of Austral Resources Australia Ltd and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Austral Resources Australia Ltd's functional and presentation currency.

Austral Resources Australia Ltd is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office	Principal operations address
RACQ House Level 9, 60 Edward Street Brisbane City QLD 4000	Anthill Mine Site and Mount Kelly Processing Area McNamara Road (off Barkly Highway) Mount Isa QLD 4825

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 31 March 2026. The directors have the power to amend and reissue the financial statements.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Consolidated 2025 $'000	Consolidated 2024 $'000
Revenue			
Management Fees		3,529	-
Other income	4	3,545	8,695
Expenses			
Administration expenses		(1,671)	(2,671)
Rocklands care and maintenance	5	(2,560)	-
Depreciation and amortisation expense		(1,683)	(1,288)
Finance expense	6	(2,176)	(1,629)
Share-based payments		396	325
Other operating expenses		(4,460)	(4,739)
Net foreign exchange loss		359	566
Profit/(loss) before income tax expense from continuing operations		(4,691)	(741)
Income tax expense	7	-	-
Profit/(loss) after income tax expense from discontinued operations	40	16,565	(21,879)
Profit/(loss) after income tax expense for the year		11,874	(22,620)
Other comprehensive income			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive profit/(loss) for the year		11,874	(22,620)
		$	$
Earnings per share from continuing operations			
Basic (loss)/profit per share		(0.01)	(0.00)
Diluted (loss)/profit per share		(0.01)	(0.00)
Earnings per share from discontinued operations			
Basic (loss)/profit per share		0.02	(0.04)
Diluted (loss)/profit per share		0.02	(0.04)
Earnings per share for profit attributable to the owners of Austral Resources Australia Ltd			
Basic (loss)/profit per share		0.02	(0.04)
Diluted (loss)/profit per share		0.02	(0.04)

* For comparative purposes the operations of Anthill project are now presented as discontinued operations (please refer to note 40).

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

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STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Note	Consolidated 2025 $'000	Consolidated 2024 $'000
Assets			
Current assets			
Cash and cash equivalents	8	19,304	79
Trade and other receivables	9	6,230	1,479
Prepayments		1,236	682
Inventories	10	2,181	50,664
Other assets		578	1,416
Total current assets		29,529	54,320
Non-current assets			
Financial assets	11	52,447	37,211
Property, plant and equipment	12	30,445	52,730
Right-of-use assets	13	67	2,706
Exploration and evaluation assets	14	1,975	1,668
Total non-current assets		84,934	94,315
Total assets		114,463	148,635
Liabilities			
Current liabilities			
Trade and other payables	16	1,942	57,474
Borrowings	17	10,160	81,396
Provisions	18	1,336	856
Lease liabilities	19	68	1,710
Total current liabilities		13,506	141,436
Non-current liabilities			
Provisions	21	52,094	36,913
Borrowings	20	12,492	–
Employee benefits	21	60	–
Lease Liabilities	22	–	1,504
Total non-current liabilities		64,646	38,417
Total liabilities		78,152	179,853
Net assets/(liabilities)		36,311	(31,218)
Equity			
Issued capital	23	128,200	71,546
Reserves	24	320	1,923
Accumulated losses	25	(92,209)	(104,687)
Total equity		36,311	(31,218)

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

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STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

Consolidated	Issued capital $'000	Reserves $'000	Accumulated losses $'000	Total equity $'000
Balance at 1 January 2024	71,546	2,249	(82,067)	(8,272)
Loss after income tax expense for the year	–	–	(22,620)	(22,620)
Other comprehensive income for the year, net of tax	–	–	–	–
Total comprehensive loss for the year	–	–	(22,620)	(22,620)
Transactions with owners in their capacity as owners:				
Share-based payments (note 39)	–	(326)	–	(326)
Balance at 31 December 2024	71,546	1,923	(104,687)	(31,218)

Consolidated	Issued capital $'000	Reserves $'000	Accumulated losses $'000	Total equity $'000
Balance at 1 January 2025	71,546	1,923	(104,687)	(31,218)
Loss after income tax expense for the year	–	–	11,874	11,874
Other comprehensive income for the year, net of tax	–	–	–	–
Total comprehensive loss for the year	–	–	11,874	11,874
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs	56,054	–	–	56,054
Exercise of rights	600	(600)	–	–
Share-based payments (note 39)	–	(1,003)	604	(399)
Balance at 31 December 2025	128,200	320	(92,209)	36,311

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

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STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Consolidated 2025 $'000	Consolidated 2024 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		67,229	75,269
Payments to suppliers and employees (inclusive of GST)		(90,026)	(76,111)
		(22,797)	(842)
Interest and other costs of finance paid		(699)	(503)
Interest received		2,003	2,386
Other revenue		3,611	8,374
Net cash (used in)/from operating activities		(17,882)	9,415
Cash flows from investing activities			
Payments for property, plant and equipment		(19,090)	(10,560)
Payments for exploration		(363)	(982)
Payments for mining assets		–	(1,559)
Disposal of APA		(116)	–
Proceeds from security deposits		3	596
Net cash used in investing activities		(19,566)	(12,505)
Cash flows from financing activities			
Proceeds from issue of shares		40,000	–
Proceeds from borrowings		22,704	4,916
Share issue transaction costs		(2,758)	–
Repayment of borrowings		(2,032)	
Repayment of lease liabilities		(1,235)	(2,884)
Net cash from/(used in) financing activities		56,679	2,032
Net decrease in cash and cash equivalents		19,231	(1,058)
Cash and cash equivalents at the beginning of the financial year		79	1,145
Effects of exchange rate changes on cash and cash equivalents		(6)	(8)
Cash and cash equivalents at the end of the financial year	8	19,304	79

* Statement of cash flows includes cash flows from discontinued operations (please refer to note 40).

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

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CONSOLIDATED ENTITY DISCLOSURE STATEMENT

AS AT 31 DECEMBER 2025

Name of Entity	Entity Type	Ownership Interest	Country of Incorporation	Tax Residency	Foreign Jurisdiction(s) of Foreign Residents
Austral Resources Australia Ltd	Company	100	Australia	Australia*	n/a
Austral Resources Operations Pty Ltd	Proprietary Company	100	Australia	Australia*	n/a
Austral Resources Exploration Pty Ltd	Proprietary Company	100	Australia	Australia*	n/a
Copper Resources Australia Pty Ltd	Proprietary Company	100	Australia	Australia*	n/a

* Austral Resources Australia Ltd (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime.

The above consolidated entity disclosure statement should be read in conjunction with the accompanying notes.

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NOTES TO THE FINANCIAL STATEMENTS

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Note 1: Material accounting policy information

The accounting policies that are material to the consolidated entity are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

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

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 32.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Austral Resources Australia Ltd ('company' or 'parent entity') as at 31 December 2025 and the results of all subsidiaries for the year then ended. Austral Resources Australia Ltd and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

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Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation

The financial statements are presented in Australian dollars, which is Austral Resources Australia Ltd's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Revenue recognition

The consolidated entity recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

Sale of copper cathode

Revenue from the sale of copper cathode is recognised when the performance obligations are satisfied, at which time all the following conditions are satisfied:

- the Company has transferred to the buyer the significant ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the consolidated entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

In most instances, sales revenue is recognised when the product is delivered to the destination specified by the customer, which is typically the customer's storage facility.

Lodged Electronically

The majority of the copper cathode is sold under-pricing arrangements whereby the final prices are determined using quoted market prices in the month of contracted shipment. Or in some circumstances, revenue is recorded at the time of sale based on forward prices for the expected date of the final settlement. Subsequent variations in the price are recognised in the profit or loss as settlement adjustments each period end and in the period when the price is finalised.

Management Fee

Under the Anthill Production Agreement (APA), the consolidated entity acts as manager of the Anthill Project on behalf of the APA participants. In this capacity, the Group receives a management fee for providing operational, administrative and management services in relation to the project in accordance with the terms of the APA.

Interest

Interest revenue is recognised as interest accrues.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

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

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Austral Resources Australia Ltd (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

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

Lodged Only

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

Discontinued operations

A discontinued operation is a component of the Consolidated entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the statement of profit or loss and other comprehensive income.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 10 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Contract assets

Contract assets are recognised when the consolidated entity has transferred goods or services to the customer but where the consolidated entity is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

Inventories

Copper in process inventory consists of copper contained in mineral ores, the ore on leach pads and in-circuit material within processing operations. Copper inventories are valued at the lower of weighted average production cost or net realisable value. Cost comprises of direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity.

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Consumables used in operations, such as fuel, chemicals and reagents, as well as spare parts are valued at the lower of weighted average cost or net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. The estimated selling price per tonne of copper is determined by the average of predicted future copper prices.

Stripping activity (waste removal) costs

After the commencement of production, further development of the mine may require a phase of unusually high stripping. Stripping activities undertaken during the production phase of a surface mine (production stripping) are accounted for as set out below.

Production stripping is generally considered to create two benefits, being either the production of inventory or improved access to the ore to be mined in the future.

Where the benefits are realised in the form of inventory produced in the period, the production stripping costs are accounted for as part of the cost of producing those inventories.

Where the benefits are realised in the form of improved access to ore to be mined in the future, the costs are recognised as a non-current asset, referred to as a 'stripping activity asset', if the following criteria are met:

- future economic benefits (being improved access to the ore body) are probable;
- the component of the ore body for which access will be improved can be accurately identified; and
- the costs associated with the improved access can be reliably measured.

If any of the criteria are not met, the production stripping costs are charged to profit or loss as operating costs as they are incurred.

The stripping activity asset is initially measured at cost, which is the accumulation of costs directly incurred to perform the stripping activity that improves access to the identified component of ore, plus an allocation of directly attributable overhead costs. If incidental operations are occurring at the same time as the production stripping activity, but are not necessary for the production stripping activity to continue as planned, these costs are not included in the cost of the stripping activity asset.

If the costs of the inventory produced and the stripping activity asset are not separately identifiable, a relevant production measure is used to allocate the production stripping costs between the inventory produced and the stripping activity asset. This production measure is calculated for the identified component of the ore body and is used as a benchmark to identify the extent to which the additional activity of creating a future benefit has taken place. The Group uses the expected volume of waste extracted compared with the actual volume for a given volume of ore production of each component.

The stripping activity asset is accounted for as an addition to, or an enhancement of, an existing asset, being the mine asset, and is presented as part of 'Property, plant and equipment' in the statement of financial position. This forms part of the total investment in the relevant cash generating units, which is reviewed for impairment if events or changes of circumstances indicate that the carrying value may not be recoverable.

The stripping activity asset is subsequently depreciated using the units of production method over the life of the identified component of the ore body that became more accessible as a result of the stripping activity. Economically recoverable reserves, which comprise proven and probable reserves, are used to determine the expected useful life of the identified component of the ore body. The stripping activity asset is then carried at cost less depreciation and any impairment losses.

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Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, it's carrying value is written off.

Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Plant and Equipment	1 – 20 years
Office Equipment	1 – 20 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

For accounting policy information on mine development refer to 'Mine development asset' and for stripping activity refer to 'Stripping activity (waste removal) costs'.

Financial Statements

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Exploration and evaluation assets

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

Mine development

Capitalised mining development costs include expenditures incurred to develop new ore bodies to define further mineralisation in existing ore bodies, to expand the capacity of a mine and to maintain production. Mining development also includes costs transferred from exploration and evaluation phase once production commences in the area of interest.

Amortisation of mining development is computed by the units of production basis over the estimated proved and probable reserves. Proved and probable mineral reserves reflect estimated quantities of economically recoverable reserves which can be recovered in the future from known mineral deposits. These reserves are amortised from the date on which production commences. The amortisation is calculated from recoverable proven and probable reserves and a predetermined percentage of the recoverable measured, indicated and inferred resource. This percentage is reviewed annually.

Restoration costs expected to be incurred are provided for as part of development phase that give rise to the need for restoration.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Legally binding

Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Provisions

Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

(i) Rehabilitation and closure provision

A provision is recognised in the consolidated statement of financial position when the Group has a present legal or constructive obligation as a result of a past even, and it is probable that resources will be expended to settle the obligation and a reliable estimate can be made of the amount of the obligation.

A provision is made for the estimated cost of mine rehabilitation relating to areas disturbed during the mine's operation up to reporting date but not yet rehabilitated. A provision has been made in full for all disturbed areas at the reporting date based on current estimates of costs to rehabilitate such areas, discounted to their present value based on expected future cashflows. The estimated costs of rehabilitation include the current cost of re-contouring, topsoiling and revegetation based on legislative requirements. Changes in estimates are dealt with on a prospective basis as they arise.

The amount of the provision relating to rehabilitation of mine infrastructure and dismantling obligations is recognised at the commencement of the mining project and/or construction of the assets where a legal or constructive obligation exists at that time. The provision is recognised as a liability with a corresponding asset included in mine development assets.

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At each reporting date, the mine rehabilitation and closure liability is re-measured in line with changes in discount rates, timing of expected cash outflows and amount of the costs to be incurred. Changes in the liability relating to rehabilitation of mine infrastructure and dismantling obligations are added to or deducted from the related asset, other than the unwinding of the discount which is recognised as a finance expense in the statement of profit or loss and other comprehensive income as it occurs.

For closed mines, changes to estimated costs are recognised immediately in the statement of profit or loss and other comprehensive income.

(ii) Employee benefits

Short-term employee benefits

Short-term liabilities include wages and salaries, including non-monetary benefits and annual leave. These liabilities are expected to be settled wholly within 12 months of the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for long service leave is not expected to be wholly settled within 12 months of the reporting date and therefore is measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred. Total expenditure for the year was $1,103,000 (2024: $842,000).

Share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- During the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.

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- From the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Dividends

Dividends are recognised when declared during the financial year and no longer at the discretion of the company.

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Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Austral Resources Australia Ltd, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Rounding of amounts

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 31 December 2025. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 18 Presentation and Disclosure in Financial Statements

This standard is applicable to annual reporting periods beginning on or after 1 January 2027 and early adoption is permitted. The standard replaces IAS 1 'Presentation of Financial Statements', with many of the original disclosure requirements retained and there will be no impact on the recognition and measurement of items in the financial statements. But the standard will affect presentation and disclosure in the financial statements, including introducing five categories in the statement of profit or loss and other comprehensive income: operating, investing, financing, income taxes and discontinued operations. The standard introduces two mandatory sub-totals in the statement: 'Operating profit' and 'Profit before financing and income taxes'. There are also new disclosure requirements for 'management-defined performance measures', such as earnings before interest, taxes, depreciation and amortisation ('EBITDA') or 'adjusted profit'. The standard provides enhanced guidance on grouping of information (aggregation and disaggregation), including whether to present this information in the primary financial statements or in the notes. The consolidated entity will adopt this standard from 1 January 2027 and management has not yet evaluated the impact that this will have on the presentation of the statement of profit or loss and other comprehensive income.

Financial Statements

Note 2: Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-based payment transactions

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity. Refer to note 39 for further information.

Revenue from contracts with customers involving sale of copper cathode

When recognising revenue in relation to the sale of copper cathode to customers, the key performance obligation of the consolidated entity is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

Determination of variable consideration

Judgement is exercised in estimating variable consideration which is determined using quoted market prices in the month of contracted shipment. Revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised under the contract will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Provision for impairment of inventories

The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. The estimated selling price per tonne of copper is determined by the average of predicted future copper prices.

Stockpiles are measured by estimating the number of tonnes added and removed from the stockpile, the number contained metal ounces based on assay data, and the estimated recovery percentage based on the expected processing method. Stockpile tonnages are verified by periodic surveys.

Although the quantity of recoverable metal is reconciled by comparing the grades of the ore to the quantities of metals actually recovered (metallurgical balancing), the nature of the process inherently limits the ability to precisely monitor recoverability levels. As a result the metallurgical balancing process is constantly monitored and the engineering estimates are refined based on actual results over time.

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Estimation of useful lives of assets

The consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Rehabilitation provision

A provision has been made for the present value of anticipated costs for future rehabilitation of land explored or mined. The consolidated entity's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. The consolidated entity recognises management's best estimate for assets retirement obligations and site rehabilitations in the period in which they are incurred. Actual costs incurred in the future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life of mine estimates and discount rates could affect the carrying amount of this provision.

Exploration and evaluation costs

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

Unit-of-production method of depreciation/amortisation

The consolidated entity uses the unit-of-production basis when depreciating/amortising life of mine specific assets which results in a depreciation/amortisation charge proportionate to the depletion of the anticipated remaining life of mine production. Each asset's economic life, which is assessed annually, has due regard for both its physical life limitations and to present assessments of economically recoverable mine plan of the mine property at which it is located. These calculations require the use of estimates and assumptions.

Stripping asset

The consolidated entity capitalises stripping costs incurred during the production phase of mining. As a result, the consolidated entity distinguishes between the production stripping that relates to the extraction of inventory and that which relates to the stripping asset.

The consolidated entity has identified its production stripping for each surface mining operation it identifies the separate components of the ore bodies for each of its mining operations. An identifiable component is a specific volume of the ore body that is made more accessible by the stripping activity. Judgement is required to identify and define these components, and also to determine the expected volumes of waste to be stripped and ore to be mined in each of these identified components.

These assessments are undertaken for each individual identified component based on life of mine strip ratio. Judgement is also required to identify a suitable production measure to be used to allocate production stripping costs between inventory and any stripping activity asset for each identified component.

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Note 3: Operating segments

Identification of reportable operating segments

The consolidated entity is organised into one operating segment, being mining and exploration operations. This operating segment is based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

The CODM reviews EBITDA (earnings before interest, tax, depreciation and amortisation). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.

Types of products and services

The principal products and services of this operating segment are the mining and exploration operations in Australia.

Major customers

During the year ended 31 December 2025 all of the consolidated entity's external revenue, being $69,660,000 (2024: $82,087,000), was derived from sales to a single major Australian copper exporter.

Geographical information

	Sales to external customers		Geographical non-current assets	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Australia	69,660	82,087	84,934	57,104
	69,660	82,087	84,934	57,104

The geographical non-current assets above are exclusive of, where applicable, financial instruments, deferred tax assets, post-employment benefits assets and rights under insurance contracts.

Note 4: Other income

	Consolidated	
	2025 $'000	2024 $'000
Insurance recoveries	156	4,527
Interest income	1,742	1,837
Other	1,677	2,331
Other income	3,529	8,695

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Note 5: Care and Maintenance Expenses

Care and maintenance costs represent expenses incurred to maintain non-operating mining assets in a safe and compliant condition. During the period, these costs related to the Rocklands Copper Project. Care and maintenance costs are expensed as incurred and included in operating expenses.

	Consolidated	
	2025 $'000	2024 $'000
Employee benefits expense	778	–
Consultants and contractor costs	231	–
Licences, leases and environmental fees	542	–
Insurance	516	–
Other	493	–
	2,560	–

Note 6: Finance Expenses

	Consolidated	
	2025 $'000	2024 $'000
Interest on interest bearing loans (refer note 40)	497	-
Interest on leases	1	6
Unwinding of discount on rehabilitation liability	1,678	1,623
	2,176	1,629

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Note 7: Income tax expense

	Consolidated	
	2025 $'000	2024 $'000
Income tax expense		
Current tax	–	–
Deferred tax – origination and reversal of temporary differences	–	–
Adjustment recognised for prior periods	–	–
Total income tax expense	–	–
Deferred tax included in income tax expense comprises:		
Net increase in deferred tax (note 15)	–	–
Deferred tax - origination and reversal of temporary differences	–	–
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense	11,874	(22,620)
Tax at the statutory tax rate of 30%	3,563	(6,786)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Adjustment recognised for prior period	(169)	(244)
Non-deductible share-based payments	(119)	(98)
Non-deductible fines and penalties	–	–
Recognition of prior period deferred tax (assets)/liabilities	–	–
Deferred tax assets/(liabilities) not brought to account	(3,275)	7,127
Adjustment recognised for prior periods	–	–
Income tax expense	–	–

As at 31 December 2025 the consolidated entity had unrecognised carried forward losses and temporary differences of $35,650,000 (2024: $46,566,667) resulting in a deferred tax asset of $10,695,000 (2024: $13,970,000).

The deferred tax relating to carry forward losses and other temporary differences has not been brought to account and will only be recognised if:

- future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised;
- the conditions for deductibility imposed by tax legislation continue to be compiled with; and
- the group is able to meet the continuity of business and / or continuity of ownership test.

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Note 8: Current assets - cash and cash equivalents

	Consolidated	
	2025 $'000	2024 $'000
Cash on hand	1	1
Cash at bank	19,303	78
	19,304	79

Note 9: Current assets – trade and other receivables

	Consolidated	
	2025 $'000	2024 $'000
Trade receivables	6,029	644
Less: Allowance for credit losses	(295)	–
GST Receivable	496	835
	6,230	1,479

Note 10: Current assets – inventories

	Consolidated	
	2025 $'000	2024 $'000
Spare parts and consumables	2,181	1,842
Copper in process (refer note 40)	–	47,716
Copper cathode (refer note 40)	–	1,106
	2,181	50,664

Note 11: Non-current assets – Other financial assets

	Consolidated	
	2025 $'000	2024 $'000
Term deposits as security for bank guarantees[(i)]	49,113	37,104
Security deposits for Queensland Mines Department[(ii)]	3,334	107
	52,447	37,211

i. Security deposits held with ANZ and NAB as security for the issuance of a bank guarantee to satisfy the financial assurance requirements with the Queensland Government's Department of Environment and Science for Environmental Authorities EPML00753513 and EPML00887913.

ii. Security deposits held with Queensland Treasury as security to satisfy the financial assurance requirements with the Queensland Government's Department of Environment and Science for Environmental Authority EPML00887913.

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Note 12: Non-current assets - property, plant and equipment

	Consolidated	
	2025 $'000	2024 $'000
Land and buildings – at cost	6,984	6,984
Less: Accumulated depreciation	(6,984)	(6,981)
	–	3
Plant and equipment - at cost	67,502	40,691
Less: Accumulated depreciation	(37,385)	(35,878)
	30,117	4,813
Office Equipment, furniture and fittings - at cost	2,120	2,024
Less: Accumulated depreciation	(1,841)	(1,715)
	279	309
Capital works in progress - at cost	49	250
Mine development – at cost	28,503	264,590
Less: Accumulated amortisation	(28,503)	(261,276)
	–	3,434
Stripping activity– at cost (refer note 40)	–	84,612
Less: Accumulated amortisation	–	(40,691)
	–	43,921
	30,445	52,730

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Capital works in progress $'000	Land and buildings $'000	Office equipment, furniture and fittings $'000	Plant and equipment $'000	Mine development $'000	Stripping activity asset $'000	Total $'000
Balance at 1 January 2024	10,530	3	288	446	2,310	52,835	66,412
Additions	104	–	101	293	1,559	9,911	11,968
Transfers	(10,384)	–	–	5,282	5,102	–	–
Depreciation and amortisation expense	–	–	(80)	(1,208)	(5,537)	(18,825)	(25,650)
Balance at 31 December 2024	250	3	309	4,812	3,434	43,921	52,730
Additions	24	–	97	26,630	–	661	27,412
Disposal	–	–	–	(44)	–	–	(44)
Transfers	(225)	–	–	225	–	–	–
Depreciation and amortisation expense	–	(3)	–	(1,507)	(1,636)	(38,406)	(41,679)
Transferred to disposal group held for sale	–	–	(127)	–	(1,798)	(6,176)	(7,974)
Balance at 31 December 2025	49	–	278	30,117	–	–	30,445

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Note 13: Non-current assets – right-of-use assets

	Consolidated	
	2025 $'000	2024 $'000
Land and buildings - right-of-use	334	254
Less: Accumulated depreciation	(269)	(196)
	67	58
Plant and equipment - right-of-use (refer note 40)	–	7,252
Less: Accumulated depreciation	–	(4,604)
	–	2,648
	67	2,706

Additions to the right-of-use assets during the year were $80,000 (2024: addition $0) and depreciation expense was $72,000 (2024: $1,620,000).

The consolidated entity leases office space under an agreement initially entered into for a two-year term with extension options. The lease has subsequently been extended and is currently scheduled to expire in September 2026.

The consolidated entity leases mining and office equipment under agreements of less than one year. These leases are either short-term or low-value, so have been expensed as incurred and not capitalised as right-of-use assets.

Note 14: Non-current assets - exploration and evaluation

	Consolidated	
	2025 $'000	2024 $'000
Exploration and evaluation – at cost	1,975	1,668
Less: Impairment	–	–
	1,975	1,668

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Exploration and evaluation $'000
Balance at 1 January 2024	685
Additions	983
Balance at 31 December 2024	1,668
Impairment/Write Off	(56)
Additions	363
Balance at 31 December 2025	1,975

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Note 15: Non-current assets – deferred tax

	Consolidated	
	2025 $'000	2024 $'000
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Provision for Mine Rehabilitation Asset	15,628	11,074
Other Current Assets	(9,177)	(9,260)
Rehabilitation Asset	-	(10)
Deferred Stripping	-	(13,176)
Property, Plant and Equipment	(4,646)	(192)
Employee Provisions	401	257
Inventory	(654)	(553)
Other	631	828
Losses	8,512	25,002
Total deferred tax asset, (net)	10,695	13,970
Total deferred tax asset not brought to account	(10,695)	(13,970)
Deferred tax asset	-	-

Note 16: Current liabilities - trade and other payables

	Consolidated	
	2025 $'000	2024 $'000
Trade payables and accruals (refer note 40)	1,942	54,090
Interest payable (refer note 40)	–	3,384
	1,942	57,474

Due to the short-term nature, the current trade and other payables have a carrying value which approximates their fair value.

Refer to note 26 for further information on financial instruments.

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Note 17: Current liabilities - borrowings

	Consolidated	
	2025 $'000	2024 $'000
Glencore Prepayment Facility (Rocklands)[v]	10,160	–
Wingate Facility[i]	–	31,063
Glencore Prepayment Facility[ii]	–	20,920
Secover Facility (2022)[iii]	–	13,980
Secover Facility (2024)[iv]	–	15,434
	10,160	81,396

(i) Wingate facility

On 9 August 2021, the company entered into a facility agreement with Win Finance No. 359 Pty Ltd, primarily to fund its working capital and to restructure the company through the listing process. An initial drawdown of $20 million was made on 13 August 2021 and the remaining $10 million was drawn following the company successfully listing on the ASX in November 2021.

On 13 May 2024, following the retirement of the Receivers and Managers appointed by Win Finance, Glencore Australia Holdings Pty Limited acquired the facility and assumed the role of senior secured creditor. On 2 September 2025, this facility was disposed of as part of the Anthill Production Arrangement, refer to note 40 – Discontinued Operations.

(ii) Glencore prepayment facility

On 3 February 2022, the company entered into a facility agreement with Glencore International AG for USD $15 million, primarily to accelerate its exploration program and fund working capital. The facility is interest bearing with an interest rate of LIBOR plus a margin of 8.5% per annum, payable monthly in arrears and for a period of 24 months from the date of initial drawdown. An initial drawdown of USD $15 million was made on 17 March 2022. On 2 September 2025, this facility was disposed of as part of the Anthill Production Arrangement, refer to note 40 – Discontinued Operations.

(iii) Secover facility (2022)

On 22 December 2022, the company entered into a facility agreement with Secover Pty Ltd for $11 million, to fund working capital. The facility is interest bearing with an interest rate of 15% per annum, payable monthly in arrears and for a period of 12 months from the initial date of drawdown. An initial drawdown of $11 million was made on 23 December 2022. On 2 September 2025, this facility was disposed of as part of the Anthill Production Arrangement, refer to note 40 – Discontinued Operations.

(iv) Secover facility (2024)

On 28 June 2024, the company entered into a facility agreement with Secover Pty Ltd for $11.7 million, to fund the repayment of the Thiess secured payable. The facility is not interest bearing and payable within 12 months of the facility agreement date. During the second half of 2024, the company requested additional funding from Secover Pty Ltd of circa $4,900,000 to fund working capital. This amount will be added to the June 2024 facility agreement with Secover Pty Ltd. The facility is not interest bearing, in line with the June 2024 facility. On 2 September 2025, this facility was disposed of as part of the Anthill Production Arrangement, refer to note 40 – Discontinued Operations.

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(v) Glencore Prepayment Facility (Rocklands)

On 8 October 2025, the company entered into a facility agreement with Glencore Australia Holdings Pty Ltd to fund the purchase of the Rocklands Operations in Cloncurry. The facility is interest bearing with an interest rate of the applicable Term SOFR rate plus 9% margin payable monthly in arrears for a period of 24 months from the date of initial drawdown. An initial drawdown of USD $15 million was made on the 27 October 2025. Principal repayments commence 6 months after the draw down date. At 31 December 2025, the facility was fully drawn down.

Refer to note 26 for further information on financial instruments.

Note 18: Current liabilities – provisions

	Consolidated	
	2025 $'000	2024 $'000
Employee benefits	1,336	856

Amounts not expected to be settled within the next 12 months

The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current, since the consolidated entity does not have an unconditional right to defer settlement. However, based on past experience, the consolidated entity does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

Note 19: Current liabilities - lease liabilities

	Consolidated	
	2025 $'000	2024 $'000
Lease liability (refer note 40)	68	1,710

Refer to note 26 for further information on financial instruments.

Note 20: Non-current liabilities - borrowings

	Consolidated	
	2025 $'000	2024 $'000
Glencore Rocklands Facility (refer to note 17)	12,492	–

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Note 21: Non-current liabilities - provisions

	Consolidated	
	2025 $'000	2024 $'000
Mine rehabilitation and closure[(i)]	52,094	36,913
Employee benefits	60	-

(i) Mine rehabilitation and closure provision

The rehabilitation provision represents the present value of rehabilitation costs relating to mine sites, which are expected to be incurred over the life of the estimated life of mine, which is when the producing mine properties are expected to cease operations.

Movements in provisions

Movements in each class of provision during the current financial year, other than employee benefits, are set out below:

Consolidated – 2025	Mine rehabilitation and closure $'000
Carrying amount at the start of the year	36,913
Reduction due to reassessment of liability and increase in discount rate	(1,734)
Amounts transferred to current	-
Rocklands Project addition	15,237
Unwinding of discount	1,678
Carrying amount at the end of the year	52,094

Note 22: Non-current liabilities - lease liabilities

	Consolidated	
	2025 $'000	2024 $'000
Lease liability (refer note 40)	–	1,504

Refer to note 26 for further information on financial instruments.

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Note 23: Equity - issued capital

	Consolidated			
	2025 Shares	2024 Shares	2025 $'000	2024 $'000
Ordinary shares - fully paid	1,698,808,647	527,165,826	128,200	71,546

Movements in ordinary share capital

Details	Date	Shares	Issue price	$'000
Balance	1 January 2024	527,165,826		71,546
Cost of share issue		–		–
Balance	31 December 2024	527,165,826		71,546
Exercise of performance rights	30 June 2025	289,493	0.20	58
Exercise of performance rights	30 June 2025	400,837	0.22	88
Exercise of performance rights	30 June 2025	2,752,491	0.17	454
Issue of shares - Capital Raise	24 October 2025	800,000,000	0.05	40,000
Issue of Shares - Thiess	29 October 2025	200,000,000	0.05	10,000
Issue of shares - DFIL	24 October 2025	168,200,000	0.05	8,437
Cost of share issue	24 October 2025	-		(2,383)
Balance	31 December 2025	1,698,808,647		128,200

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back

There is no current on-market share buy-back.

Capital risk management

The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

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The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The consolidated entity is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions.

The capital risk management policy remains unchanged from the 31 December 2024 Annual Report.

Note 24: Equity - reserves

	Consolidated	
	2025 $'000	2024 $'000
Share-based payments reserve	320	1,923

Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

Movements in reserves

Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Share-based payments reserve $'000
Balance at 1 January 2024	2,249
Share-based payments expensed during the year	(326)
Performance rights exercised during the year	–
Balance at 31 December 2024	1,923
Share-based payments exercised during the year	(600)
Share-based payments forfeited during the year	(1,003)
Balance at 31 December 2025	320

Options

2,464,900 options were granted in the current year (2024: Nil).

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Note 25: Equity – accumulated losses

	Consolidated	
	2025 $'000	2024 $'000
Accumulated losses at the beginning of the financial year	(104,687)	(82,067)
Adjustment related to lapsed performance rights	604	–
Profit/loss after income tax expense for the year	11,874	(22,260)
Accumulated losses at the end of the financial year	(92,209)	(104,687)

Note 26: Financial instruments

Financial risk management objectives

The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity uses derivative financial instruments such as forward foreign exchange contracts to hedge certain risk exposures. Derivatives are exclusively used for hedging purposes, i.e. not as trading or other speculative instruments. The consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the consolidated entity's operating units. Finance reports to the Board on a monthly basis.

Market risk

Foreign currency risk

The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The consolidated entity held assets of $19,000 denominated in foreign currencies at 31 December 2025 (2024: $666,000). Based on this exposure, the following tables detail the effect on the consolidated entity's profit before tax and equity had the Australian dollar weakened or strengthened by 5% (2024: weakened or strengthened by 5%) against these foreign currencies with all other variables held constant.

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		AUD strengthened		AUD weakened	
Consolidated 2025	**% change**	**Effect on Profit before tax $'000**	**Effect on Equity $'000**	**Effect on Profit before tax $'000**	**Effect on Equity $'000**
USD Cash Deposits	5%	(1)	1	1	(1)
Trade Receivables (refer note 26)	5%	-	-	-	-
		(1)	1	1	(1)

		AUD strengthened		AUD weakened	
Consolidated 2024	**% change**	**Effect on Profit before tax $'000**	**Effect on Equity $'000**	**Effect on Profit before tax $'000**	**Effect on Equity $'000**
USD Cash Deposits	5%	(1)	1	1	(1)
Trade Receivables	5%	(32)	32	32	(32)
		(33)	33	33	(33)

Price Risk

The consolidated entity is exposed to commodity price risk arising from copper held as inventory.

Following the disposal of the Anthill Project during the financial year, which have been presented as a discontinued operation, the Group no longer holds copper inventory and is no longer exposed to commodity price risk associated with copper prices at the reporting date.

In prior periods, the Group's policy was to sell copper at the prevailing spot price and it had not entered into hedging contracts. Revenue from copper sales was therefore exposed to fluctuations in the market price of copper.

A sensitivity analysis of copper price movements has not been presented for the current period as the Group does not have any continuing exposure to copper price risk at the reporting date.

Interest rate risk

The consolidated entity's main interest rate risk arises from long-term borrowings. Borrowings obtained at variable rates expose the consolidated entity to interest rate risk. Borrowings obtained at fixed rates expose the consolidated entity to fair value risk.

The consolidated entity's borrowings outstanding, totalling $22,652,000 (2024: $81,396,000), are principal and interest payment loans. Monthly cash outlays of approximately $255,000 (2023: $858,000) per month are required to service the interest payments. An official increase/decrease in interest rates of 400 (2024: 400) basis points would have an adverse effect on profit before tax of $906,000 (2024: $2,644,000) per annum. The percentage change is based on the expected volatility of interest rates using market data and analysts forecasts. Refer to note 17 for borrowings and liquidity risk below regarding principal repayment terms.

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Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity is exposed to credit risk from its operating activities (trade receivables) and from its financing activities, including deposits with banks and financial institutions and foreign exchange transactions.

Trade receivables

It is the consolidated entities policy that all customers who wish to trade on credit terms are subject to credit verification procedures including an assessment of their independent credit rating, financial position, past experience and industry reputation. Risk limits are set for each individual customer in accordance with parameters set by the board. These risk limits are regularly monitored.

Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. The consolidated entity obtains guarantees where appropriate to mitigate credit risk. Outstanding customer receivables and contract assets are regularly monitored. At 31 December 2025, the consolidated entity had one customer (2024: one) that owed it more than $5.7 million (2023: $0.6 million) which accounted for 100% (2024: 100%) of the trade receivables balance.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The consolidated entity trades only with recognised, creditworthy third parties, and as such collateral is not requested.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

	Trade Receivables				
		Days past due			
31 December 2025	**Current $'000**	**<30 days $'000**	**30-60 days $'000**	**>61 days $'000**	**Total $'000**
Allowance for Credit loss	0.00%	0.1%	5%	10%	
Estimated total gross carrying amount	2,726	234	239	2,829	6,028
Allowance for credit loss	–	–	12	283	295

	Trade Receivables				
		Days past due			
31 December 2024	**Current $'000**	**<30 days $'000**	**30-60 days $'000**	**>61 days $'000**	**Total $'000**
Allowance for credit loss rate	0.00%	0.1%	5%	10%	
Estimated total gross carrying amount	644	–	–	–	644
Allowance for credit loss	-	–	–	–	–

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Liquidity risk

Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities

The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2025	Weighted average interest rate %	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Remaining contractual maturities $'000
Non-derivatives					
Non-interest bearing					
Trade payables	–	2,479	–	–	2,479
Interest-bearing					
Glencore Prepayment Facility (Rocklands)	17.51%	10,160	12,492	–	22,652
Lease liability	7.90%	68	–	–	68
Total non-derivatives		12,707	12,492	–	25,199

Consolidated - 2024	Weighted average interest rate %	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Remaining contractual maturities $'000
Non-derivatives					
Non-interest bearing					
Trade payables	–	43,364	–	–	43,364
Interest-bearing					
Wingate Facility	17.00%	31,063	–	–	31,063
Glencore Prepayment Facility	13.57%	20,920	–	–	20,920
Secover Facility (2022)	15.00%	13,980	–	–	13,980
Secover Facility (2024)	15.00%	15,434	–	–	15,434
Lease liability	7.90%	1,710	1,504	–	3,214
Total non-derivatives		126,471	1,504	–	127,975

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

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Note 27: Key management personnel disclosures

Compensation

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated	
	2025 $	2024 $
Short-term employee benefits	822,465	826,934
Post-employment benefits	82,069	81,400
Long-term benefits	–	–
Share-based payments	(396,208)	(69,073)
	508,326	839,261

Note 28: Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by RSM Australia Partners, the auditor of the company, its network firms and unrelated firms:

	Consolidated	
	2025 $	2024 $
Audit services – RSM Australia Partners		
Audit or review of the financial statements	202,000	142,600
Non-audit services – RSM Australia Partners		
Investigating Accountant's Report	24,775	15,300

Note 29: Contingent assets and liabilities

Contingent liabilities

The consolidated entity has given performance guarantees as at 31 December 2025 of $52,340,791 (2024: $37,103,814) to satisfy the Queensland Department of Environment, Tourism, Science and Innovation (DETSI) financial requirement for the Environmental Authorities EPML00753513 and EPML00887913.

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Note 30: Commitments

	Consolidated	
	2025 $'000	2024 $'000
Exploration and evaluation commitments		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	2,446	2,107
One to five years	3,968	3,968
More than five years	–	-
	6,414	6,075

Note 31: Related party transactions

Parent entity

Austral Resources Australia Ltd is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 33.

Key management personnel

Disclosures relating to key management personnel are set out in note 27 and the remuneration report included in the directors' report.

Transactions with related parties

The following transactions occurred with related parties:

	Consolidated	
	2025 $'000	2024 $'000
Payment for goods and services:		
Payment for services from Austral Equipment Solutions Pty Ltd	–	706
Payment for services from Equipment Engineering Solutions Pty Ltd	–	277
Payment for services from Rural Earthworx	1,036	852

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Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated	
	2025 $'000	2024 $'000
Current payables:		
Trade payables to Austral Equipment Solutions Pty Ltd	1,235	713
Trade payables to Equipment Engineering Solutions Pty Ltd	360	83
Trade payables to Trustee for O'Connell family trust T/A Rural Earthworx	15	–

Austral Equipment Solutions Pty Ltd

Payments to Austral Equipment Solutions Pty Ltd relate to the hire of equipment during the year. Austral Equipment Solutions Pty Ltd is owned by Dan Jauncey, the Non-Executive Director of Austral Resources Australia Ltd. The total value of transactions during the year was $467,881 (2024: $909,078) and amount payable at 31 December 2025 is $1,235,102 (2024: $713,029).

Equipment Engineering Solutions Pty Ltd

Payments to Equipment Engineering Solutions Pty Ltd relate to services during the year. Equipment Engineering Solutions Pty Ltd is owned by Dan Jauncey, the Non-Executive Director of Austral Resources Australia Ltd. The total value of transactions during the year was $277,108 (2024: $166,320) and amount payable at 31 December 2025 is $360,268 (2024: $83,160).

Trustee for O'Connell family trust T/A Rural Earthworx

Payments to Rural Earthworx relate to the hire and operation of heavy equipment during the year. Rural Earthworx is owned by Shane O'Connell, the Chief Operating Officer of Austral Resources Australia Ltd. The total value of transactions during the year was $1,035,529 (2024: $851,817) and amount payable at 31 December 2025 is $14,500 (2024: nil).
All transactions were made on normal commercial terms and conditions and at market rates.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

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Note 32: Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2025 $'000	2024 $'000
Profit/(loss) after income tax	2,405	(1,718)
Total comprehensive income	2,405	(1,718)

Statement of financial position

	Parent	
	2025 $'000	2024 $'000
Total current assets	61,028	10
Total assets	61,028	10
Total current liabilities	(22,652)	(14,859)
Total liabilities	(22,652)	(14,859)
Equity		
Issued capital	128,172	71,546
Share-based payments Reserve	320	1,923
Accumulated losses	(90,116)	(88,318)
Total equity	(38,376)	(14,849)

Contingent liabilities

The parent entity had no contingent liabilities as at 31 December 2025 and 31 December 2024.

Capital commitments – Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 31 December 2025 and 31 December 2024.

Material accounting policy information

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

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Note 33: Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly-owned subsidiaries in accordance with the accounting policy described in note 1:

		Ownership interest	
Name	**Principal place of business/Country of incorporation**	**2025 %**	**2024 %**
Austral Resources Operations Pty Ltd	Australia	100%	100%
Austral Resources Exploration Pty Ltd	Australia	100%	100%
Copper Resources Australia Pty Ltd	Australia	100%	–

Note 34: Events after the reporting period

On 16 January 2026, Austral announced the acquisition of the Lady Loretta mining leases and associated EPMs and site infrastructure. The acquisition unlocks substantial copper mineralisation and a pathway to supporting Mount Kelly's copper production pipeline. On completion of the transaction, Austral will receive US$40 million (A$59.9 million) in cash, with approximately US$9.6 million (A$14.4 million) to be deducted from the payment to cash-back the current estimated rehabilitation bond for the Lady Loretta mine, increasing unrestricted cash of Austral by approximately US$30.4 million (A$45.5 million). Austral will assume the rehabilitation and closure liability (Management assessed the rehabilitiation provision to be reasonable based on the due diligence process) and will pay Glencore a 2.5% Net Smelter Return royalty on all copper produced from the Tenements. The transaction was approved by shareholders on 27 March 2026.

On 19 February 2026, Austral announced binding commitments had been received for A$65 million capital raise. The capital raise has been cornerstoned by the QIC Critical Minerals and Battery Technology Fund which has committed to $15 million. The raise is split into two Tranches. Tranche 1 is for $38.2 million and was completed on 18 February 2026. Tranche 2 is $26.8 million and was approved by shareholders on 27 March 2026. On completion the Placement will be applied to fund acceleration in copper production and production capability at both Rocklands and Mount Kelly including infrastructure, equipment, drilling, care and maintenance, and working capital.

No other matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

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Note 35: Reconciliation of profit after income tax to net cash from operating activities

	Consolidated	
	2025 $'000	2024 $'000
Profit/(loss) after income tax expense for the year	11,874	(22,620)
Adjustments for:		
Trade payables forgiveness at settlement	(12,223)	–
Profit on disposal	(26,698)	–
Depreciation and amortisation	42,949	27,303
Accrued interest	9,259	13,213
Share-based payments	(396)	(325)
Unwinding of discount on rehabilitation liability	1,678	1,623
Impairment losses	247	–
Discount on interest free loan	–	2,088
Foreign exchange differences	261	2,508
Rehabilitation Provision	(1,734)	(2,299)
Change in operating assets and liabilities:		
(Increase)/decrease in trade and other receivables	(2,803)	3,395
Decrease/(increase) in inventories	(31,517)	(10,539)
Decrease/(increase) in other operating assets	–	(733)
(Decrease)/increase in other provisions	540	311
Decrease in trade and other payables	(9,319)	(5,410)
Increase/(decrease) in other operating liabilities	–	899
Net cash from/(used in) operating activities	(17,882)	9,415

Note 36: Non-cash investing and financing activities

	Consolidated	
	2025 $'000	2024 $'000
Additions to the right-of-use assets	80	–
Shares issued in relation to asset acquisition	8,437	–
	8,517	–

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Note 37: Changes in liabilities arising from financing activities

Consolidated	Borrowings $'000	Lease liability $'000	Total $'000
Balance at 1 January 2024	63,452	4,984	68,436
Net cash from/(used in) financing activities	4,915	(2,076)	2,839
Non-cash settlement through trading activities	(10,388)	–	(10,388)
Unrealised foreign exchange	2,508	–	2,508
Transfer of unsecured debt	11,713	–	11,713
Discount on interest free loan	(2,088)	–	(2,088)
Net cash from/(used in) financing activities	–	–	–
Interest charged	11,284	306	11,590
Balance at 31 December 2024	81,396	3,214	84,610
Net cash from/(used in) financing activities	20,672	(1,235)	19,437
Non-cash settlement through trading activities			
Unrealised foreign exchange	(1,728)	–	(1,728)
Debt transferred to discontinued operations under APA	(83,048)	(2,125)	(85,173)
Discount on interest free loan	506	–	506
Acquisition of leases	–	80	80
Establishment Fee	230	–	230
Interest charged	4,623	134	4,757
Balance at 31 December 2025	22,652	68	22,720

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Note 38: Earnings per share

	Consolidated	
	2025 $'000	2024 $'000
Profit/(loss) after income tax attributable to the owners of Austral Resources Australia Ltd used in calculating earnings per share	11,874	(22,620)
	$	$
Earnings per share from continuing operations		
Basic (loss)/profit per share	(0.01)	(0.00)
Diluted (loss)/profit per share	(0.01)	(0.00)
Earnings per share from discontinued operations		
Basic (loss)/profit per share	0.02	(0.04)
Diluted (loss)/profit per share	0.02	(0.04)
Earnings per share for profit attributable to the owners of Austral Resources Australia Ltd		
Basic (loss)/profit per share	0.02	(0.04)
Diluted (loss)/profit per share	0.02	(0.04)
	Number	Number
Weighted average number of ordinary shares		
Weighted average number of ordinary shares used in calculating basic earnings per share	747,008,900	527,165,826
Adjustments for calculation of diluted earnings per share:		
Performance rights	11,469,036	–
Weighted average number of ordinary shares used in calculating diluted earnings per share	758,477,936	527,165,826

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Note 39: Share-based payments

Performance rights

On 4 August 2021, 44,537,500 performance rights were issued to key management personnel under the Performance Share Plan. Where an employee leaves during the vesting period and the KPIs are not met within three months of the employees' termination date the performance rights will be forfeited. In the scenario where the KPIs were met then the employee is eligible to elect to exercise the rights through to the expiry date. On 12 May 2022, 1,603,350 performance rights were issued to Michael Hansel under the Performance Share Plan and were approved at the company's AGM. These performance rights are subject to the same KPIs as the performance rights issued to the key management personnel on 4 August 2021. Each Performance Right converts into one AR1 share upon vesting and exercise.

On 17 October 2022, 4,302,326 performance rights were issued to key management personnel under the Performance Share Plan. Where an employee leaves during the vesting period and the KPIs are not met within three months of the employees' termination date the performance rights will be forfeited. In the scenario where the KPIs were met then the employee is eligible to elect to exercise the rights through to the expiry date. These performance rights were re-issued following the cancellation of the existing HSSEQ performance rights after the Directors identified the HSSEQ KPI should be better defined.

Total expense reversal from share-base payments transactions is $396,000 (2024: expense $326,000) in current financial year.

Condition 11.5 of Austral's "Conditions of quotation" of the Company following its initial public offering (IPO) requires certain disclosures be made in relation to unquoted KPI based performance rights (Rights) disclosed in the Company's IPO Prospectus:

- Austral has no Performance Rights on issue as at 31 December 2025 (of those issued at IPO);
- 17,832,814 performance rights lapsed and were forfeited during the year as KPI based vesting conditions were not met. A further 3,442,821 vested performance rights were exercised; and
- Each Performance Right converts into one AR1 share upon vesting and exercise.

The movements in the current year of the number of Performance Rights issued are as follows:

		Balance at 1 January 2025	Granted as part of remuneration	Number of Rights Exercised	Number of Rights Lapsed/ Cancelled	Balance at 31 December 2025
KPI 1	First material ore production from Anthill deposit	690,330	–	(690,330)	–	–
KPI 2	Production of 20kt of copper cathode from Anthill Project	–	–	–	–	–
KPI 3	Generate 20kt inferred resource 1	8,105,823	–	–	(8,105,823)	–
KPI 4	Share price target of $0.50	6,484,660	–	–	(6,484,660)	–
KPI 7	Generate 20kt inferred resource 2	3,242,331	–	–	(3,242,331)	–
HSSEQ1	HSSEQ and Indigenous Affairs – FY 2023	2,002,070	–	(2,002,070)	–	–
HSSEQ2	HSSEQ and Indigenous Affairs – FY 2024	945,651	–	(750,421)	–	195,230
	Total	21,470,865	–	(3,442,821)	(17,832,814)	195,230

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Note 40: Discontinued Operations

Description

On 20 June 2024, Austral entered into a Framework Agreement with Glencore, Secover and Thiess, subject to conditions precedent, to facilitate the discharge of all secured debt. Subsequently, on 2 September 2025, the Anthill Production Agreement was executed with Glencore and Secover, which formalised the repayment of secured debt from proceeds generated by the Anthill Project.

Under the terms of the Anthill Production Agreement, all proceeds from the Anthill Project are contractually committed to the repayment of secured debt, and operational control of the project was transferred to the secured debt holders. As a result, the Anthill Project is no longer considered part of the Group's ongoing business activities.

From the date of execution of the Anthill Production Agreement, the Group ceased to have substantive decision-making authority and the ability to direct the relevant activities of the Anthill Project. Accordingly, the Anthill Project met the criteria to be classified as a discontinued operation in accordance with AASB 5 Non-current Assets Held for Sale and Discontinued Operations.

The results of the discontinued operation for the current year reflect the period up to 2 September 2025, while comparative information for 2024 has been presented for the full calendar year. For the period 3 September 2025 to 31 December 2025 the Anthill's operations are not recorded in these financial results.

Financial performance information

	2025 $'000	2024 $'000
Sale of goods from discontinued operations	66,131	82,087
Cost of goods sold from discontinued operations		
Changes in inventories of finished goods and work in progress	31,558	11,647
Employee benefits expense	(6,304)	(8,147)
Contractor's, materials and consumables	(62,662)	(75,164)
Depreciation and amortisation of mining and stripping assets	(41,266)	(17,021)
Sales expense	(3,023)	(3,599)
Interest on interest bearing loans	(8,761)	(11,285)
Net foreign exchange loss or gain	1,219	(2,454)
Trade payables forgiveness at settlement	12,223	–
Other income	752	2,057
Total expenses	(76,264)	(103,966)
Loss before income tax expense from discontinued operations	(10,133)	(21,879)
Profit on disposal before income tax	26,698	–
Income tax expense	–	–
Profit after income tax expense from discontinued operations	16,565	(21,879)

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Balance Sheet on Disposal of Anthill Project

	2025 $'000
Current assets	
Cash and cash equivalents	116
Trade and other receivables	1,641
Prepayments	1,368
Inventories	80,570
	83,695
Non-current assets	
Property, plant and equipment	6,716
Right-of-Use Assets	1,727
	8,443
Current liabilities	
Trade and other payables	27,064
Lease Liabilities	2,135
Borrowings	89,637
	118,836
Net liabilities	26,698

Details of the disposal

	2025 $'000
Total sale consideration	–
Carrying amount of net liabilities disposed	26,698
Disposal costs	–
Profit on disposal before income tax	26,698
Profit on disposal after income tax	26,698

Cash flow information

	2025 $'000	2024 $'000
Net cash used in operating activities	(4,720)	(588)
Net cash used in investing activities	(777)	(9,911)
Net cash used in/from financing activities	(3,267)	2,032
Net decrease in cash and cash equivalents from discontinued operations	(8,764)	(8,467)

DIRECTORS' DECLARATION

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In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2025 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



David Newling
Non-executive Chairman

31 March 2026
Brisbane

INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT

To the Members of Austral Resources Australia Ltd

Report on the audit of the financial report

Opinion

We have audited the financial report of Austral Resources Australia Ltd (the 'Company') and its subsidiaries (together the 'Consolidated entity'), which comprises the statement of financial position as at 31 December 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

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

(i) giving a true and fair view of the Consolidated entity 's financial position as at 31 December 2025 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Consolidated entity 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* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed this matter
Revenue Recognition Refer to Notes 1, 2 and Note 40 to the financial statements	
The Consolidated entity's revenue sales of copper cathode during the year amounted to $66 million, which are classified as discontinued operations. In addition, from 1 September 2025, the Consolidated entity generated revenue for $4 million from management fee associated with services performed over the Anthill Project on behalf of the APA participants. We consider revenue recognition as Key Audit Matter due its significance in the statement of profit or loss and other comprehensive income and because the complexity and management's judgements involve in its determination, including: • Identification of the different performance obligations in the offtake agreement; • Determination of the timing of meeting the performance obligations under the offtake agreement; and • The estimation of variation in the final sale price.	Our audit procedures in relation to revenue recognition included, but were not limited to: • Corroborating that the Consolidated entity's revenue recognition policy is in compliance with Australian Accounting Standards. This process included, along with other procedures, reviewing offtake agreements to understand terms and conditions of sale, the performance obligations involved and the timing of meeting the performance obligations; • Evaluating the appropriateness of the design of the internal controls related to revenue recognition, including transactional walk through testing; • Conducting test of details over a sample of revenue transactions to verify the accuracy and validity of revenue recognition; • Performing substantive analytical procedures over revenue streams by assessing recorded amounts against relevant contractual terms and other expectations, and investigating significant or unexpected variances; • Conducting cut-off testing for revenue transactions around the discontinued operations date and year end; • Searching and reviewing large and / or unusual transactions during the financial year; and • Assessing the appropriateness of disclosure in the financial statements.

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Key Audit Matters (continued)

Key Audit Matter	How our audit addressed this matter
Acquisition of Copper Resources Australia Pty Ltd Refer to Note 12 and 21 to the financial statements	
During the financial year, the Company executed a Deed of Company Arrangement with Copper Resources Australia Pty Ltd ('Cooper Resources') and its appointed administrators for the acquisition of the shares of Copper Resources. Cooper Resources holds certain mining leases and owns the Rocklands processing facility located in Queensland. As a result of this transaction, the Consolidated entity recognised $26 million in Plant and equipment, deposits and other financial assets amounting to $15 million and assumed liabilities of $15 million mainly in relation to provision for rehabilitation cost. The accounting of this transaction was considered to be a Key Audit Matter due to the material of the transaction and the significant management's judgement involved, including, including determining that this transaction did not constitute a business combination under AASB 3 *Business Combinations* ('AASB 3'), determining the fair value of the consideration transferred, and determining the fair value of the assets acquired and liabilities assumed.	Our audit procedures in relation to the of Copper Resources Australia Pty Ltd included: • Obtaining and reviewing management's position paper, the Deed of Company Arrangement and other supporting documentation to assess whether the transaction was accounted for in accordance with Australian Accounting standards, particularly assessing management's conclusion that the transaction did not constitute a business combination. • Testing the consideration transferred, which encompassed cash and equity issued, including the determination of the fair value of total consideration, by reference to the Deed of Company Arrangement, ASX announcements and other supporting workings; • Assessing management's valuation approach used to determine the fair value of the assets acquired and liabilities assumed, including challenging key judgements and assumptions, tracing inputs to third-party supporting evidence where applicable, and assessing the completeness of assets recognised and liabilities assumed; and • Reviewing the adequacy and appropriateness of the related disclosures in the financial statements in accordance with Australian Accounting Standards.

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Key Audit Matters (continued)

Key Audit Matter	How our audit addressed this matter
Discontinued Operations Refer to Note 40 to the financial statements	
During the financial year, management classified the Anthill Project as a discontinued operation, following the execution of the Anthill Production Agreement on 2 September 2025. Under this agreement, all proceeds from the Anthill Project are contractually committed to the repayment of secured debt, and operational control of the project was transferred to the secured debt holders. As a result, management determined that the Consolidated entity neither have control of the related assets, nor was entitled to the economic benefits the Anthill Project; and accordingly, its transactions have been accounted for as a discontinued operation in accordance with AASB 5 *Non-current Assets Held for Sale and Discontinued Operations*. The classification of the Anthill Project as a discontinued operation, together with its subsequent disposal, involved significant judgement, particularly in determining the appropriate timing of classification, the transfer of control and economic benefits, the derecognition of the related assets and liabilities, and the recognition of a material gain on disposal. These judgements gave rise to a significant risk of material misstatement and, accordingly, we consider it to be a Key Audit Matter.	Our audit procedures in relation to the discontinued operations included, but were not limited to: • Gathering an understanding of the terms of the Framework Agreement dated 20 June 2024, the Anthill Production Agreement executed on 2 September 2025 and the Deed of Settlement and Forgiveness relating to the Thiess secured debt, to understand the nature of the arrangements and their implications for financial reporting; • Evaluating management's conclusion that the Anthill Project met the criteria to be classified as a discontinued operation in accordance with AASB 5, including assessing the timing of transfer of operational control and economic benefits to the secured debt holders; • Testing the derecognition of assets and liabilities associated with the Anthill Project and the calculation of the gain on disposal; • Reviewing the mathematical accuracy of management's workings supporting the allocation of income, expenses, assets and liabilities between continuing and discontinued operations, including assessing the appropriateness of the allocation methodology and reconciling amounts to underlying accounting records; • Performing cut-off testing over revenue and expense transactions up to 31 August 2025 to assess whether transactions were recorded in the appropriate period and correctly classified between continuing and discontinued operations; and • Assessing the adequacy and appropriateness of the related disclosures in the financial report against the requirements of AASB 5.

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Other Information

The directors are responsible for the other information. The other information comprises the information included in the Consolidated entity's annual report for the year ended 31 December 2025, but does not include the financial report and the auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

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

b. the Consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

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

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

ii. The Consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar2_2020.pdf. This description forms part of our auditor's report.

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Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 33 to page 43 of the directors' report for the year ended 31 December 2025.

In our opinion, the Remuneration Report of Austral Resources Australia Ltd, for the year ended 31 December 2025, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

RSM AUSTRALIA PARTNERS

R J MORILLO MALDONADO

Partner

Melbourne, Victoria

Dated: 31 March 2026

MINERAL RESOURCE AND ORE RESERVE STATEMENT

Mineral Resources at 31 December 2024 – Copper Mineral Resource, Queensland

Classification	Material	Tonnes (Mt)	Cu (%)	Cu Metal (kt)
Measured		8.8	0.75	66
Indicated	In situ[2]	33.0	0.76	250
Inferred		11.0	0.69	76
Total[1]		**52.8**	**0.74**	**391**
Inferred	Stockpile[3,4]	**22.6**	**0.20**	**45**

Global Copper Mineral Resources (reported in accordance with JORC 2012)

1. Totals may contain discrepancies associated with rounding.
2. Reported above 0.3% Cu cut–off grade (Lady Colleen reported above 0.5% Cu).
3. Inferred Mount Kelly Heap Leach stockpile material reported above 0.14% Cu cut–off grade
4. Heap leaching is currently ongoing at the Mount Kelly Heap Leach Stockpile.

Mineral Resources at 31 December 2025 – Copper Mineral Resource, Queensland

Classification	Material	Tonnes (Mt)	Cu (%)	Cu Metal (kt)
Measured		8.5	0.74	63
Indicated	In situ[2]	40.9	0.74	304
Inferred		13.1	0.67	87
Total[1]		**62.5**	**0.73**	**454**
Inferred	Stockpile[3,4]	**23.7**	**0.22**	**52**

Global Copper Mineral Resources (reported in accordance with JORC 2012)

1. Totals may contain discrepancies associated with rounding.
2. Reported above 0.3% Cu cut–off grade, with exception:
   - Lady Colleen reported above 0.5% Cu
   - Rocklands sulfide reported above 0.25% Cu and Transitional & Oxide, Native Copper reported above 0.5% Cu.
3. Includes:
   - Inferred Mount Kelly Heap Leach stockpile material reported above 0.14% Cu cut–off grade
   - Rocklands stockpile material reported above 0.25% Cu and Transitional & Oxide, Native Copper reported above 0.5% Cu.
4. Heap leaching is currently ongoing at the Mount Kelly Heap Leach Stockpile.

Relative to the 2024 Global Mineral Resource Estimate (MRE) of 436kt of contained copper, the 2025 Global Mineral Resource Estimate reports 506kt of contained copper. This relative difference of 70kt of contained copper results from changes to the Mineral Resource base due to Anthill mining depletion and addition of the Rocklands Project to Austral's Global Mineral Resources.

Financial Report

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Anthill

Open pit mining of Anthill commenced on 7 January 2022 and is ongoing. No additional drilling was available for the Anthill deposit and therefore the MRE was not updated, prior to depletion. The current Mineral Resource update used the same Anthill mine depletion surfaces as applied for the Ore Reserve update, depleting the previously reported Mineral Resource estimate (2012) to build the current Mineral Resource statement tables presented in this report.

Mount Kelly Heap Leach Stockpile

Utilising historical metallurgical accounting data, a maiden MRE was completed for the Mount Kelly Heap Leach stockpile by WSP and reported publicly on 28 October 2024, above an economical based 0.14% Cu cut–off. Recently added material was not considered or included in the Mount Kelly Heap Leach Mineral Resource. Leaching of the Mount Kelly Heap Leach stockpile is currently ongoing.

Rocklands

The Mineral Resource estimate was prepared and reported by SRK in 2019. Stockpiles were collated and estimated by CRA internal staff.

The Mineral Resource estimates were independently reviewed by Derisk. Derisk depleted the SRK 2019 model for mining undertaken by CRA and used appropriate cut-off criteria to report the in-situ Mineral Resources. Derisk reviewed all stockpiles at Rocklands and used appropriate cut-off criteria to report the stockpile resource inventory.

Lapsed Inactive

Ore Reserves at 31 December 2024 – Copper Ore Reserve, Queensland

Classification	Tonnes (million)	Cu%	Ca%
Proved[1]	0.7	0.83	1.16
Probable	1.4	0.91	0.88
Total[2]	**2.0**	**0.89**	**0.97**

Global JORC 2012 Copper Ore Reserves

1. Proved category includes 0.3 Mt at 0.65% Cu and 1.00% Ca located in surface stockpiles.
2. Totals may contain discrepancies associated with rounding.

Ore Reserves at 31 December 2025 – Copper Ore Reserve, Queensland

Classification	Tonnes (million)	Cu%	Ca%
Proved[1]	0.3	0.66	0.68
Probable	0.3	1.18	2.94
Total[2]	**0.6**	**0.91**	**1.79**

Global JORC 2012 Copper Ore Reserves

1. Proved category is comprised of 0.3 Mt at 0.66% Cu and 0.68% Ca located in surface stockpiles.
2. Totals may contain discrepancies associated with rounding.

Relative to the 2024 Global Ore Reserve Estimate of 17.8kt of contained copper, the 2025 Global Ore Reserve Estimate reports 5.5kt of contained copper. This relative difference of 12.3kt of contained copper results from the following changes to the Ore Reserve Base through mining depletion.

Anthill

Open pit mining of Anthill commenced on 7 January 2022 and is ongoing. No additional drilling was undertaken for the Anthill deposit and therefore the MRE did not require updating, prior to depletion.

The above reserve has been generated by considering the resources between the pit base as mined as at 31 December 2025 and the current final pit design at that time and includes the material in surface stockpiles. The same depletion surfaces representing the as–mined 31 December 2025 position were applied for updating the Anthill Mineral Resource.

The cut–off method used allows for calcium penalties and is unchanged from the Ore Reserve report by CSA Global dated April 2021. The resource block model and modifying factors used are unchanged from the Ore Reserve report by CSA Global dated April 2021.

Production from the Anthill operation continued throughout 2025.

Updates to the final pit design were undertaken late in 2021, changing the ramp locations, width and gradient to suit the selected haul trucks and also best achieve the resources highlighted within the targeted whittle shells.

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Detailed information that relates to Ore Reserves and Mineral Resource Estimates is provided in the tables below.

The information in this announcement that relates to Mineral Assets, Exploration Targets, Exploration Results, Mineral Resources and Ore Reserves is based on and fairly reflects information compiled and conclusions derived by Dr Nathan Chapman and Mr Don Fraser, who are Members of the AIG and Mr Drew Luck and Mr Pascal Dube, who are members of Australasian Institute of Mining and Metallurgy.

Dr Chapman and Mr Fraser are Senior Geologists with Austral who have 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 Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results and Ore Reserves (2012 JORC Code) for Mineral Assets, Exploration Targets, Exploration Results and Mineral Resources.

Mr Luck is a Principal Resource Geologist with WSP and 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 Exploration Results and Ore Reserves (2012 JORC Code) for Mineral Assets, Exploration Targets, Exploration Results and Mineral Resources.

Mr Dube is a Technical Director Mining Engineer with WSP. Mr Dube 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 Exploration Results and Ore Reserves (2012 JORC Code) for Ore Reserves.

Dr Chapman, Mr Fraser, Mr Luck and Mr Dube consent to the inclusion in this announcement of the matters based on this information in the form and context in which it appears and approve the mineral resource and ore reserve statement as a whole. Additional details including JORC 2012 reporting tables, where applicable can be found in cross referenced announcements lodged with the ASX. The Company is not aware of any new data or information that materially affects the information included in the announcements listed in this Annual Report and that all material assumptions and technical parameters underpinning the Mineral Resource estimate and Ore Reserve 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 announcement.

The Mineral Resource estimate and Ore Reserve are reported as at 31 December 2025 and represent the fifth year that Austral has reported a Mineral Resource and Ore Reserve since listing and as disclosed in the Company's IPO Prospectus lodged as an ASX announcement on 1 November 2021.

The Company ensures that all Mineral Resource estimates are subject to appropriate levels of governance and internal controls. Exploration results are collected and managed by an independent competent qualified geologist. All data collection activities are conducted to industry standards based on a framework of quality assurance and quality control protocols covering all aspects of sample collection, topographical and geophysical surveys, drilling, sample preparation, physical and chemical analysis and data and sample management. Mineral Resource estimates and Ore Reserves are prepared by qualified independent Competent Persons. If there is a material change in the estimate of a Mineral Resource or Ore Reserve, the estimate and supporting documentation in question is reviewed by a suitable qualified independent Competent Persons. The Company reports its Mineral Resources and Ore Reserves on an annual basis in accordance with JORC Code 2012.

The Company confirms that it is not aware of any new information or data that materially affects the estimates of Mineral Resources and Ore Reserves as cross referenced in this release and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. Austral relies on drilling results from accredited laboratories in providing assay results used to estimate Mineral Resources and Ore Reserves. 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 announcement. The Mineral Resources and Ore Reserves have been previously reported as "Prospectus" on 1 November 2021, "Maiden Mineral Resource at Enterprise" on 9 August 2022, "Significant Increase of McLeod Hill Copper Mineral Resource" on 20 May 2024 and "Mount Kelly Heap Leach Mineral Resource" on 28 October 2024, Acquisition of Rocklands to Transform Austral" on 3 July 2025 and "Prospectus" on 4 September 2025.

The Company ensures that all Mineral Resource estimates are subject to appropriate levels of governance and internal controls. Exploration results are collected and managed by an independent competent qualified geologist. All data collection activities are conducted to industry standards based on a framework of quality assurance and quality control protocols covering all aspects of sample collection, topographical and geophysical surveys, drilling, sample preparation, physical and chemical analysis and data and sample management. Mineral Resource estimates and Ore Reserves are prepared by qualified independent Competent Persons. If there is a material change in the estimate of a Mineral Resource or Ore Reserve, the estimate and supporting documentation in question is reviewed by a suitable qualified independent Competent Persons. The Company reports its Mineral Resources and Ore Reserves on an annual basis in accordance with JORC Code 2012.

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Austral Resources Mineral Resources by deposit at 31 December 2024 – Copper Mineral Resource, Queensland.

			Measured Resources				Indicated Resources				Inferred Resources				Total Resources			
Deposit	Material Type	Cut–off grade (Cu %)	Mt	Cu (%)	Ca[1] (%)	Mg[1] (%)	Mt	Cu (%)	Ca[1] (%)	Mg[1] (%)	Mt	Cu (%)	Ca[1] (%)	Mg[1] (%)	Mt	Cu (%)	Ca[1] (%)	Mg[1] (%)
Anthill	Oxide		0.81	0.66	0.5	0.4	4.02	0.63	0.4	0.4	0.14	0.37	0.3	0.3	4.97	0.63	0.4	0.4
	Transition	0.3	0.26	0.94	5.7	3.3	1.71	0.76	5.7	3.2	0.26	0.47	5.5	3.3	2.23	0.74	5.7	3.2
	Sulphide		0.02	0.7	5.9	3.4	0.84	0.61	5.5	3.1	1.67	0.54	6.5	3.9	2.53	0.56	6.2	3.7
	Total		**1.09**	**0.73**	**1.9**	**1.1**	**6.56**	**0.66**	**2.4**	**1.5**	**2.07**	**0.52**	**6.0**	**3.6**	**9.72**	**0.64**	**3.1**	**1.9**
Lady Annie	Oxide		0.51	0.56	1.0	0.6	1.35	0.44	0.5	0.5	0.03	0.4	0.4	0.7	1.89	0.47	0.6	0.5
	Transition	0.3	1.94	0.68	8.0	4.7	3.33	0.83	8.1	4.9	0.12	0.57	9.2	5.8	5.39	0.77	8.1	4.8
	Sulphide		0.55	0.91	8.3	4.9	3.84	0.89	9.7	5.9	0.49	0.58	10.4	6.5	4.88	0.86	9.6	5.9
	Total		**3**	**0.7**	**6.9**	**4.0**	**8.52**	**0.8**	**7.6**	**4.6**	**0.64**	**0.57**	**9.7**	**6.1**	**12.16**	**0.76**	**7.5**	**4.6**
Lady Brenda	Oxide		0.33	0.43	1.6	1.0	2.76	0.39	1.3	0.9	0.16	0.35	2.2	1.4	3.25	0.39	1.4	1.0
	Transition	0.3	0.29	0.57	10.2	5.8	2.99	0.52	8.9	5.2	0.65	0.46	7.4	4.6	3.94	0.51	8.7	5.1
	Sulphide		0.02	0.42	2.6	1.3	0.45	0.56	10.4	6.2	0.37	0.45	7.1	4.2	0.84	0.51	8.7	5.2
	Total		**0.64**	**0.49**	**5.5**	**3.2**	**6.2**	**0.47**	**5.6**	**3.4**	**1.18**	**0.44**	**6.6**	**4.0**	**8.03**	**0.46**	**5.7**	**3.5**
Flying Horse	Oxide		0.72	0.47	0.7	0.7	0.57	0.44	0.6	0.6	0.01	0.34	0.1	0.1	1.3	0.46	0.6	0.6
	Transition	0.3	0.76	0.59	5.0	2.9	1.37	0.61	4.3	2.6	0.06	0.56	2.7	1.5	2.19	0.6	4.5	2.6
	Sulphide		0.95	1.16	5.1	2.9	5.75	0.85	5.9	3.4	4.01	0.77	5.2	3.1	10.71	0.85	5.5	3.3
	Total		**2.42**	**0.78**	**3.8**	**2.2**	**7.69**	**0.78**	**5.2**	**3.0**	**4.08**	**0.77**	**5.1**	**3.1**	**14.2**	**0.77**	**4.9**	**2.9**
Mount Clarke	Oxide		0.15	0.46	0.4	0.6	0.35	0.43	0.2	0.5	0.02	0.48	0.3	0.8	0.52	0.44	0.3	0.5
	Transition	0.3	0.41	0.55	1.5	1.0	0.16	0.47	2.2	1.3	0	0.46	6.4	2.8	0.57	0.53	1.7	1.1
	Sulphide		0.36	0.61	1.2	0.8	0.69	0.57	1.9	1.2	0.5	0.55	2.4	1.4	1.55	0.57	1.9	1.2
	Total		**0.92**	**0.56**	**1.2**	**0.8**	**1.2**	**0.52**	**1.5**	**1.0**	**0.52**	**0.55**	**2.4**	**1.4**	**2.64**	**0.54**	**1.5**	**1.0**
Lady Colleen	Oxide		<0.01	0.77	3.0	1.5	<0.01	0.8	2.5	1.3	–	–	–	–	<0.01	0.79	2.7	1.4
	Transition	0.5	0.13	0.85	2.0	1.0	0.18	0.99	3.4	1.7	<0.01	0.61	8.5	4.7	0.32	0.93	2.9	1.4
	Sulphide		0.49	1.7	4.0	2.2	1.96	1.91	4.5	2.4	0.37	1.5	5.9	3.1	2.82	1.82	4.6	2.5
	Total		**0.63**	**1.51**	**3.6**	**1.9**	**2.14**	**1.83**	**4.4**	**2.4**	**0.37**	**1.49**	**5.9**	**3.2**	**3.15**	**1.73**	**4.4**	**2.4**
McLeod Hill	Oxide		–	–	–	–	0.18	0.36	0.0	3.3	0.14	0.36	0.1	1.8	0.32	0.36	0.1	2.6
	Transition	0.3	–	–	–	–	0.22	0.88	0.5	2.4	0.36	0.63	0.4	0.8	0.58	0.73	0.4	1.4
	Sulphide		–	–	–	–	0.19	0.75	0.7	2.4	0.60	0.66	1.1	2.8	0.79	0.68	1.0	2.7
	Total		**–**	**–**	**–**	**–**	**0.59**	**0.68**	**0.4**	**2.7**	**1.09**	**0.61**	**0.7**	**2.0**	**1.68**	**0.64**	**0.6**	**2.3**

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			Measured Resources				Indicated Resources				Inferred Resources				Total Resources			
Deposit	**Material Type**	**Cut–off grade (Cu %)**	**Mt**	**Cu (%)**	**Ca[1] (%)**	**Mg[1] (%)**	**Mt**	**Cu (%)**	**Ca[1] (%)**	**Mg[1] (%)**	**Mt**	**Cu (%)**	**Ca[1] (%)**	**Mg[1] (%)**	**Mt**	**Cu (%)**	**Ca[1] (%)**	**Mg[1] (%)**
Swagman	Oxide		0.14	0.67	–	–	0.03	0.62	–	–	0.02	0.53	–	–	0.19	0.65	–	–
	Transition	0.3	–	–	–	–	0.07	0.6	–	–	0.04	0.45	–	–	0.11	0.55	–	–
	Sulphide		–	–	–	–	–	–	–	–	0.03	0.45	–	–	0.03	0.45	–	–
	Total		**0.14**	**0.67**	**–**	**–**	**0.1**	**0.61**	**–**	**–**	**0.09**	**0.47**	**–**	**–**	**0.33**	**0.6**	**–**	**–**
Enterprise	Oxide		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
	Transition	0.3	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
	Sulphide		–	–	–	–	–	–	–	–	0.95	0.97	–	–	0.95	0.97	–	–
	Total		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**0.95**	**0.97**	**–**	**–**	**0.95**	**0.97**	**–**	**–**
Total[2]	Oxide		2.66	0.55	0.8	0.6	9.26	0.51	0.7	0.6	0.52	0.37	0.9	1.1	12.44	0.51	0.7	0.7
	Transition		3.79	0.66	6.5	3.8	10.03	0.69	7.1	4.2	1.49	0.52	5.3	3.4	15.31	0.67	6.7	4.0
	Sulphide		2.39	1.12	5.0	2.9	13.72	0.97	6.6	3.9	8.99	0.73	5.4	3.4	25.10	0.90	6.0	3.6
	Total		**8.8**	**0.75**	**4.4**	**2.6**	**33.0**	**0.76**	**5.1**	**3.1**	**11.0**	**0.69**	**5.2**	**3.3**	**52.8**	**0.74**	**5.0**	**3.0**
Mount Kelly Heap Leach[3]	Heap Leach Stockpile	0.14	–	–	–	–	–	–	–	–	22.6	0.20	–	–	22.6	0.20	–	–
Total			**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**22.6**	**0.20**	**–**	**–**	**22.6**	**0.20**	**–**	**–**

1. Due to the sparseness of Ca and Mg assays the Ca and Mg estimates are indicative only.
2. Totals may contain discrepancies associated with rounding.
3. Heap leaching is currently ongoing at the Mount Kelly Heap Leach Stockpile.

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Austral Resources Mineral Resources by deposit at 31 December 2025 – Lady Annie Copper Project Mineral Resource, Queensland.

			Measured Resources				Indicated Resources				Inferred Resources				Total Resources			
Deposit	**Material Type**	**Cut-off grade (Cu %)**	**Mt**	**Cu (%)**	**Ca[1] (%)**	**Mg[1] (%)**	**Mt**	**Cu (%)**	**Ca[1] (%)**	**Mg[1] (%)**	**Mt**	**Cu (%)**	**Ca[1] (%)**	**Mg[1] (%)**	**Mt**	**Cu (%)**	**Ca[1] (%)**	**Mg[1] (%)**
Anthill	Oxide		0.50	0.47	0.4	0.3	2.91	0.52	0.5	0.4	0.14	0.37	0.3	0.3	3.55	0.51	0.4	0.4
	Transition	0.3	0.21	0.84	5.5	3.2	1.59	0.71	5.6	3.2	0.26	0.47	5.5	3.3	2.06	0.70	5.6	3.2
	Sulphide		0.02	0.70	5.9	3.4	0.84	0.61	5.5	3.1	1.67	0.54	6.5	3.9	2.53	0.57	6.2	3.7
	Total		**0.72**	**0.59**	**2.0**	**1.2**	**5.34**	**0.59**	**2.8**	**1.7**	**2.07**	**0.52**	**6.0**	**3.6**	**8.13**	**0.57**	**3.5**	**2.1**
Lady Annie	Oxide		0.51	0.56	1.0	0.6	1.35	0.44	0.5	0.5	0.03	0.4	0.4	0.7	1.89	0.47	0.6	0.5
	Transition	0.3	1.94	0.68	8.0	4.7	3.33	0.83	8.1	4.9	0.12	0.57	9.2	5.8	5.39	0.77	8.1	4.8
	Sulphide		0.55	0.91	8.3	4.9	3.84	0.89	9.7	5.9	0.49	0.58	10.4	6.5	4.88	0.86	9.6	5.9
	Total		**3**	**0.7**	**6.9**	**4.0**	**8.52**	**0.8**	**7.6**	**4.6**	**0.64**	**0.57**	**9.7**	**6.1**	**12.16**	**0.76**	**7.5**	**4.6**
Lady Brenda	Oxide		0.33	0.43	1.6	1.0	2.76	0.39	1.3	0.9	0.16	0.35	2.2	1.4	3.25	0.39	1.4	1.0
	Transition	0.3	0.29	0.57	10.2	5.8	2.99	0.52	8.9	5.2	0.65	0.46	7.4	4.6	3.94	0.51	8.7	5.1
	Sulphide		0.02	0.42	2.6	1.3	0.45	0.56	10.4	6.2	0.37	0.45	7.1	4.2	0.84	0.51	8.7	5.2
	Total		**0.64**	**0.49**	**5.5**	**3.2**	**6.2**	**0.47**	**5.6**	**3.4**	**1.18**	**0.44**	**6.6**	**4.0**	**8.03**	**0.46**	**5.7**	**3.5**
Flying Horse	Oxide		0.72	0.47	0.7	0.7	0.57	0.44	0.6	0.6	0.01	0.34	0.1	0.1	1.3	0.46	0.6	0.6
	Transition	0.3	0.76	0.59	5.0	2.9	1.37	0.61	4.3	2.6	0.06	0.56	2.7	1.5	2.19	0.6	4.5	2.6
	Sulphide		0.95	1.16	5.1	2.9	5.75	0.85	5.9	3.4	4.01	0.77	5.2	3.1	10.71	0.85	5.5	3.3
	Total		**2.42**	**0.78**	**3.8**	**2.2**	**7.69**	**0.78**	**5.2**	**3.0**	**4.08**	**0.77**	**5.1**	**3.1**	**14.2**	**0.77**	**4.9**	**2.9**
Mount Clarke	Oxide		0.15	0.46	0.4	0.6	0.35	0.43	0.2	0.5	0.02	0.48	0.3	0.8	0.52	0.44	0.3	0.5
	Transition	0.3	0.41	0.55	1.5	1.0	0.16	0.47	2.2	1.3	0	0.46	6.4	2.8	0.57	0.53	1.7	1.1
	Sulphide		0.36	0.61	1.2	0.8	0.69	0.57	1.9	1.2	0.5	0.55	2.4	1.4	1.55	0.57	1.9	1.2
	Total		**0.92**	**0.56**	**1.2**	**0.8**	**1.2**	**0.52**	**1.5**	**1.0**	**0.52**	**0.55**	**2.4**	**1.4**	**2.64**	**0.54**	**1.5**	**1.0**
Lady Colleen	Oxide		<0.01	0.77	3.0	1.5	<0.01	0.8	2.5	1.3	–	–	–	–	<0.01	0.79	2.7	1.4
	Transition	0.5	0.13	0.85	2.0	1.0	0.18	0.99	3.4	1.7	<0.01	0.61	8.5	4.7	0.32	0.93	2.9	1.4
	Sulphide		0.49	1.7	4.0	2.2	1.96	1.91	4.5	2.4	0.37	1.5	5.9	3.1	2.82	1.82	4.6	2.5
	Total		**0.63**	**1.51**	**3.6**	**1.9**	**2.14**	**1.83**	**4.4**	**2.4**	**0.37**	**1.49**	**5.9**	**3.2**	**3.15**	**1.73**	**4.4**	**2.4**
McLeod Hill	Oxide		–	–	–	–	0.18	0.36	0.0	3.3	0.14	0.36	0.1	1.8	0.32	0.36	0.1	2.6
	Transition	0.3	–	–	–	–	0.22	0.88	0.5	2.4	0.36	0.63	0.4	0.8	0.58	0.73	0.4	1.4
	Sulphide		–	–	–	–	0.19	0.75	0.7	2.4	0.60	0.66	1.1	2.8	0.79	0.68	1.0	2.7
	Total		**–**	**–**	**–**	**–**	**0.59**	**0.68**	**0.4**	**2.7**	**1.09**	**0.61**	**0.7**	**2.0**	**1.68**	**0.64**	**0.6**	**2.3**

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Deposit	Material Type	Cut–off grade (Cu %)	Measured Resources Mt	Cu (%)	Ca[1] (%)	Mg[1] (%)	Indicated Resources Mt	Cu (%)	Ca[1] (%)	Mg[1] (%)	Inferred Resources Mt	Cu (%)	Ca[1] (%)	Mg[1] (%)	Total Resources Mt	Cu (%)	Ca[1] (%)	Mg[1] (%)
Swagman	Oxide		0.14	0.67	–	–	0.03	0.62	–	–	0.02	0.53	–	–	0.19	0.65	–	–
	Transition	0.3	–	–	–	–	0.07	0.6	–	–	0.04	0.45	–	–	0.11	0.55	–	–
	Sulphide		–	–	–	–	–	–	–	–	0.03	0.45	–	–	0.03	0.45	–	–
	Total		**0.14**	**0.67**	**–**	**–**	**0.1**	**0.61**	**–**	**–**	**0.09**	**0.47**	**–**	**–**	**0.33**	**0.6**	**–**	**–**
Enterprise	Oxide		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
	Transition	0.3	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
	Sulphide		–	–	–	–	–	–	–	–	0.95	0.97	–	–	0.95	0.97	–	–
	Total		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**0.95**	**0.97**	**–**	**–**	**0.95**	**0.97**	**–**	**–**
Total[2]	Oxide		2.35	0.50	0.8	0.6	8.15	0.45	0.7	0.7	0.52	0.37	0.9	1.1	11.02	0.46	0.8	0.7
	Transition		3.74	0.65	6.5	3.8	9.91	0.68	7.1	4.2	1.49	0.52	5.3	3.4	15.14	0.66	6.7	4.0
	Sulphide		2.39	1.12	5.0	2.9	13.72	0.97	6.6	3.9	8.99	0.73	5.4	3.4	25.09	0.90	6.0	3.6
	Total		**8.5**	**0.74**	**4.5**	**2.7**	**31.8**	**0.75**	**5.2**	**3.2**	**11.0**	**0.69**	**5.2**	**3.3**	**51.2**	**0.73**	**5.1**	**3.1**
Mount Kelly Heap Leach[3]	Heap Leach Stockpile	0.14	–	–	–	–	–	–	–	–	22.6	0.20	–	–	22.6	0.20	–	–
Total			**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**22.6**	**0.20**	**–**	**–**	**22.6**	**0.20**	**–**	**–**

Austral Resources Mineral Resources by deposit at 31 December 2025 – Rocklands Copper Project Mineral Resource, Queensland.

Deposit	Material Type	Cut–off grade (Cu %)	Measured Resources Mt	Cu (%)	Au (g/t)	Indicated Resources Mt	Cu (%)	Au (g/t)	Inferred Resources Mt	Cu (%)	Au (g/t)	Total Resources Mt	Cu (%)	Au (g/t)
Rocklands In–situ	Native Copper	0.5	–	–	–	0.49	1.38	0.18	0.04	2.62	0.28	0.52	1.47	0.18
	Oxide+ Transition	0.5	–	–	–	0.50	0.95	0.14	0.01	0.71	0.15	0.52	0.94	0.14
	Sulphide	0.25	–	–	–	8.13	0.67	0.14	2.09	0.51	0.10	10.22	0.64	0.13
	Total		**–**	**–**	**–**	**9.12**	**0.72**	**0.14**	**2.14**	**0.55**	**0.11**	**11.26**	**0.69**	**0.13**
Stockpiles	Native Copper	0.5	–	–	–	–	–	–	0.08	1.05	–	0.08	1.05	–
	Oxide+ Transition	0.5	–	–	–	0.01	0.95	–	0.48	0.73	–	0.49	0.73	–
	Sulphide	0.25	–	–	–	–	–	–	0.59	0.34	–	0.59	0.34	–
	Total		**–**	**–**	**–**	**0.01**	**0.95**	**–**	**1.14**	**0.55**	**–**	**1.15**	**0.55**	**–**

Notes: Totals may contain discrepancies associated with rounding.

SHAREHOLDER INFORMATION

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The shareholder information set out below was applicable as at Additional information required by the ASX Limited Listing Rules and not disclosed elsewhere in this report is set out below. This information is effective as at 28 February 2026.

There is no current on-market buy-back.

Corporate Governance

The Board has adopted the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations – 4th Edition (ASX Recommendations). The Board continually monitors and reviews its existing and required policies, charters and procedures with a view to ensuring its compliance with the ASX Recommendations to the extent deemed appropriate for the size of the Company and its development status.

A summary of the Company's ongoing corporate governance practices is set out annually in the Company's Corporate Governance Statement and can be found on the Company's website at https://www.australres.com/investors/corporate-governance/.

Voting rights

Ordinary shares	On a show of hands, every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.
Options	No voting rights.
Performance rights	No voting rights.

Distribution of equity by security holder

	Quoted		Unquoted		
	Ordinary Shares		Performance rights		Options[1]
Holding	**#**	**%**	**#**	**%**	**#**
1 – 1,000	59	0.00	–	–	–
1,001 – 5,000	479	0.08	–	–	–
5,001 – 10,000	490	0.19	–	–	–
10,001 – 100,000	1,404	2.83	1	13.54	–
100,001 and over	746	96.90	1	86.46	1
Number of Holders	**3,178**[2]		**2**		**1**
Securities on issue[3]	**2,123,510,747**[3]	**100.00**	**195,230**[4]	**100.0**	

1. There are 2,464,900 unquoted options on issue with an exercise price of $0.075 and expiry of 24 October 2027. The options are held by Dragon Field International Limited.
2. There were 576 holders of less than a marketable parcel of ordinary shares ($500 amounts to 5,494 shares at $0.091).
3. There are 203,442,821 shares subject to voluntary escrow – 3,442,821 to 30 June 2026 and 200,000,000 to 24 October 2026.
4. Performance Rights were issued under the Company's Performance Share Plan.

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Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	% of total shares issued
Thiess Group Investments Pty Ltd	279,600,000	13.17
Citicorp Nominees Pty Limited	257,054,196	12.11
Yellow Gear Pty Ltd <Super Snake A/C>	195,100,000	9.19
BNP Paribas Nominees Pty Ltd <IB AU Noms Retail client>	128,082,872	6.03
HSBC Custody Nominees (Australia) Limited	103,363,294	4.87
Velrosso Pty Ltd <Harvey 1995 DT A/C>	102,008,109	4.80
Dragon Field International Limited	68,200,000	3.21
UBS Nominees Pty Ltd	59,667,534	2.81
Velrosso Pty Ltd <Harvey 1995 A/C>	57,110,839	2.69
Southern Steel Investments Pty Ltd	44,365,333	2.09
RW Silverline Investments Limited	36,666,667	1.73
HSBC Custody Nominees (Australia) Limited - A/C 2	35,312,824	1.66
T Mitchell Pty Ltd <The T Mitchell S/F A/C>	28,300,318	1.33
Binna Pty Ltd	26,300,000	1.24
J P Morgan Nominees Australia Pty Limited	25,106,317	1.18
Buttonwood Nominees Pty Ltd	23,405,000	1.10
Victory Bright Resources Pte Ltd	20,000,000	0.94
Regroup Australia Pty Ltd	20,000,000	0.94
Mr John Kamara	19,804,937	0.93
Merrill Lynch (Australia) Nominees Pty Limited	15,082,078	0.71
	1,544,530,318	**72.73**

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Substantial holders

Substantial holders in the company are set out below in accordance with the most recent substantial holder notice lodged:

	Ordinary shares	
	Number held	% of total shares issued
Yellow Gear Pty Ltd	195,100,000	
Moose 2.0 Pty Ltd	9,854,688	
Daniel Jauncey	17,618,236	
Total	**222,572,924**	**10.48**

The above holders are associates of Daniel Jauncey.

	Ordinary shares	
	Number held	% of total shares issued
Thiess Group Investments Pty Ltd	279,600,000	13.17
Velrosso Pty Ltd	138,375,749	8.15
Host-Plus Pty Limited	86,000,000	5.06

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CORPORATE DIRECTORY

Listed Company

Directors

David Newling
Daniel Jauncey
David Quinlivan
Michael Hansel
Neil Meadows
Sean Westbrook

Company secretary

Jarek Kopias

Registered office and principal place of business

RACQ House
Level 9, Suite 902
60 Edward Street
Brisbane QLD 4000
Phone: 07 3520 2500

Western operations

Anthill Mine Site and Mount Kelly Processing Area
McNamara Road (off Barkly Highway)
Mount Isa QLD 4825

Eastern operations

Rocklands Operations
Corella Park Road
Cloncurry QLD 4824

Share register

Automic
Level 5
126 Phillip Street
Sydney NSW 2000
Phone: 1300 288 664

Auditor

RSM Australia Partners
Level 27
120 Collins Street
Melbourne VIC 3000

Solicitors

GLG Legal
Level 25
240 Queen Street
Brisbane QLD 4000

Bankers

ANZ
Level 17
111 Eagle Street
Brisbane QLD 4000

Stock exchange listing

Austral Resources Australia Ltd shares are listed on the Australian Securities Exchange (ASX code: AR1)

Website

www.australres.com

Corporate Governance Statement

https://www.australres.com/investors/corporate-governance/

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AUSTRAL RESOURCES

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