AUSTRAL RESOURCES

ANNUAL REPORT

31 December 2024

AUSTRAL RESOURCES AUSTRALIA LTD (ASX:AR1)

Contents

Australian pure play copper company with a large contained copper JORC resource

Austral Resources Australia Ltd is a copper producer, developer, and explorer located in the Mt Isa District of northwest Queensland

In 2024, Austral focussed on its objective, despite corporate issues, of producing LME grade A copper cathode through its wholly-owned SX-EW processing facility, whilst also aiming to extend the Company's mine life through a targeted intensive exploration programme.

Overview

Austral Resources Australia Limited experienced a tumultuous 2024.

The period included significant corporate restructuring, executive leadership changes, and a revised strategy moving forward.

Receivership during the middle of 2024 caused a great deal of disruption throughout the company and its operations, with the second half of 2024 spent executing the required changes to stabilise and position the company to move forward.

Mining Operations

Austral operates the Anthill Mine using conventional truck and shovel approach. In early 2024 Austral completed East Pit Stage 1, made significant progress on East Pit Stage 2 throughout the year and neared completion of West Pit by year end. In September 2024, Austral appointed Regroup as its new mining contractor. The recommencement of mining marked a critical step in the Company's operational recovery and long-term growth strategy.

During 2024, the Anthill Mine was also able to transition from a water positive to a water negative site. A challenging undertaking given ground water inflows to the mine area were in excess of 15lts / second. This was accomplished through a balanced and systematic approach to the scheduling of the dewatering of the pits, large scale implementation of evaporative sprinklers and effective use of water carts. These measures have significantly improved site water management, putting us in a strong position to address groundwater challenges anticipated in the East Pit.

The Company's technical services team continues to take the lead in managing all aspects of mining operations, providing direction and technical oversight to external contractors across drilling, blasting, mining, and road haulage to achieve safe and effective execution of the mine plan.

Environmental

Austral maintained compliance with the Environmental Authority (EA) pre-wet season requirements as set by the Department of Environment, Tourism, Science and Innovation (DETSI). This achievement underscores the Company's dedication to upholding the highest standards of safety and environmental responsibility.

Additionally, all process ponds were successfully emptied prior to the EA requirement deadline of 31 October 2024. This proactive measure ensured regulatory compliance and demonstrated effective water management strategies. Furthermore, the Company maintained a negative water balance throughout the year, mitigating environmental risks associated with excess water accumulation.

Processing

The SX-EW (Solvent Extraction-Electrowinning) process at Mt Kelly has continued to play a material role in the operational capability to produce LME Grade A copper consistently with marked levels of plant reliability. Across 2024, significant progress was made in improving plant availability, particularly during wet weather events. Enhancements to wet weather procedures and preparations contributed to increased uptime during substantial rain events, ensuring more than 90% plant availability.

The Company's focus on enhancing plant availability, optimising copper recovery, and reducing operational costs has strengthened its position in producing high-purity LME Grade A copper with consistency and reliability. This provides the foundation for maintaining a sustainable and resilient operation that will support long-term growth and success into 2025.

Resource Development and Expansion

During 2024, Austral also released a positive Scoping Study across several key deposits indicating approximately 128,000 tonnes of contained copper potentially available for mining over the next 8 to 10 years. Notably, over 90% of the Mineral Resources in the Study were within the Measured or Indicated JORC classification, highlighting the robustness of the Company's Mineral Resource inventory and economic viability of the project.

Exploration activities further reinforced the potential of the Company's assets. At Lady Colleen, drilling confirmed the continuity of high-grade copper mineralisation, including a notable intercept of 20 meters at 3.04% copper.

Additionally, the Company released an Inferred Heap Leach Mineral Resource Estimate (MRE) indicating 22.6 million tonnes grading 0.20% copper, translating to 44.6 kt of contained copper metal.

Further studies are planned to evaluate the economic potential of the Heap Leach re-processing project.

Performance Highlights

3.65Mt
Total Material Moved

$82.1m
Sales Revenue

6,341t
Copper Sales

435kt
Contained Copper

$9.4m
Operating Cash Inflows (Net)

8.1
TRIFR

Chairman's Letter

Dear Shareholders,

The 2024 year has been a period of intense transformation for Austral, requiring simultaneous efforts and focus to recapitalise the business, strategically reposition the business for sustainable growth, while continuing our commitment to operational excellence.

To preserve and enhance shareholder value during this transitional period, we have continued to focus on growth transactions designed to expand and strategically reposition Austral to attract a broader pool of capital. We anticipate this strategy has the potential to deliver a favourable outcome for shareholders.

Strategic and Financial Restructure

A critical development during the year was the acquisition of our senior secured debt by Glencore Australia Holdings Pty Limited in May 2024. This transition resulted in the execution of a comprehensive Framework Agreement in June 2024 between Austral, Glencore, Secover Pty Ltd, and Thiess Pty Ltd. The Agreement's primary objective was to clear secured debts and settle unsecured trade payables owed to Thiess, ensuring financial stability.

Key aspects of the Agreement include:

- Debt Repayment Structure: Repayment of secured debts through proceeds generated from the Anthill Project, with continued operational oversight by Austral;
- Revenue Sharing Post-Debt Repayment: Following full debt repayment, Austral will participate in 10% of production proceeds, aligning shareholder interests with those of our strategic partners; and
- Operational and Processing Services: A commitment to providing operational and processing services on a cost-plus basis.

Additionally, to facilitate the repayment of the Thiess secured payable, we secured an $11.7 million facility from Secover Pty Ltd in June 2024. This non-interest-bearing facility, is set for repayment within 12 months, further reinforcing our commitment to financial prudence.

Post-Receivership Stability and Operational Resilience

Emerging from receivership, Austral demonstrated remarkable resilience. A key achievement was the retention of our workforce, underscoring the strength of our corporate culture and commitment to our employees. Management maintained transparent communication, ensuring stability and positive morale among staff during this uncertain period.

Equally important was the ongoing support from key suppliers, traditional owners, and local landholders who remained steadfast in their partnerships with the Company. Their collaboration was instrumental in maintaining operational continuity and securing the necessary approvals for future development.

Following a brief operational pause due to receivership, the Company implemented a rapid response strategy to resume full-scale operations. This included mobilising key personnel, re-establishing supply chains, and optimising infrastructure to support production growth.

Operational Enhancements and Strategic Adjustments

Throughout 2024, we undertook several initiatives to improve efficiency, reduce costs, and optimise production. Key operational developments included:

- Heap Leach Optimisation: Lowering the heap leach stack height from 8 meters to 6 meters to enhance metal recoveries and accelerate cash flow from copper production;
- Crusher Upgrades: Addressing multiple crusher issues that impacted production efficiency, culminating in the decision to procure a new screen in December 2024. This investment is expected to enhance throughput and reduce downtime in 2025; and
- Regulatory Compliance and Safety Improvements: The consolidation of two Mining Leases into a single Safety Health Management System (SHMS), streamlining safety procedures, and improving regulatory compliance.

Production Guidance

To enhance transparency and provide shareholders with greater insight into our operations, the Board has introduced quarterly production guidance. This initiative will offer regular updates on operational performance and forward-looking production expectations.

For the March 2025 quarter, the following production estimates have been provided:

- Total Material Movement: 1,922,696 tonnes;
- Total Ore Mined: 217,323 tonnes @ 0.68% copper (Cu);
- Total Contained Cu: 1,474 tonnes; and
- Total Cu Produced: 1,788 tonnes.

While the Company cannot predict fluctuations in the London Metal Exchange (LME) copper price or foreign exchange rates, the Company remains remain focused on operational efficiencies and cost controls to navigate market conditions effectively.

Outlook

Despite the challenges faced in 2024, Austral has emerged stronger, with a reinforced leadership team, an energised workforce, and a refined strategy.

Our internal focus remains on enhancing efficiencies, expanding our resource base, and optimising production to drive long-term value for our shareholders.

Our external focus is committed to continuing to pursue several potential growth transactions that could maximise shareholder value and facilitate a recapitalisation process and re-quotation of securities on the Australian Securities Exchange (ASX).

The past year has tested our resilience, but it has also underscored the unwavering commitment of our people, operating partners, and stakeholders. With a clear vision and strategic roadmap, Austral is well-positioned to capitalise on future opportunities and cement its role as a leading Australian copper producer.

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

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Review of operations

Overview

Austral continued to build on its solid foundation in 2024, achieving strong operational performance while maintaining a focus on safety, environmental sustainability, and cost efficiency. During 2024, significant milestones were achieved at the Anthill copper mine and Mt Kelly processing facility, underscoring the Company's strategic focus on operational excellence and sustainable growth during the period.

Safety and Environment

Safety and environmental responsibility continue to be embedded in the Company's operations and culture. In 2024, Austral implemented various initiatives aimed at further reducing risks and maintaining our commitment to the highest safety standards.

The Company focused heavily on improving safety outcomes across all operational areas. Austral reported a 12-month rolling average Lost Time Injury Frequency Rate (LTIFR)[1] of 5.7 and a Total Recordable Injury Frequency Rate (TRIFR)[2] of 8.1, maintaining a strong safety performance relative to industry standards.

Austral continues to prioritise environmental stewardship and has maintained rigorous environmental controls throughout its operations. Across 2024, the Company maintained a negative water balance at the Anthill copper mine, ensuring that water management and usage were optimised to reduce the environmental footprint of its operations. This achievement underscores Austral's commitment to efficient water use in mining activities while mitigating environmental impacts.

The Company also undertook land restoration initiatives at the Anthill copper mine, ensuring compliance with progressive rehabilitation requirements and demonstrating a strong commitment to sustainable post-mining land use. There were no significant environmental incidents reported during the year, further reflecting the Company's adherence to best practices in environmental management.

Mining Operations

The Anthill copper mine remains the cornerstone of Austral's mining activities, with production scaling up in 2024, post receivership, through increased operational efficiencies and strategic development.

Key achievements:

- East Pit Expansion (January 2024): The completion of Stage One of the East Pit increased mining capacity, allowing for greater waste movement and facilitating higher production levels.
- Dewatering Efforts: To mitigate the impact of seasonal groundwater inflows, additional dewatering wells were installed. These measures were crucial in maintaining pit stability and ensuring mining continuity during periods of heavy rainfall.
- Increased Waste BCM: Waste volumes surged during the year, with significant increases in material moved from the East Pit, a direct result of optimised mining practices and fleet expansion.
- A strategic dewatering campaign commenced in early December 2024 to dewater the Mt Clarke pits to enable the mining campaign to commence in late 2025 after the completion of Anthill.

Despite heavy rainfall challenges, the Company adapted quickly, resuming normal production levels after weather conditions improved, demonstrating resilience and operational flexibility.

1. LTIFR (Lost Time Injury Frequency Rate) measures injuries causing at least one full shift off work per million hours worked.
2. TRIFR (Total Recordable Injury Frequency Rate) includes all recordable work related injuries, such as lost time, medical treatment, and restricted duties

Processing Operations

The Mt Kelly copper processing facility (Mt Kelly facility), which employs heap leaching and solvent extraction-electrowinning (SX-EW) technologies, remains central to Austral's copper production.

Key performance highlights:

- December 2024 production of plated copper (Cu) exceed the target of 500 tonnes with a total of 634 tonnes of copper being plated.
- Copper Production (December 2024): The Mt Kelly facility produced 1,565 tonnes of copper cathode in the December quarter, marking a significant increase in output. This performance was driven by mechanical improvements made to the crushing and stacking circuit.
- Crusher Failures and Rectification: In late 2024, the Company experienced mechanical failures with the crushing and stacking circuit. These failures temporarily impacted processing capacity. However, comprehensive rectification works were carried out, restoring operational capacity and enabling the increase in copper production by December. The rectifications involved extensive repairs and optimisation of key processing systems to ensure future stability and efficiency.

The Company's focus on maintaining and enhancing the Mt Kelly facility operations continued throughout 2024, including ongoing maintenance and system improvements that reduced downtime and boosted overall efficiency.

Exploration

Austral holds over 2,100 km² of highly prospective exploration tenure, featuring a global in-ground Mineral Resource of 390kt of contained copper and a further 45kt within the heap leach. This resource, compliant with JORC standards, comprises 52.8 Mt at 0.74% copper plus 22.6 Mt at 0.2% copper within the Heap Leach facility at Lady Annie Operations. The Company's exploration strategy is designed to maximize the discovery of economic mineral inventory and extend the mine's operational lifespan. To achieve this, the exploration team employs a disciplined and efficient approach, focusing on target generation, drill testing prioritisation, and rapid

Figure 1: Identification of undrilled copper oxide at surface within the McLeod Hill ML provides encouragement to further success during the 2025 drilling season

prospect evaluation, guided by a focus on four key pillars:Extending Existing Operations: through the discovery of additional oxide resources at Lady Annie to extend the operational life of the Mt Kelly SX-EW processing facility.

1. Monetise Existing Assets: through the current inventory of sulphide ore resources.
2. Discover New Resources: through ongoing regional exploration of tenements.
3. Develop Strategic Partnerships and Acquisitions: through JV exploration tenure and alternatives to purchase and toll treat other oxide ores

Austral adapted its exploration strategy in 2024, operating with a smaller team and a more focused budget. The Company prioritised low-cost, rapid mineral potential evaluation across its tenements, employing pXRF techniques for termitaria and high-density soil grid sampling to generate new targets and prioritise drill testing. This methodology facilitated the analysis of 5,893 samples, achieving a $235,720 cost reduction relative to conventional exploration methods. There was no exploration drilling performed during 2024.

Outlook

Looking ahead, Austral is well-positioned for future growth, with a clear focus on improving operational efficiencies, advancing the Anthill copper mine, and optimising the Mt Kelly facility. The Company remains committed to upholding a robust safety and environmental framework to guide all operational activities. With the dewatering strategy implemented, ongoing processing plant improvements, and a disciplined approach to cost management, Austral remains confident in its capacity to generate strong returns to shareholders in the years ahead.

This 2024 operational review underscores Austral's key achievements and progress across its mining and processing assets, reflecting a year of steady growth, resilience in overcoming operational challenges, and a continued focus on maintaining rigorous safety and environmental standards.

2024 Highlights

Lady Maggie Environmental Approval Granted

In December 2024, Austral received environmental approval from the Queensland Department of Environment, Tourism, Science and Innovation (DETSI) to conduct exploration-related disturbance at the historical Lady Maggie copper (Cu) mine, situated approximately 8.5km from the Lady Annie/ Mt Kelly SX-EW facility.

This approval enables Austral to proceed with planned exploration drilling, targeting encouraging historical drilling intercepts, including 53m @ 1.02% Cu (BG07007; from surface) and 11m @ 2.8% Cu (BG07006; from 59m).[3,4] Pending successful recapitalisation, drilling is anticipated to commence in the June quarter of 2025.

Figure 2: Lady Maggie (Boomerang) copper mine workings on EPM 28325 looking south east

3. Significant intercepts calculated using a Cu cutoff of 0.3%, no internal dilution and no external dilution.
4. Intercepts and context for these Cu intercepts and drillholes previously reported on 10 July 2023 as "Austral Granted Exploration Licence - includes 6m @ 4.7% Cu".

McLeod Hill Copper Resource Upgrade

In 2024, Austral announced a revised Mineral Resource estimate for McLeod Hill, reporting 1.7 million tonnes at 0.64% copper[5]. This update, based on drilling conducted in 2023, represents a 50% increase in both contained copper tonnes and grade compared to the 2010 estimate. Notably, the copper oxide resource remains open along strike to the north.

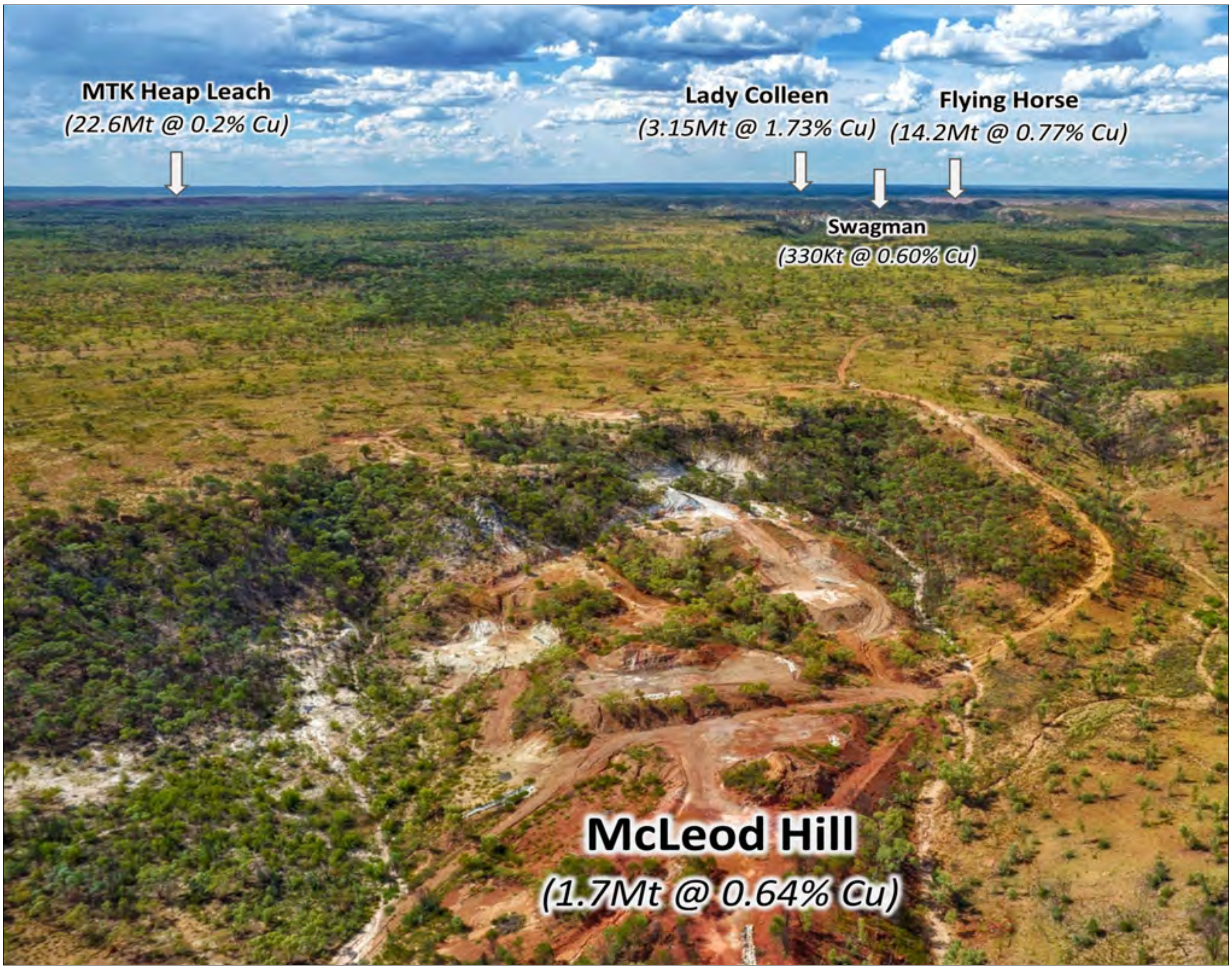

Figure 3: Aerial photograph highlighting the proximity of the recently upgraded McLeod Hill copper resource and other copper resources owned by AR in close proximity (~5km) of the SX-EW facility

Copper Sulphide Resource Development

In 2024, the exploration team prioritised the expansion and eventual monetisation of Austral's Cu sulphide Mineral Resource base, currently comprising 25.10Mt @ 0.90% Cu, across 9 separate deposits[6]. This initiative follows the encouraging 2023 drilling results reported for Lady Colleen[7] and Flying Horse[8], located on Austral's Mt Kelly extended Mining Lease (ML), which demonstrated open continuity of +3% Cu grade.

5. ASX Announcement, "Significant Increase of McLeod Hill Copper Mineral Resource, 20 May 2024
6. Austral Resources End of Year 2024 Mineral Resource Table
7. ASX Announcement, "High-Grade Cu Continuity Confirmed at Lady Colleen", 30 July 2024
8. ASX Announcement, "High-Grade Copper Mineralisation Intercepted at Flying Horse", 28 May 2024

Lady Colleen Deposit – Grade Remains Open[9]

Nine (9) holes comprised of 639.7m reverse circulation (RC) and 1,488.3m diamond head (DDH) totalling 2,128m was drilled late in 2023. The best results were obtained from MTKD017 which was drilled to a total depth of 317.8m and intercepted 47m @ 1.99% Cu from 203m, including 20m @ 3.04% Cu from 217m as a chalcopyrite-pyrite-dolomite filled fault breccia within the immediate footwall zone of the Spinifex Fault.

MTKD017 represents a +64m step out (Figure 4) from any previous drill intercept of the Spinifex Fault high-grade zone (+3%) and demonstrates that high-grade Cu mineralisation continues to remain open down dip. MTKD017 also represents Austral's best drill intercept to date at the Lady Colleen Deposit.

Figure 4: Semi-massive chalcopyrite breccia fill typical of mineralisation associated with the Spinifex Fault: MTKD017, 223m.

Flying Horse Deposit – Strike Extension Confirmed[10]

Two holes for 413.8m of diamond drilling were completed late in 2023 in the Flying Horse Pit. Targets were designed to test the extent of sulphide mineralisation adjacent to the existing block model. High grade copper mineralisation was intercepted in the 'saddle' of Flying Horse Pit (Figure 5).

The 'Saddle Lode' of the Flying Horse sulphide resource refers to the mineralisation beneath the pit wall separating the Flying Horse and Mt Clarke open pits, and contains some of the highest historical Cu sulphide grades intercepted in the Mt Kelly area. MTKD019 intercepted 40m @ 2.27% Cu (12.89m true width) from 132m, including 16m @ 4.71% (5.15m true width) from 150m[10] (Figure 6). These drill results will be incorporated into the resource model and future scoping studies.

9. ASX Announcement, "High-Grade Cu Continuity Confirmed at Lady Colleen", 30 July 2024.
10. ASX Announcement, "High-Grade Copper Mineralisation Intercepted at Flying Horse", 28 May 2024.

The ongoing exploration of the Flying Horse, Lady Colleen, and Lady Annie deposits is the first step in expanding and assessing the potential to begin commercialisation of Austral's 226kt[11] of contained copper as sulphides and 102kt[11] within transitional material to augment the Company's remaining 109kt[11] contained copper as oxide within existing reported as in-ground resources and heap leach remnants.

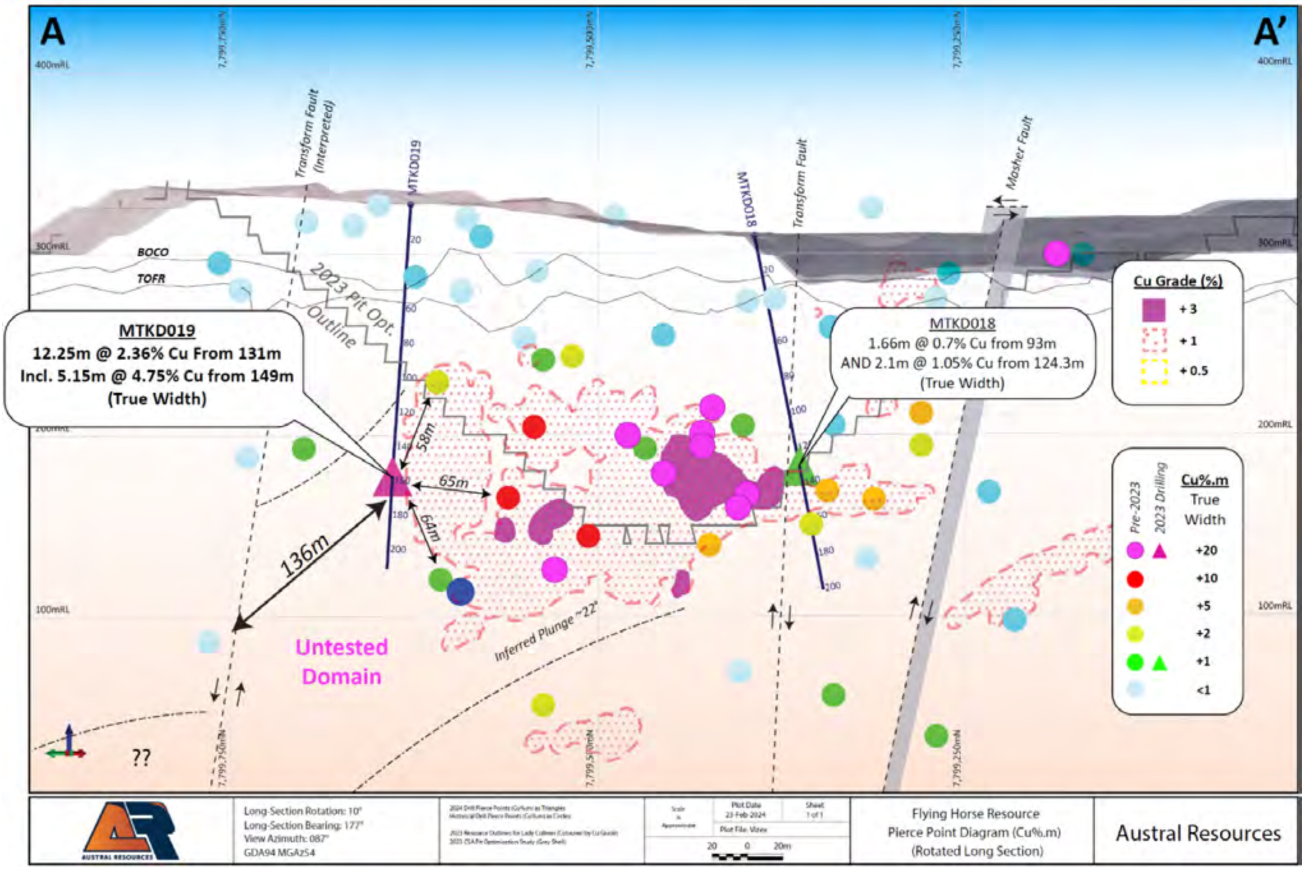

Figure 5: Pierce Point Diagram (long-section A-A') outlining all drillhole intercepts (as Cu% metres) along the high-grade 'Saddle Lode' of the Flying Horse Cu Resource.

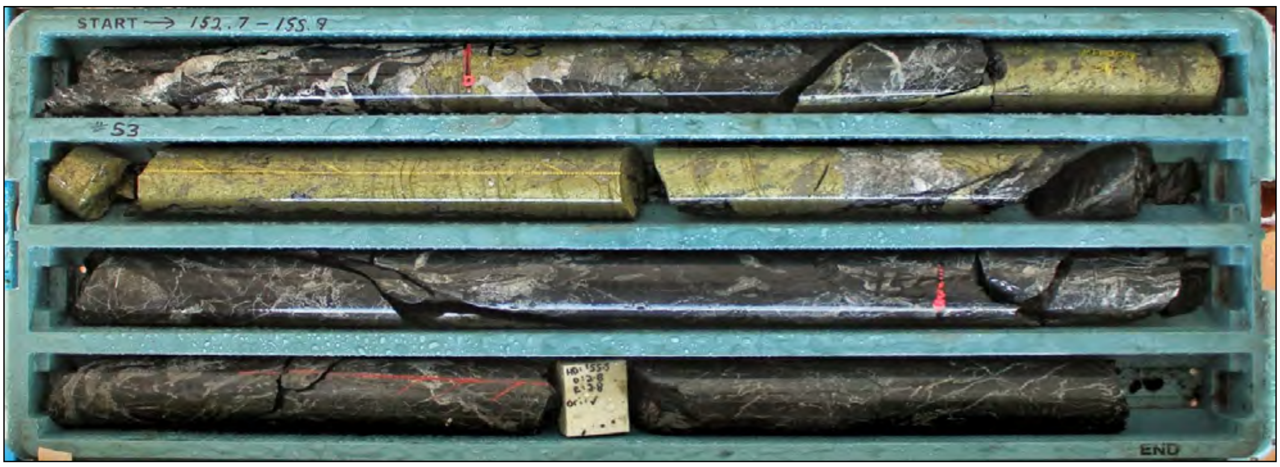

Figure 6: Cu mineralisation intercepted in the 2023 Flying Horse Drilling Program. A lens of massive chalcopyrite hosted within faulted/ brecciated weakly carbonaceous shales (MTKD019, 152.7 - 155.9m).

11. 2025 "Mineral Resource and Ore Reserve Update", WSP, March 2025.

Other Exploration Achievements for 2024

During 2024, the exploration team undertook an ambitious and expansive regional field season across the Company's 2,181km^2 of exploration tenure, which succeeded in both rejuvenating the prospect pipeline with new targets and elevating several known prospects to drill-ready status. Adoption of a low-cost, fast-acquisition geochemical method led to total of 5,893 surface geochemical samples being obtained for the year across the tenure, yielding more than 20 high-quality, drill-ready Cu anomalies, ready for the 2025 season (Figure 7).

A particular exploration focus during the year was the Eastern Tenement Area, which has only seen subdued exploration activities since 2016. More than 35 historic Cu workings were visited during the field season as part of the regional reconnaissance exploration to prioritise future activities prior to drilling. Remnant Cu-oxide minerals (i.e. malachite and azurite) in addition to Cu-sulphides (i.e. chalcocite and chalcopyrite) were observed in all workings, with some samples providing particular encouragement for future drill testing (Figure 8).

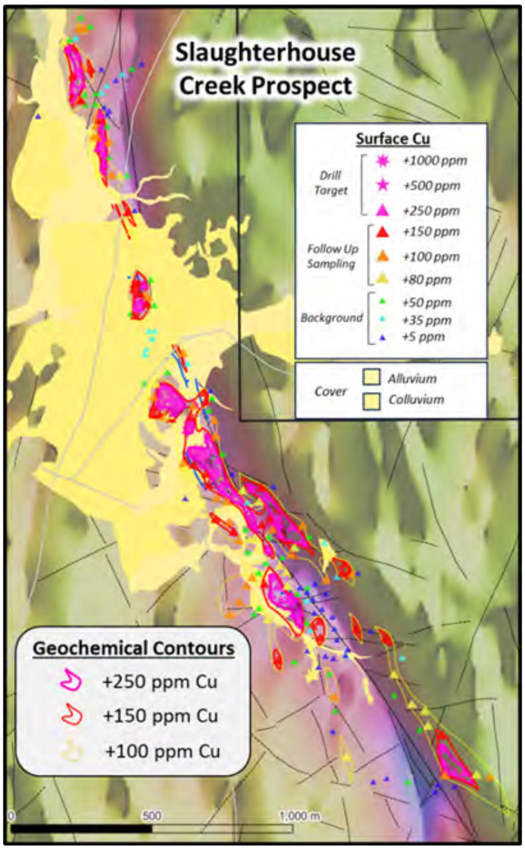

Figure 7: The Slaughterhouse Creek Prospects represents a high-priority Cu anomaly identified during Exploration in 2025[12]

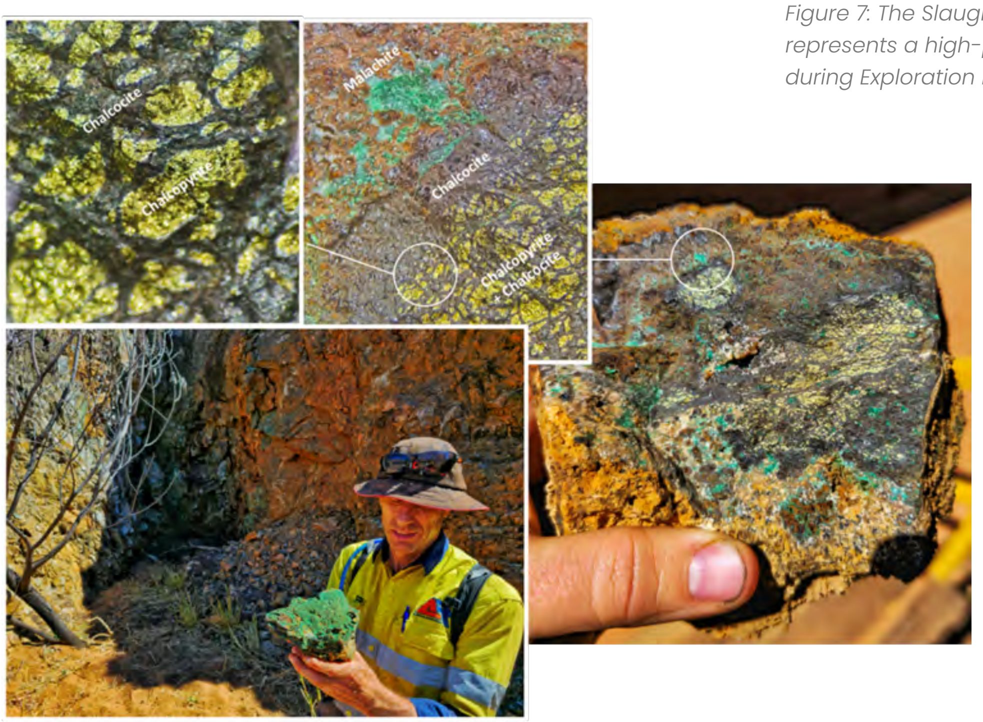

Figure 8: Samples of some of the highest oxide and sulphide mineralisation encountered at historic Cu workings in the Cameron River Project area. (right and top) High-grade sulphide-transitional Cu mineralisation collected from near the Golden Horseshoe Mine, and a malachite-rich sample from the Crucifix Mine – neither of which have been drilled in modern times.

12. ASX Announcement, Austral Resources Investor Presentation, 10 October

Glencore/MIM Exploration Agreement

Across 2024, regular technical, operational, and logistical collaboration continued between Austral and Glencore technical and executive teams. Glencore completed one hole of their program for the 2024 campaign season due to the late wet season in January 2024 and financial uncertainty following their decision to reduce operations in Mt Isa.

Tenure

The Company holds 2,181km^2 of highly prospective exploration tenure comprised of 37 Exploration Permit Minerals (EPMs) and 1 Exploration Permit Minerals Application (EPMA) (Figure 9). Under the finalised Earn-in Agreement with Mount Isa Mines (MIM), Austral is entitled to earn-in up to 65% interest within Glencore's Russell Fault EPM 26435 by spending A$2.0 million over four years, effectively further increasing the Company's copper exploration area by 116km^2. The Company also holds 15 Mining Leases covering 53km^2.

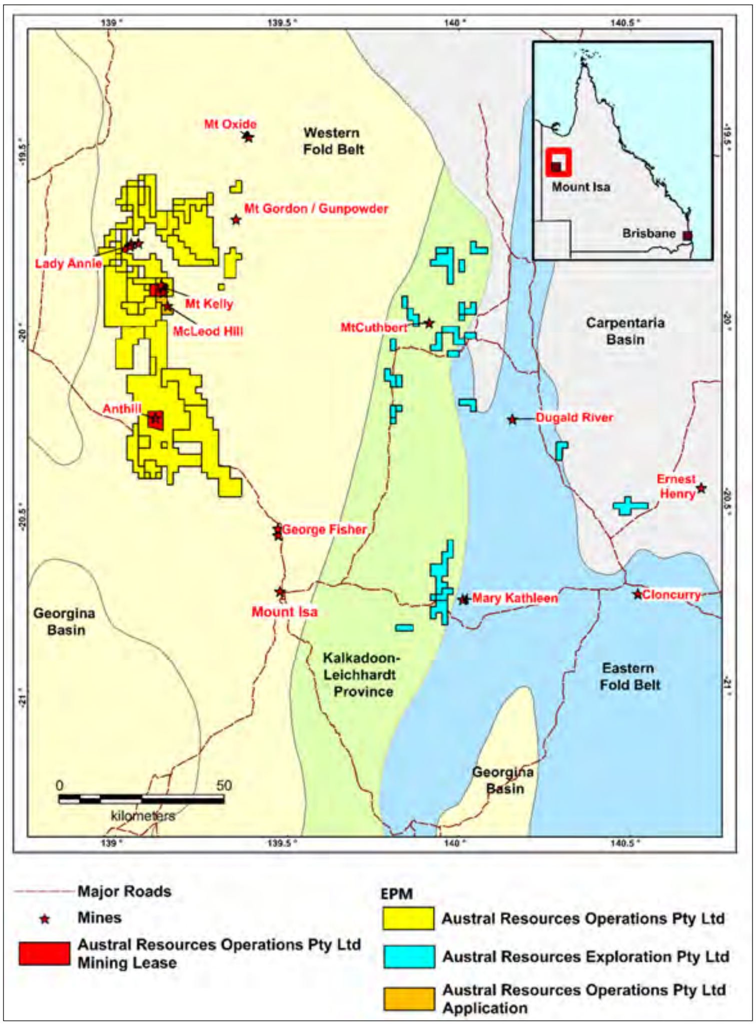

Figure 9: Plan of Austral Tenure

Environmental, Social, and Governance (ESG)

Our story so far

Austral remains committed to ESG principles, recognising their importance to the long-term sustainability of our business and the communities in which we operate as well as the crucial role of copper for a sustainable and low-carbon future.

Austral formally launched its ESG journey in 2022 by developing an ESG Strategy and Program. Recognising that we are a smaller mining operation with limited resources, we have focused our efforts on areas where we can have the greatest positive impact. This focus is underpinned by our commitment to understanding our environmental impact, engaging with the community, strengthening our governance, and building a strong foundation for future ESG initiatives.

Key milestones to date include:

- Formalised ESG Program including governance and oversight;
- Conducted an ESG Stakeholder Sentiment Survey, and established our ESG baseline;
- Endorsed and adopted Corporate Governance Policy documents;
- Contributed to various community centric initiatives;
- Implemented lifestyle rostering to promote healthy work/life balance;
- Site-based social club, partially funded by the sale of scrap copper;
- Telecommunications upgrade to help employees contact family and friends;
- Water recycling initiatives implemented ("wobbler" sprinklers and "dripper irrigation);
- Progressive Rehabilitation Closure Plan established;
- Incorporated ESG program updates in quarterly reporting;
- Established ESG Subcommittee (engaging key stakeholders); and
- Preparation towards Australian Mandatory Sustainability reporting.

2024 ESG Program Progress:

Below is Austral's ESG Program Achievements 2024.

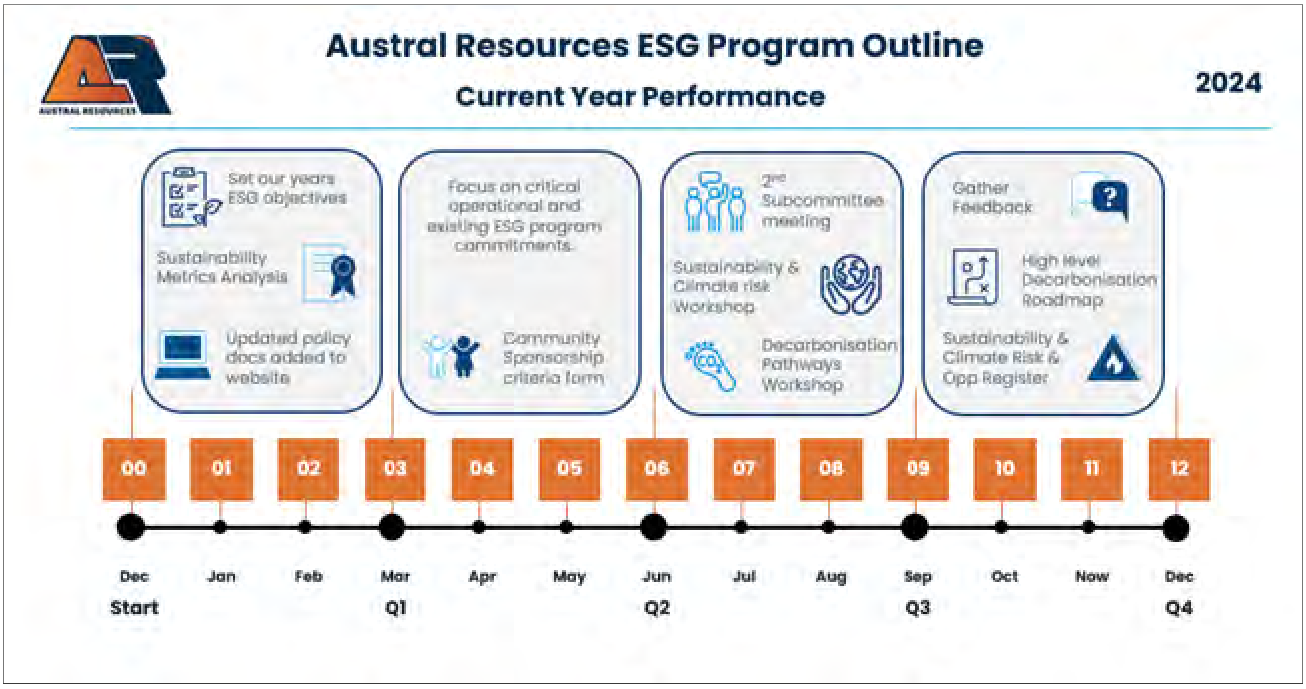

Figure 1: Austral 2024 ESG Program Outline

Environment

Austral prioritises environmental performance through five key standards: emissions and energy, air quality, water, waste management, and land and rehabilitation. Austral's activities are governed by conditions detailed in mining approvals, lease conditions, and licenses set by the Government, conducting periodic voluntary independent environmental performance audits and using uniform internal reporting system for all environmental incidents.

Operational environmental highlights include:

- Solar lights installed at camp to reduce demand from generators;
- Recycling initiative including containers for change, metals and battery recycling to reduce waste generation;
- Endangered species biodiversity offset, compensating for impacts at Anthill;
- Fish habitat area has been built for creek diversion, improving creek biodiversity;
- Conducted an onsite Sustainability and Climate Risk and Opportunity Assessment; and
- Investigation of decarbonisation pathways to reduce carbon intensity footprint.

Sustainability, Climate Risk and Decarbonisation

In the 2023 Annual Report, Austral committed to deepening its understanding and integration of sustainability and climate considerations into operations. This year, the focus has been on incorporating a robust risk and opportunity lens, specifically addressing Sustainability and Climate related risk, and identifying practical pathways in reducing our carbon intensity footprint.

During September 2024, Austral undertook a Sustainability and Climate Risk workshop, facilitated by an independent advisory team to assess Austral's overarching sustainability risk profile and capture opportunities that can be embedded at Lady Annie Operations.

The objectives were:

- Identify hazards from both current operations at Anthill and future mining operations, including closure;
- Discuss effective controls to reduce / mitigate inherent risk rating;

- Handover a functional Sustainability and Climate risk register to Lady Annie operations; and
- Inform and prepare for compliance with future ASRS reporting requirements and timing.

Social

Community and stakeholder engagement

In 2024, Austral demonstrated its ongoing commitment to community support through strategic sponsorships, including the Yelvertoft Campdraft and Rodeo and the AusIMM NQ Branch Critical Minerals Forum. The Company also provided vital donations to organisations like the IPCA Isolated Children's Parents Association, and offered consistent in-kind contributions such as equipment use, donated materials, and accommodation for local events.

To maintain transparency and a structured approach, Austral Resources developed a Community Sponsorship Form, which outlines clear evaluation criteria. This form facilitates the objective assessment of applications based on the Company's values, community impact, financial viability, and brand alignment.

Working with traditional owners

Austral recognises and respects the traditional lands of the Kalkadoon and Indjalandji people, where it is privileged to operate. The Company is committed to fostering genuine partnerships with both groups through open communication, respect for cultural heritage, and the pursuit of mutually beneficial outcomes that support economic development and cultural preservation. This collaborative approach ensures its operations respect cultural heritage and contribute positively to these communities.

Our People

As a part of Austral's commitment to ongoing support, attraction and retention of its workforce, the following are some of the employee-focused initiatives that have been implemented:

- Flexible lifestyle rostering with paid travel days to prioritise work-life balance;
- Virtual Safety Rep Program, accessible through a QR code, providing a confidential channel for employees and contracts to report concerns or provide feedback;
- Introduction of Employee Assistance Program (EAP) for confidential counselling and support services to employees and immediate family members;
- Regular medical checks ensuring employees are fit for work and receive necessary care;

- Upgraded camp lighting enhancing visibility and security;
- Introducing "Are you OK?" toolbox talks; and
- Heat stress and hydration monitoring during extreme weather events.

ESG Subcommittee Meeting with our Stakeholders

Austral held its second annual ESG Subcommittee meeting in September 2024, which was attended by a diverse cross section of stakeholders including employees, local landholders, traditional owner representatives, and supply chain partners

Commencing with a recap of the inaugural 2023 meeting content, the cohort then discussed what had been achieved in the 2023/24 program highlighting key successes as well as areas trialled but needing further development. The team also took the opportunity to provide stakeholders with a brief overview on early insights from the Sustainability and Climate Risk Workshop that had been completed on site the day prior, along with areas identified for further development in the 2024/25 ESG program.

The meeting concluded with a dynamic and interactive discussion, soliciting feedback on the topics covered and gathering valuable insights from attendees on key ESG focal points, including perceived opportunities and areas for future focus.

Topics raised included:

- Funds and grant opportunities for sustainability and decarbonisation;
- Opportunity for regional collaboration on waste oil;
- Collaboration with council and other mines on fire response planning;
- How to attract the next generation into the industry and the region;
- Opportunities for engagement with universities and schools;
- Maximising initiative benefits through partnering; and
- Networking opportunities.

Governance

Board ESG Oversight

Austral is committed to open communication with stakeholders, aligning our actions and decisions with our sustainability strategy, and delivering on our commitments. Austral maintains transparency and governance through regular ESG committee meetings, which provide board oversight of our ESG program and inform the board on material ESG risks and opportunities.

Mandatory Climate Related Disclosures

With Australia's mandatory climate-related financial disclosures taking effect in January 2025, Austral has begun proactive preparations for disclosure, anticipated for the reporting period starting 1 July 2026 (Group 2). These preparations, initiated in 2024, include conducting an on-site Sustainability and Climate Risk Assessment to identify relevant risks and opportunities, and assessing Scope 1 and 2 emissions to develop a decarbonisation roadmap. These efforts will inform the Company's ASRS disclosures, covering governance, strategy, risk management, and metrics and targets related to climate change.

Looking Ahead

During 2025, Austral intends to continue its ESG program, prioritising practical initiatives that align with Austral's values and strategy, while also incorporating key stakeholder feedback

Key focus areas include:

- Update to Austral's website to include a dedicated Sustainability Section;
- Further preparation for incoming climate related disclosure requirements;
- Investigate funding and grant opportunities to support decarbonisation strategies;
- Enhance community engagement and actively integrate stakeholder feedback;
- Convene the annual ESG Subcommittee meeting with stakeholders;
- Expand site-based social initiatives to further benefit our workforce;
- Maintain and advance our leading progressive land rehabilitation practices; and
- Seek to strengthen collaborative partnerships with other mining operations, contractors, supply partners and the broader community.

Board of Directors

David Newling

Chairman

BBus, CAANZ, MAppFin, FFin, AAusIMM, MIML, GAICD

Memberships

Fellow of the Financial Services Institute of Australia
Member of the Australian Institute of Management
Member of the Institute of Chartered Accountants Australia and New Zealand (ICAANZ)
Associate Member of The Australasian Institute of Mining and Metallurgy (AUSIMM)
Graduate Member of the Australian Institute of Company Directors (AICD)

Listed directorships

None.

David is an accomplished financial executive with exceptional financial acumen and strategic insight. Currently, he is the Chief Executive Officer of The Springwood Group, the family office of a renowned Australian retailing family.

David has a broad and varied background across industries in both the public, private, and not-for-profit sectors. David brings a pragmatic approach to his leadership and is known for his calm and logical approach to decision making and crisis management. David's reputation for integrity in his stakeholder management and relationship building has led to a successful track record of trusted partnerships, corporate governance, and board management.

Dan Jauncey

Non-Executive Director and former Managing Director and Chief Executive Officer

Memberships

Australian Institute of Company Directors (AICD)
Young Presidents Organisation

Listed directorships

None.

Dan founded Matilda Earth moving in 2000. This business was based in Toowoomba, Queensland and operated predominately in Southern Queensland and Northern New South Wales. In 2003, Dan saw an opportunity in the resource sector to supply late model, low-hour ancillary equipment on a rental basis. This alleviated a number of industry challenges and, as a result, Matilda Earth moving was wound down and Matilda Equipment was formed. Over a 15-year period, Dan expanded Matilda Equipment nationally and also established a branch operating in Papua New Guinea. In 2012, Matilda Equipment was recognised as one of the fastest growing companies in the country and was placed in the BRW Fast 100 Companies.

In 2018, Matilda Equipment was sold to an ASX listed company. Dan was instrumental in the acquisition of the key mining assets for Austral in 2019. Since acquisition, he has been involved in all facets of Austral, from day-to-day operations through to capital raising. He takes a holistic, hands-on approach to business, regularly visiting sites, and being involved with the team.

In July 2022, Dan was appointed the Managing Director and Chief Executive Officer of Austral. Ultimately, he was responsible for ensuring the Company continues to grow through its LME Grade A copper production, Anthill Project, and exploration.

Dan is keenly aware of the need to be agile and competitive in a global industry and focussed to position the Company to take full advantage of the team's skills and knowledge to diversify its production and maintain its position as a market leader.

Dan resigned as Managing Director and Chief Executive Officer effective 31 October 2024 and remains on the Board as Non-executive Director.

Michael Hansel

Non-Executive Director
Chair, Audit and Risk Committee
LLB (Hons), BCom (Hons), BBus

Memberships

None.

Listed directorships

Cannindah Resources Limited

Michael Hansel is a Corporate Partner of HopgoodGanim Lawyers specialising in mergers and acquisitions, IPO's, corporate governance, capital raisings, takeovers and joint ventures.

Michael acts for a number of ASX-listed entities and large domestic and foreign private companies in the resources sectors. He was appointed as a Non-executive Director of Austral in February 2022 and is Chair of the Company's Audit and Risk Committee. Michael is the Non-executive Chairperson of listed copper gold explorer Cannindah Resources Limited.

Michael is consistently recognised as a leading corporate, business, and commercial lawyer by various legal publications including Doyle's Guide and The Best Lawyer™.

Senior Management Team

Shane O'Connell

Chief Operating Officer

Airline Transport Pilot Licence – CASA and CAA of Papua New Guinea; Chief Pilot Approvals and Head of Check and Training (CASA and CAA); Authorised Flight Examiner (CASA and CAA); Approved Maintenance Controller (CASA); Certificate Crew Resource and Management; Certificate Human Factors and Psychology; Certificate II Security; Certificate II Dangerous Goods Approvals; Certificate II Fire Management; Certificate III in Civil Construction

Memberships

None.

Shane has over 20 years' experience in senior management roles across a range of industries, including an extensive and highly esteemed career in aviation and senior operational management.

Shane has experience as both a Director and Senior Manager and has worked as a Government Delegate facilitating compliance and safety programs for various civil aviation safety authorities in Australia, Papua New Guinea, and the United States of America.

Prior to joining Austral, Shane was Managing Director and owner of a private earthmoving company that specialises in civil engineering and rehabilitation works.

Shane joined Austral in July 2019. Previously, as Managing Director, Shane was responsible for the management, safety and compliance, and growth and production performance of the Company's operations. Shane has also been responsible for all negotiations with state regulators including the Queensland Department of Natural Resources and Mines, Manufacturing, and Regional and Rural Development, Queensland Department of Environment, Tourism, Science and Innovation, and Queensland Treasury, particularly in relation to the Anthill Project.

Shane is a fundamental part of day-to-day internal communications with the production and processing teams, ensuring continued LME Grade A copper cathode is produced on time and on budget. Shane is also a member of the Company's ESG Committee.

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Angus Peterson

Chief Financial Officer
Bachelor of Commerce (Finance and Accounting)

Memberships

Institute of Chartered Accountants Australia and New Zealand (ICAANZ)

Angus brings extensive financial expertise and industry experience to Austral, having joined the Company in March 2021. Prior to his appointment, Angus spent over nine years at KPMG, where he worked with both listed and private companies, specialising in the energy and natural resources sectors. His tenure included more than two years in Houston, Texas, providing audit services to oil and gas clients.

In addition, Angus served as the Financial Reporting Manager for TerraCom Resources, an ASX-listed coal mining company, where he gained valuable insights into financial management and reporting within the mining industry.

As CFO of Austral, Angus oversees the Company's financial operations, including day-to-day accounting functions, cash flow management, integration of finance operations, monthly financial reporting, and the preparation of the Company's financial statements. His comprehensive knowledge and leadership ensure the effective financial stewardship of the organisation.

Jarek Kopias

Company Secretary
Bachelor of Commerce (Accounting); Graduate Diploma in Advanced Corporate Governance

Memberships
Chartered Secretary (AGIA, ACG (CS, CGP))
Certified Practising Accountant (CPA Australia)

Jarek has over 25 years' industry experience in a wide range of financial and secretarial roles within the resources industry. This includes 5 years at WMC Resources Limited's Olympic Dam operations, 5 years at Newmont Mining Corporation in the Australian corporate office, and 5 years at Stuart Petroleum Limited, an oil and gas producer and explorer, prior to its merger with Senex Energy Limited.

Jarek is currently the CFO and Company Secretary of Resolution Minerals Ltd (ASX: RML) and iTech Minerals Ltd (ASX: ITM) and Copper Search Limited (ASX:CUS) and Company Secretary of Core Lithium Ltd (ASX: CXO), Iron Road Ltd (ASX: IRD) and Patagonia Lithium Ltd (ASX:PL3). He has held similar roles with other ASX entities in the past, and has other business interests with numerous unlisted entities.

Jarek joined Austral as Company Secretary in July 2021. With his extensive experience as a corporate secretary and governance professional, Jarek is well versed in strategic planning and implementing best practice corporate governance processes. He continues to support in assisting the Board in carrying out its fiduciary duties as well as identifying opportunities for strategic governance and continuous improvement in systems and processes. Jarek is also a member of the Company's ESG Committee.


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Financial Report

Directors' report

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 2024.

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 (appointed on 30 June 2024)
Daniel Jauncey
Michael Hansel
Phillip Thomas (resigned on 30 June 2024)

Principal Activities

During the financial year the principal activities of the consolidated entity consisted of production, development and exploration 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 (2023: Nil).

Review of operations

The loss attributable to the owners of Austral Resources Australia Ltd for the consolidated entity after providing for income tax amounts to $21,109,000 (31 December 2023: profit of $1,920,000).

Austral Resources Australia Ltd has achieved the following for the year ended 31 December 2024:

- Copper cathode sales of 6,341 tonnes (2023: 9,075 tonnes) at an average sale price of US$8,106 per tonne (2023: US$8,442 per tonne);
- Revenue from continuing operations $82,087,000 (2023: $110,280,000);
- Net operating cash inflows of $9,415,000 (2023: inflows of $41,913,000);
- Cash and cash equivalents of $79,000 (2023: $1,145,000)

Significant changes in the state of affairs

On 1 May 2024 Win Finance No.359 appointed receivers and managers over Austral group of companies. The receivers and managers were retired on 13 May 2024 following the acquisition of the senior secured debt by Glencore Australia Holdings Pty Ltd.

There were no other significant changes in the state of affairs of the consolidated entity during the financial year.

Matters subsequent to the end of the financial year

There are no matters or circumstances that have arisen since the end of the reporting period which significantly affected or may significantly affect the operations of the consolidated entity, the results of the operations or the state of affairs in the subsequent period.

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.

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 Chairman
Qualifications:	BBus CAANZ MAppFin FFin AAusIMM MIML GAICD
Experience and expertise:	Mr Newling is an accomplished financial executive with exceptional financial acumen and strategic insight. Currently, he is the Chief Executive Officer of The Springwood Group, the family office of a renowned Australian retailing family. Mr Newling has a broad and varied background across industries in both the public, private and not-for-profit sectors. David brings a pragmatic approach to his leadership and is known for his calm and logical approach to decision making and crisis management. David's reputation for integrity in his stakeholder management and relationship building has led to a successful track record of trusted partnerships, corporate governance and board management. Mr Newling is a Fellow of the Financial Services Institute of Australia and a member of the Australian Institute of Management. He is also a Member of the Institute of Chartered Accountants Australia and New Zealand (ICAANZ), an Associate Member of The Australasian Institute of Mining and Metallurgy (AUSIMM), and a Graduate Member of the Australian Institute of Company Directors (AICD).
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares, options and performance rights:	None

Name:	Daniel Jauncey
Title:	Non-executive Director
Qualifications:	AICD
Experience and expertise:	Mr Jauncey founded Matilda Earth moving in 2000. This business was based in Toowoomba, Queensland and operated predominately in Southern Queensland and Northern New South Wales. In 2003, Mr Jauncey saw an opportunity in the resource sector to supply late model, low-hour ancillary equipment on a rental basis. This alleviated a number of industry challenges and, as a result, Matilda Earthmoving was wound down and Matilda Equipment was formed. Over a 15-year period, he has expanded Matilda Equipment nationally and also established a branch operating in Papua New Guinea. In 2012, Matilda Equipment was recognised as one of the fastest growing companies in the country and was placed in the BRW Fast 100 Companies. In 2018, Matilda Equipment was sold to an ASX listed company. Mr Jauncey was instrumental in the acquisition of the key mining assets for Austral in 2019. Since acquisition, he has been involved in all facets of Austral, from day-to-day operations through to capital raising. He takes a holistic, hands-on approach to business, regularly visiting sites and being involved with the team.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Audit & Risk Committee
Interests in shares, options and performance rights:	264,933,671 ordinary shares held by entities controlled by Mr Jauncey and related parties and 13,832,610 performance rights, subject to KPI based vesting criteria, held by an entity controlled by Mr Jauncey.

Name:	Michael Hansel
Title:	Non-executive Director
Qualifications:	LLB (Hons), BCom (Hons), BBus
Experience and expertise:	Mr Hansel is a Corporate Partner of HopgoodGanim Lawyers specialising in mergers and acquisitions, IPO's, corporate governance, capital raisings, takeovers and joint ventures. Mr Hansel acts for a number of ASX-listed entities and large domestic and foreign private companies in the resources sectors. Mr Hansel has previously held a non-executive director position with ASX listed Metro Mining Limited. Mr Hansel has consistently been recognised as a leading corporate, business & commercial lawyer by various legal publications including Doyle's Guide and The Best Lawyer™.
Other current directorships:	Cannindah Resources Limited
Former directorships (last 3 years):	None
Special responsibilities:	Chairman of the Audit & Risk Committee
Interests in shares, options and performance rights:	500,000 ordinary shares held by entities controlled by Mr Hansel, and 1,396,785 performance rights, subject to KPI based vesting criteria, held by an entity controlled by Mr Hansel.

Name:	Phillip Thomas (Resigned 30 June 2024)
Title:	Non-executive Chairman
Qualifications:	BSc MBM FAusIMM MAIG MAIMVA(CMV)
Experience and expertise:	Mr Thomas has been CEO and Chairman of a number of ASX and TSX companies and has a wealth of experience in exploration, mine feasibility and development, operations, minerals trading, corporate strategy and valuation. He has significant trading and investment banking experience having been a senior executive at Macquarie Bank, ABN-Amro, Watson Wyatt and McIntosh Securities. Mr Thomas has substantial Australian and international mining experience having worked in Chile (copper), Argentina, Peru, Mexico (copper), USA, Canada (copper) and Malaysia. He has a keen understanding of the skills required for the successful development of mining businesses and the teams that run them. He is a strong proponent of "get it right the first time" and developing people to excel in their roles. Mr Thomas' commodity experience includes copper, gold, iron ore, lithium, and rare earths.
Other current directorships:	Patagonia Lithium Ltd.
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Audit & Risk Committee
Interests in shares, options and performance rights:	1,170,837 ordinary shares held by entities controlled by Mr Thomas.

'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

Jaroslaw Kopias (CPA, AGIA, ACG (CS, CGP)) has held the role of Company Secretary since July 2022. He is currently the CFO and Company Secretary of Resolution Minerals Ltd (ASX: RML) and iTech Minerals Ltd (ASX: ITM) and Company Secretary of Core Lithium Ltd (ASX: CXO), Iron Road Ltd (ASX: IRD), Copper Search Limited (ASX:CUS) and Patagonia Lithium Ltd (ASX:PL3). He has held similar roles with other ASX entities in the past, and has other business interests with numerous unlisted entities.

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 2024, and the number of meetings attended by each director were:

	Full board		Audit and Risk Committee	
	Attended	**Held**	**Attended**	**Held**
David Newling (appointed 30 June 2024)	6	7	0	1
Daniel Jauncey	14	14	3	3
Michael Hansel	14	14	3	3
Phillip Thomas (resigned 30 June 2024)	7	7	2	2

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 performance and high quality personnel.

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; and
- attracting and retaining high calibre executives.

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.

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 share-based payments. Shares 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 2024.

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 2024, the consolidated entity did not engage remuneration consultants.

Voting and comments made at the company's 2024 Annual General Meeting ('AGM')

At the 2024 AGM, 58% of the votes received supported the adoption of the remuneration report for the year ended 31 December 2023. 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 (appointed on 30 June 2024)
- Daniel Jauncey - Non-Executive Director
- Michael Hansel - Non-Executive Director
- Phillip Thomas - Non-Executive Chairman (resigned on 30 June 2024)

And the following persons:

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

2024	Short-term benefits Cash salary and fees $	Post-employment benefits Superannuation $	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
Jaroslaw Kopias	51,880	-	(710)	51,170
	826,934	**81,399**	**(69,073)**	**839,262**

i. Payment of remuneration has been agreed to be deferred until the restructure of existing debt and/or re-quotation of the Company's securities on the ASX. 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

2023	Short-term benefits Cash salary and fees $	Post-employment benefits Super-annuation $	Share-based payments Performance Rights $	Total $
Non-Executive Directors:				
Phillip Thomas (Chairman)	55,944	5,972	37,539	99,455
Jeffrey Innes (i)	12,138	1,274	(34,325)	(20,913)
Michael Hansel	54,545	5,864	53,121	113,530
Executive Directors:				
Daniel Jauncey	350,000	26,346	521,370	897,716
Other Key Management Personnel:				
Shane O'Connell	390,000	28,769	173,095	591,863
Luke Johnstone (ii)	238,461	16,612	173,095	428,168
Jaroslaw Kopias	48,400	-	27,112	75,512
	1,149,489	**84,836**	**951,007**	**2,185,331**

i. Represents remuneration from 1 January 2023 to 16 March 2023

ii. Represents remuneration from 1 January 2023 to 22 August 2023, at this time Mr Johnstone stepped away from the CFO position and into an advisory role. He remained with the company however was no longer considered a KMP.

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

	Fixed remuneration		At risk - STI		At risk - LTI	
Name	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Non-Executive Directors:						
David Newling (Chairman)	(100)%	-	0%	-	0%	-
Phillip Thomas (Former Chairman)	(1181)%	62%	384%	11%	897%	27%
Jeffrey Innes	-	(64)%	-	49%	-	115%
Michael Hansel	92%	53%	2%	14%	6%	33%
Daniel Jauncey	104%	42%	(1)%	17%	(3)%	41%
Other Key Management Personnel:						
Shane O'Connell	101%	71%	0%	9%	(1)%	20%
Angus Peterson	100%	0%	0%	0%	0%	0%
Luke Johnstone	-	60%	-	12%	-	28%
Jaroslaw Kopias	101%	64%	0%	11%	(1)%	25%

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:	Daniel Jauncey
Title:	Managing Director and Chief Executive Officer
Agreement commenced:	30 July 2022
Term of agreement:	No fixed term
Details:	Base salary for the year ending 31 December 2023 of $350,000 plus superannuation, to be reviewed annually by the board. 4-week 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. Mr Jauncey resigned from this position on 31 October 2024 and was appointed as Non-executive Director on that date.

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 2024 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 2024 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.

Name:	Jaroslaw 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

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 KPI's are not met within three months of the employees termination date the performance rights will be forfeited. In the scenario where the KPI's 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 KPI's are not met within three months of the employees termination date the performance rights will be forfeited. In the scenario where the KPI's 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.

There were no performance rights granted in the year ended 31 December 2024.

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	690,330	Vested[3]	30 Jun 25
KPI2	Production of 20kt of Copper cathode from Anthill Project	-	Forfeited	30 Jun 26
KPI3	Generate 20kt inferred resource	8,105,823	30 Jun 25	30 Jun 26
KPI4	Share price target of $0.50	6,484,660	30 Jun 25	30 Jun 26
KPI5	HSSEQ1	1,567,212	Vested[3]	30 Jun 25
KPI6	HSSEQ2	740,252	Vested[4]	30 Jun 26
KPI7	Generate 20kt inferred resource 2	3,242,331	30 Jun 25	30 Jun 26
	Total	**20,830,608**		

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. Some of the vested rights have been exercised.
4. 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.
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 Mt Kelly processing facility	This KPI represents an exploration target for the exploration team to either continue more detailed exploration work on the top 12 prospects or explore and drill a new Mineral Resource estimate so that collectively an Inferred Mineral Resource estimate of 20,000 tonnes of contained Cu at a cut-off grade of 0.2% is achieved. This represents approximately half the resource at Anthill and must be within 70km of the Mt Kelly facility.
4	Share price target of $0.50	This KPI will be considered satisfied where the volume weighted price average of the Company's Shares trades at or above $0.50 for 20 consecutive Trading Days (as that term is defined in the Listing Rules).

No.	KPI	Overview
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.

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): 4. 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. 5. 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. 6. 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%.

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
Phil Thomas[i]							
04-Aug-21	30-Jun-24	160,335	-	-	(160,335)	-	-
04-Aug-21	30-Jun-25	400,837	-	-	(400,837)	-	-
04-Aug-21	30-Jun-25	320,670	-	-	(320,670)	-	-
04-Aug-21	30-Jun-25	160,335	-	-	(160,335)	-	-
17-Oct-22	30-Jun-23	80,168	-	-	(80,168)	-	-
17-Oct-22	30-Jun-24	80,168	-	-	(80,168)	-	-
Michael Hansel							
12-May-22	7-Jul-22	400,837	-	-	-	400,837	400,837
12-May-22	30-Jun-24	160,335	-	-	(160,335)	-	-
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	80,168	-	-	(2,668)	77,500	77,500
17-Oct-22	30-Jun-24	80,168	-	-	(43,562)	36,606	36,606
Daniel Jauncey							
04-Aug-21	30-Jun-24	2,226,875	-	-	(2,226,875)	-	-
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	1,113,438	-	-	(37,056)	1,076,382	1,076,382
17-Oct-22	30-Jun-24	1,113,438	-	-	(605,022)	508,416	508,416
Shane O'Connell							
04-Aug-21	30-Jun-24	739,323	-	-	(739,323)	-	-
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	369,661	-	-	(12,303)	357,358	357,358
17-Oct-22	30-Jun-24	369,661	-	-	(200,868)	168,793	168,793
Jaroslaw Kopias							
04-Aug-21	07-Jul-22	289,493	-	-	-	289,493	289,493
04-Aug-21	30-Jun-24	115,798	-	-	(115,798)	-	-
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	57,899	-	-	(1,927)	55,972	55,972
17-Oct-22	30-Jun-24	57,899	-	-	(31,462)	26,437	26,437
Total		**26,210,320**	**-**	**-**	**(5,379,712)**	**20,830,608**	**2,997,794**

(i) Performance right issued to Mr Thomas have been removed as he is no longer considered KMP following his resignation from the board on 30 June 2024.

Additional information

The earnings of the consolidated entity for the five years to 31 December 2024 are summarised below:

	2024 $'000	2023 $'000	2022 $'000	2021 $'000	2020 $'000
Sales revenue	82,087	110,280	54,828	37,260	25,042
EBITDA	17,862	31,724	(11,026)	(4,692)	(17,798)
EBIT	(9,407)	12,798	(22,477)	(5,067)	(17,861)
Profit/(loss) after income tax	(22,620)	1,920	(29,800)	(11,728)	(22,531)

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

	2024	2023	2022	2021	2020
Share price at financial year end ($)[1]	0.160	0.160	0.215	0.165	-
Total dividends declared (dollars per share)	-	-	-	-	-
Basic profit/(loss) per share (dollars per share)	(0.043)	0.004	(0.06)	(0.08)	(225,314)

1. The consolidated entity listed on the ASX on 3 November 2021, there was no share price at the end of any financial year prior to 31 December 2021.

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:

	Balance at the start of the year	Additions	Disposals/ Other (ii)	Balance at the end of the year
Ordinary shares				
David Newling (Chairman)	-	-	-	-
Phil Thomas (Former Chairman) (ii)	1,170,837	-	(1,170,837)	-
Daniel Jauncey (i)	264,933,671	-	-	264,933,671
Michael Hansel	500,000	-	-	500,000
Shane O'Connell	1,848,306	-	-	1,848,306
Luke Johnstone (ii)	1,848,306	-	(1,848,306)	-
Angus Peterson (iii)	-	25,000	-	25,000
	270,301,120	**25,000**	**(3,019,143)**	**267,306,977**

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

(ii) Disposals/other represents shares held at resignation date

(iii) Additions represent shares held at appointment date

Option holding

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

	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Options over ordinary shares					
Michael Hansel	400,000	-	-	(400,000)	-
	400,000	-	-	(400,000)	-

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 $909,078 (2023: $1,432,049) and amount payable at 31 December 2024 is $713,029 (2023: $538,306). 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 engineering 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 $166,320 (2023: $332,640) and amount payable at 31 December 2024 is $83,160 (2023: $194,040). 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 $851,817 (2023: $1,111,393) and amount payable at 31 December 2024 is nil (2023: nil). All transactions were made on normal commercial terms and conditions and at market rates.

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	690,330
2.	4 Aug 21	Forfeited	30 Jun 26	$0.200	-
3.	4 Aug 21	30 Jun 25	30 Jun 26	$0.200	8,105,823
4.	4 Aug 21	30 Jun 25	30 Jun 26	$0.090	6,484,660
5.	17 Oct 22	Vested	30 Jun 25	$0.165	2,002,070
6.	17 Oct 22	Vested	30 Jun 26	$0.165	945,651
7.	4 Aug 21	30 Jun 25	30 Jun 26	$0.200	3,242,331
	Total				**21,470,865**

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

Shares issued on the exercise of performance rights

There were no Austral Resources Australia Ltd ordinary shares issued on the exercise of performance rights during the year ended 31 December 2024 (2023: 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 2024 (2023: 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 insure 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.

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 27 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 27 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 2025
Brisbane

Auditor's independence declaration

RSM Australia Partners

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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 2024, 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

RSM AUSTRALIA PARTNERS

R J MORILLO MALDONADO
Partner

Melbourne, VIC
Dated: 31 March 2025

Financial statements

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 Mt 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 2025. 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 2024

		Consolidated	
	Note	2024 $'000	2023* $'000
Revenue	4	82,087	110,280
Cost of goods sold		(91,119)	(86,459)
Gross (loss) / profit		**(9,032)**	**23,821**
Other income	5	10,752	1,902
Expenses			
Administration expenses		(2,671)	(2,996)
Depreciation and amortisation expense		(1,288)	(114)
Finance expense	6	(13,213)	(10,878)
Share based payments		325	(951)
Other operating expenses		(5,604)	(8,490)
Net foreign exchange loss		(1,889)	(374)
(Loss) / profit before income tax expense		**(22,620)**	**1,920**
Income tax expense	7	-	-
(Loss) / profit after income tax expense for the year		**(22,620)**	**1,920**
Other comprehensive income			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive (loss) / profit for the year		**(22,620)**	**1,920**
		$	$
Earnings per share for profit attributable to the owners of Austral Resources Australia Ltd			
Basic profit / (loss) per share	37	(0.043)	0.004
Diluted profit / (loss) per share	37	(0.043)	0.003

** See Note 39 for further details of the restatement*

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

Statement of financial position

As at 31 December 2024

	Note	Consolidated 2024 $'000	2023 $'000	2022* $'000
Assets				
Current assets				
Cash and cash equivalents	8	79	1,145	1,535
Trade and other receivables	9	1,479	3,878	7,854
Prepayments		682	885	844
Inventories	10	50,664	40,125	34,408
Other assets		1,416	1,181	105
Total current assets		54,320	47,214	44,746
Non-current assets				
Financial assets	11	37,211	37,807	37,807
Property, plant and equipment	12	52,730	66,412	52,555
Right-of-use assets	13	2,706	4,360	6,121
Exploration and evaluation assets	14	1,668	685	603
Total non-current assets		94,315	109,264	97,086
Total assets		**148,635**	**156,478**	**141,832**
Liabilities				
Current liabilities				
Trade and other payables	16	57,474	58,145	44,415
Borrowings	17	81,396	63,452	59,122
Provisions	18	856	545	554
Lease liabilities	19	1,710	1,769	1,557
Forward foreign exchange contracts		-	-	96
Total current liabilities		141,436	123,911	105,744
Non-current liabilities				
Provisions	20	36,913	37,624	42,386
Lease liabilities	21	1,504	3,215	4,845
Total non-current liabilities		38,417	40,839	47,231
Total liabilities		**179,853**	**164,750**	**152,975**
Net liabilities		**(31,218)**	**(8,272)**	**(11,143)**
Equity				
Issued capital	22	71,546	71,546	71,546
Reserves	23	1,923	2,249	1,298
Accumulated losses	24	(104,687)	(82,067)	(83,987)
Total equity		**(31,218)**	**(8,272)**	**(11,143)**

** See Note 39 for further details of the restatement*

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

Statement of changes in equity

For the year ended 31 December 2024

Consolidated	Issued capital $'000	Reserves $'000	Accumulated losses $'000	Total equity $'000
Balance at 1 January 2023	71,546	1,298	(91,519)	(18,675)
Adjustment for correction of error (see note 39)	-	-	7,532	7,532
Balance at 1 January 2023 - restated	71,546	1,298	(83,987)	(11,143)
Profit after income tax expense for the year - restated (see note 39)	-	-	1,920	1,920
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive profit for the year - restated (see note 39)	-	-	1,920	1,920
Transactions with owners in their capacity as owners: Share-based payments (note 38)	-	951	-	951
Balance at 31 December 2023	**71,546**	**2,249**	**(82,067)**	**(8,272)**

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 38)	-	(326)	-	(326)
Balance at 31 December 2024	**71,546**	**1,923**	**(104,687)**	**(31,218)**

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

Statement of cash flows

For the year ended 31 December 2024

	Note	Consolidated 2024 $'000	Consolidated 2023 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		75,269	112,572
Payments to suppliers and employees (inclusive of GST)		(76,111)	(73,691)
		(842)	38,881
Interest and other costs of finance paid		(503)	(2,457)
Interest received		2,386	94
Other revenue		8,374	5,395
Net cash from operating activities		**9,415**	**41,913**
Cash flows from investing activities			
Payments for property, plant and equipment		(10,560)	(35,074)
Payments for exploration and evaluation		(982)	(83)
Payments for mine development		(1,559)	(2,123)
Proceeds from security deposits		596	-
Net cash used in investing activities		**(12,505)**	**(37,280)**
Cash flows from financing activities			
Proceeds from borrowings		4,916	-
Repayment of borrowings		-	(3,375)
Repayment of lease liabilities		(2,884)	(1,575)
Transaction costs related to loans and borrowings		-	(65)
Net cash (used in) / from financing activities		**2,032**	**(5,015)**
Net decrease in cash and cash equivalents		(1,058)	(382)
Cash and cash equivalents at the beginning of the financial year		1,145	1,535
Effects of exchange rate changes on cash and cash equivalents		(8)	(8)
Cash and cash equivalents at the end of the financial year	8	**79**	**1,145**

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

Consolidated entity disclosure statement

As at 31 December 2024

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

**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.

Notes to the financial statements

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.

Going Concern

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

As disclosed in the financial statements, the consolidated entity incurred a loss of $21.1M for the year ended 31 December 2024. In addition, as at that date, the consolidated entity's current liabilities exceed its current assets by $85.6M and it had a net liability position of $29.7M. The ability of the consolidated entity to continue as a going concern is dependent on a number of factors, the most significant of which is the ability to finance the debt obligations through funding arrangements.

The above factors indicate a material uncertainty which may cast significant doubt as to whether the consolidated entity will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The Directors believe that there are reasonable grounds to believe that the consolidated entity will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following factors:

- The Directors have reviewed the cash forecast, for the forthcoming 12 months which indicates the consolidated entity will continue to generate significant net cash inflows from its operating activities;
- On the 20 June 2024, Austral entered into a Framework Agreement, with Glencore, Secover and Thiess, subject to conditions precedent to discharge all secured debt. Under this agreement, all secured debt will be repaid through a combination of monies raised through a capital raise, issuance of redeemable convertible notes and from the proceeds of the Anthill Project. The Framework Agreement contains a standstill period, which is currently in place, in which the parties have agreed to not to demand repayment of the borrowings (refer to note 17) whilst the Proposed Transactions are being worked through; and
- The Company is working towards lifting its suspension from the ASX and subsequently plans to raise additional capital through the issuance of shares under the Corporations Act 2001.

Accordingly, the Directors believe that the consolidated entity will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the consolidated entity does not continue as a going concern.

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 2024 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.

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.

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.

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.

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.

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.

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.

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'.

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.

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.

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 $842,000 (2023: $699,000)

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.
- 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.

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 2024. 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.

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.

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.

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 2024 all of the consolidated entity's external revenue, being $82,087,000 (2023: $110,280,000), was derived from sales to a single major Australian copper exporter.

Geographical information

	Sales to external customers		Geographical non-current assets	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Australia	82,087	110,280	57,104	71,457
	82,087	**110,280**	**57,104**	**71,457**

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. Revenue

	Consolidated	
	2024 $'000	2023 $'000
Revenue from contracts with customers		
Sale of copper cathode	**82,087**	**110,280**

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	Consolidated	
	2024 $'000	2023 $'000
Major product lines		
Copper Cathode	**82,087**	**110,280**
Geographical regions		
Australia	**82,087**	**110,280**
Timing of revenue recognition		
Goods transferred at a point in time	**82,087**	**110,280**

Note 5. Other income

	Consolidated	
	2024 $'000	2023 $'000
Insurance recoveries	4,527	771
Interest income	1,837	1,168
Other	4,388	(37)
Other income	**10,752**	**1,902**

Note 6. Finance Expenses

	Consolidated	
	2024 $'000	2023 $'000
Interest on interest bearing loans	11,284	8,947
Interest on leases	306	429
Unwinding of discount on rehabilitation liability	1,623	1,502
	13,213	**10,878**

Note 7. Income tax expense

	Consolidated	
	2024 $'000	2023 $'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	(22,620)	9,452
Tax at the statutory tax rate of 30%	(6,786)	2,836
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Adjustment recognised for prior period	(244)	(1,775)
Non-deductible share-based payments	(98)	361
Non-deductible fines and penalties	-	9
Recognition of prior period deferred tax (assets) / liabilities	-	(1,431)
Deferred tax assets / (liabilities) not brought to account	7,127	-
Adjustment recognised for prior periods	-	-
Income tax expense	**-**	**-**

As at 31 December 2024 the consolidated entity had carried forward losses of $83,341,000 (2023: $70,868,000) resulting in a deferred tax asset of $25,002,300 (2023: $21,260,000).

The consolidated entity has not recognised a deferred tax asset on any temporary differences.

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.

Note 8. Current assets - cash and cash equivalents

	Consolidated	
	2024 $'000	2023 $'000
Cash on hand	1	1
Cash at bank	78	1,144
	79	**1,502**

Note 9. Current assets - trade and other receivables

	Consolidated	
	2024 $'000	2023 $'000
Trade receivables	644	3,601
Less: Allowance for expected credit losses	-	-
GST Receivable	835	277
	1,479	**3,878**

Note 10. Current assets - inventories

	Consolidated	
	2024 $'000	2023 $'000
Spare parts and consumables	1,842	2,950
Copper in process	47,716	34,635
Copper cathode	1,106	2,540
	50,664	**40,125**

Note 11. Non-current assets – Other financial assets

	Consolidated	
	2024 $'000	2023 $'000
Term deposits as security for bank guarantees (i)	37,104	37,700
Security deposits for Queensland Mines Department	107	107
	37,211	**37,807**

(i) Security deposits held with ANZ as security for the issuance of a bank guarantees to satisfy the financial assurance requirements with the Queensland Government's Department of Environment and Science for the Lady Annie Mine's Environmental Authority EPML00753513.

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

	Consolidated	
	2024 $'000	2023 $'000
Land and buildings – at cost	6,984	6,292
Less: Accumulated depreciation	(6,981)	(6,289)
	3	**3**
Plant and equipment - at cost	40,691	35,116
Less: Accumulated depreciation	(35,878)	(34,670)
	4,813	**446**
Office Equipment, furniture and fittings - at cost	2,024	1,923
Less: Accumulated depreciation	(1,715)	(1,635)
	309	**288**
Capital works in progress - at cost	250	10,530
Mine development – at cost	264,590	231,278
Less: Accumulated amortisation	(261,276)	(228,968)
	3,434	**2,310**
Stripping activity– at cost	84,612	74,701
Less: Accumulated amortisation	(40,691)	(21,866)
	43,921	**52,835**
	52,730	**66,412**

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 2023	9,921	3	275	449	9,666	32,241	52,555
Additions	609	-	63	53	2,123	34,349	37,197
Reduction in mine rehabilitation and closure asset	-	-	-	-	(6,264)	-	(6,264)
Depreciation and amortisation expense	-	-	(50)	(56)	(3,215)	(13,755)	(17,076)
Balance at 31 December 2023	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)	(25,658)
Balance at 31 December 2024	**250**	**3**	**309**	**4,812**	**3,434**	**43,921**	**52,730**

Management have conducted an impairment test over property, plant and equipment using a Value-In-Use ('VIU') calculation based on a cash flow forecast until 2033, which represents the expected cashflows from the Cash Generating Unit ('CGU') that these asset belongs to. The results of this test indicate that the VIU exceeds the carry value of the assets and accordingly management concluded that no impairment exists as at 31 December 2024.

Management has calculated the VIU using the following key assumptions:

- Commodity price: an average of US$9,500. The average price would have to decrease by 30.5% to result in an impairment loss (assuming all other assumptions remain constant);
- Average FX Rate: US$0.68/ AU$1.00, the AU$ would have to appreciate approximately to AU$0.98 against US$1.00 to result in an impairment loss (assuming all other assumptions remain constant);
- Discount rate: 20%, reasonable changes in the discount rate used in the model will not result in any impairment loss (assuming all other assumptions remain constant);
- Cost of mining and production: it is assumed that during the second half of FY2025 and beyond, there will be a significant decrease in these cost as only processing costs will be applicable during this period and mining will be completed for the Anthill Project.

Note 13. Non-current assets - right-of-use assets

	Consolidated	
	2024 $'000	**2023 $'000**
Land and buildings - right-of-use	254	254
Less: Accumulated depreciation	196	117
	58	**137**
Plant and equipment - right-of-use	7,252	7,944
Less: Accumulated depreciation	4,604	3,721
	2,648	**4,223**
	2,706	**4,360**

Additions to the right-of-use assets during the year were nil (2023: addition $157,000) and depreciation expense was $1,620,000 (2023: $1,850,000).

The consolidated entity leases office space under an extended agreement of four years. The consolidated entity also leases power generators for the processing plant under an agreement of four years. This agreement has escalation clause, and the consolidated entity has the right to extend a further two years.

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	
	2024 $'000	2023 $'000
Exploration and evaluation - at cost	1,668	685
Less: Impairment	-	-
	1,668	**685**

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 2023	603
Additions	82
Balance at 31 December 2023	685
Additions	983
Balance at 31 December 2024	**1,668**

Note 15. Non-current assets - deferred tax

	Consolidated	
	2024 $'000	2023 $'000
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Provision for Mine Rehabilitation Asset	11,074	11,287
Other Current Assets	(9,260)	(9,281)
Rehabilitation Asset	(10)	89
Mining Leases	(13,176)	(15,309)
Property, Plant and Equipment	(192)	46
Employee Provisions	257	163
Inventory	(553)	(1,401)
Other	828	259
Losses	25,002	21,260
Total deferred tax asset, (net)	13,970	6,843
Total deferred tax asset not brought to account	**(13,970)**	**(6,843)**
Deferred tax asset	-	-

Note 16. Current liabilities – trade and other payables

	Consolidated	
	2024 $'000	2023 $'000
Trade payables and accruals	54,090	57,084
Interest payable	3,384	1,061
	57,474	**58,145**

Due to the short-term nature, the current trade and other payables have a carrying value which approximates their fair value. As at 31 December 2024, trade payables and accruals include payables to a previous mining contractor which are covered with the Framework Agreement (refer to Note 17).

Refer to note 26 for further information on financial instruments.

Note 17. Current liabilities – borrowings

	Consolidated	
	2024 $'000	2023 $'000
Wingate Facility (i)	31,063	23,707
Glencore Prepayment Facility (ii)	20,920	26,929
Secover Facility (2022) (iii)	13,980	12,816
Secover Facility (2024) (iv)	15,433	-
	81,396	**63,452**

(i) Wingate facility

On 9 August 2021, the consolidated entity 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. The facility was interest bearing with an interest rate of 15% per annum, payable quarterly in arrears and for a period of 36 months from the date of initial drawdown. 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. The facility is subject to debt covenants and obligations to make principal and interest payments on set dates.

On 30 September 2022, the facility was amended to an interest rate of BBSY bid rate plus 12% margin, and on 22 December 2022 upon entering into the Secover facility, it was agreed to bring the termination date of this facility forward to 23 November 2023.

On 13 May 2024, Glencore Australia Holdings Pty Limited acquired the senior secured debt previously held by Win Finance No. 359 Pty Ltd. On 1 May 2024, Win Finance appointed Receivers and Managers, which remained in this role until 10 May 2024. Following the retirement of the Receivers and Managers appointed by Win Finance, Glencore assumed the role of senior secured creditor. The facility remains in default, with interest accruing at the default rate of 17% under a Framework Agreement, which will remain in effect until the restructuring process is completed.

Assets pledged as security

The Wingate Facility (Assigned to Glencore Australia Holdings Pty Limited) is secured by first mortgages over the Anthill and Mount Kelly mining leases.

(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 22 December 2022, the maturity date was changed 23 November 2023. At 31 December 2024 this facility was fully drawn down.

(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. Any interest that has accrued and is not paid is capitalised and added to the principal outstanding balance on that date. An initial drawdown of $11 million was made on 23 December 2022. At 31 December 2024 this facility was fully drawn down.

(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 $4.9 million 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 and payable by 27 June 2025, in line with the June 2024 facility.

At 31 December 2024, the Wingate Facility (Assigned to Glencore Australia Holdings Pty Limited), Glencore prepayment facility, Glencore Receiver Funding Facility and Secover Facility (2022) are considered due and payable. However, payments have been deferred while the entity is in negotiations with its existing debt providers to restructure the existing debt and/or extend the repayment terms as disclosed in the Basis of preparation above.

Refer to note 25 for further information on financial instruments.

Note 18. Current liabilities – provisions

	Consolidated	
	2024 $'000	2023 $'000
Employee benefits	**856**	**545**

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	
	2024 $'000	2023 $'000
Lease liability	**1,710**	**1,769**

Refer to note 26 for further information on financial instruments.

Note 20. Non-current liabilities - provisions

	Consolidated	
	2024 $'000	2023 $'000
Mine rehabilitation and closure (i)	**36,913**	**37,624**

(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-2024	Mine rehabilitation and closure $'000
Carrying amount at the start of the year	37,624
Reduction due to reassessment of liability and increase in discount rate	(2,334)
Amounts transferred to current	-
Unwinding of discount	1,623
Carrying amount at the end of the year	**36,913**

Note 21. Non-current liabilities - lease liabilities

	Consolidated	
	2024 $'000	2023 $'000
Lease liability	**1,504**	**3,215**

Refer to note 25 for further information on financial instruments.

Note 22. Equity - issued capital

	Consolidated			
	2024 Share	2023 Share	2024 $'000	2023 $'000
Ordinary shares - fully paid	527,165,826	527,165,826	71,546	71,546

Movements in ordinary share capital

Details	Date	Shares	Issue price	$'000
Balance	1 January 2023	527,165,826	-	71,546
Balance	**31 December 2023**	**527,165,826**	**-**	**71,546**
Balance	**31 December 2024**	**527,165,826**	**-**	**71,546**

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.

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 2023 Annual Report.

Note 23. Equity - reserves

	Consolidated	
	2024 $'000	2023 $'000
Share-based payments reserve	**1,923**	**2,249**

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 2023	1,298
Share-based payments expensed during the year	951
Balance at 31 December 2023	**2,249**
Share-based payments expensed / (reversed) during the year	(326)
Balance at 31 December 2024	**1,923**

Options

On 5 August 2021 the company issued 10,000,000 options to pre-IPO capital raising participants with an exercise price of $0.40 and expiry date of 3 November 2024. These have now expired and no other options granted in the current year (2023: Nil).

Note 24. Equity – accumulated losses

	Consolidated	
	2024 $'000	2023 $'000
Accumulated losses at the beginning of the financial year	(82,067)	(83,987)
Profit / loss after income tax expense for the year	(22,260)	1,920
Accumulated losses at the end of the financial year	**(104,687)**	**(82,067)**

There were no dividends paid, recommended or declared during the current or prior financial year.

Note 25. 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 $666,000 denominated in foreign currencies at 31 December 2024 (2023: $3,648,000). 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% (2023: weakened or strengthened by 5%) against these foreign currencies with all other variables held constant.

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

Consolidated 2023	% change	AUD strengthened Effect on Profit before tax $'000	AUD strengthened Effect on Equity $'000	AUD weakened Effect on Profit before tax $'000	AUD weakened Effect on Equity $'000
USD Cash Deposits	5%	(2)	2	2	(2)
Trade Receivables	5%	(180)	180	180	(180)
		(182)	**182**	**182**	**(182)**

Price Risk

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

The policy of the consolidated entity is to sell copper at the spot price and it has not entered into any hedging contracts. The consolidated entity's revenues were exposed to fluctuations in the price of copper. If the average selling price of copper of US$8,160/tonne (2023: US$8,442/tonne) for the financial year had increased/decreased by 6% the change in the profit before income tax for the consolidated entity would have been an increase/decrease of AU$4,925,000 (2023: AU$6,617,000).

If there was a 6% increase or decrease in market price of copper, the net realisable value of inventory on hand would increase/decrease by $2,821,000 (2023: $2,885,000). As copper on hand is held at cost there would be no impact on profit or loss.

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 $81,396,000 (2023: $63,452,000), are principal and interest payment loans. Monthly cash outlays of approximately $858,000 (2023: $783,000) per month are required to service the interest payments. An official increase/decrease in interest rates of 400 (2023: 400) basis points would have an adverse effect on profit before tax of $2,644,000 (2023: $1,778,000) 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 repayment terms.

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 2024, the consolidated entity had one customer (2023: one) that owed it more than $0.644 million (2023: $3.6 million) which accounted for 100% (2023: 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				
	Current $'000	<30 days $'000	30-60 days $'000	>61 days $'000	Total $'000
31 December 2024					
Expected credit loss rate	0.00%	0.1%	5%	10%	
Estimated total gross carrying amount	644	-	-	-	644
Expected Credit loss	-	-	-	-	-

	Trade Receivables				
	Days past due				
	Current $'000	<30 days $'000	30-60 days $'000	>61 days $'000	Total $'000
31 December 2023					
Expected credit loss rate	0.00%	0.1%	5%	10%	
Estimated total gross carrying amount	3,601	-	-	-	3,601
Expected Credit loss	-	-	-	-	-

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 - 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**

Consolidated - 2023	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	-	42,331	-	-	42,331
Interest-bearing					
Wingate Facility	16.20%	23,707	-	-	23,707
Glencore Prepayment Facility	13.57%	26,929	-	-	26,929
Secover Facility	15.00%	12,816	-	-	12,816
Lease liability	7.90%	1,769	1,626	1,589	4,984
Total non-derivatives		**107,552**	**1,626**	**1,589**	**110,767**

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.

Note 26. 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	
	2024 $'000	2023 $'000
Short-term employee benefits	826,934	1,149,489
Post-employment benefits	81,400	84,835
Long-term benefits	-	-
Share-based payments	(69,073)	951,007
	839,261	**2,185,331**

Note 27. 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	
	2024 $'000	2023 $'000
Audit services – RSM Australia Partners		
Audit or review of the financial statements	**142,600**	**138,666**
Non-audit services – RSM Australia Partners		
Other services	**15,300**	**-**

Note 28. Contingent assets and liabilities

Contingent liabilities

The consolidated entity has given performance guarantees as at 31 December 2024 of $37,103,814 (2023: $37,699,487) to satisfy the Queensland Department of Environment, Tourism, Science and Innovation (DETSI) financial requirement for the Lady Annie Mine's Environmental Authority EPML00753513.

Note 29. Commitments

	Consolidated	
	2024 $'000	2023 $'000
Exploration and evaluation commitments		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	2,107	1,374
One to five years	3,968	3,956
More than five years	–	–
	6,075	**5,330**

Note 30. Related party transactions

Parent entity

Austral Resources Australia Ltd is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 32.

Key management personnel

Disclosures relating to key management personnel are set out in note 26 and the remuneration report included in the directors' report.

	Consolidated	
	2024 $'000	2023 $'000
Payment for goods and services:		
Payment for services from Austral Equipment Solutions Pty Ltd	706	1,321
Payment for services from Equipment Engineering Solutions Pty Ltd	277	249
Payment for services from Rural Earthworx	852	1,155

Receivable from and payable to related parties

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

	Consolidated	
	2024 $'000	2023 $'000
Current payables:		
Trade payables to Austral Equipment Solutions Pty Ltd	713	538
Trade payables to Equipment Engineering Solutions Pty Ltd	83	194

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, a Non-Executive Director of Austral Resources Australia Pty Ltd. The total value of transactions during the year was $909,078 (2023: $1,432,049) and amount payable at 31 December 2024 is $713,029 (2023: $538,306).

Equipment Engineering Solutions Pty Ltd

Payments to Equipment Engineering Solutions Pty Ltd relate to engineering services during the year. Equipment Engineering Solutions Pty Ltd is owned by Dan Jauncey, a Non-Executive Director of Austral Resources Australia Pty Ltd. The total value of transactions during the year was $166,320 (2023: $332,640) and amount payable at 31 December 2024 is $83,160 (2023: $194,040).

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 $851,817 (2023: $1,111,393) and amount payable at 31 December 2024 is nil (2023: nil).

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.

Note 31. Parent entity information

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

Statement of profit or loss and other comprehensive income

	Consolidated	
	2024 $'000	2023 $'000
(Loss) / profit after income tax	(1,718)	4,919
Total comprehensive income	(1,718)	4,919

Statement of financial position

	Consolidated	
	2024 $'000	2023 $'000
Total current assets	10	10
Total assets	10	10
Total current liabilities	(14,859)	(12,815)
Total liabilities	**(14,859)**	**(12,815)**
Equity		
Issued capital	71,546	71,546
Share-based payments Reserve	1,923	2,249
Accumulated losses	(88,318)	(86,600)
Total equity	**(14,849)**	**(12,805)**

Contingent liabilities

The parent entity had no contingent liabilities as at 31 December 2024 and 31 December 2023.

Capital commitments - Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 31 December 2024 and 31 December 2023.

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.

Note 32. 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	2024 %	2023 %
Austral Resources Operations Pty Ltd	Australia	100%	100%
Austral Resources Exploration Pty Ltd	Australia	100%	100%

Note 33. Events after the reporting period

No matter or circumstance has arisen since 31 December 2024 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.

Note 34. Reconciliation of profit after income tax to net cash from operating activities

	Consolidated	
	2024 $'000	2023 $'000
Loss after income tax expense for the year	(22,620)	9,452
Adjustments for:		
Depreciation and amortisation	27,303	18,995
Accrued interest	13,213	6,051
Share-based payments	(325)	951
Unwinding of discount on rehabilitation liability	1,623	1,502
Discount on interest free loan	2,088	-
Impairment losses	-	-
Foreign exchange differences	2,508	(395)
Rehabilitation Provision	(2,299)	-
Change in operating assets and liabilities:		
Decrease in trade and other receivables	3,395	3,108
(Increase) in inventories	(10,539)	(14,969)
Decrease/(increase) in other operating assets	(733)	1,870
(Decrease)/increase in other provisions	311	(9)
(Decrease)/increase in trade and other payables	(5,410)	15,351
Increase in other operating liabilities	899	6
Net cash from operating activities	**9,415**	**41,913**

Note 35. Non-cash investing and financing activities

	Consolidated	
	2024 $'000	**2023 $'000**
Additions to the right-of-use assets	-	157
	-	**157**

Note 36. Changes in liabilities arising from financing activities

Consolidated	Borrowings $'000	Lease liability $'000	Total $'000
Balance at 31 December 2022	59,122	6,402	65,524
Net cash from/(used in) financing activities	(3,375)	(2,004)	(5,379)
Acquisition of leases	-	157	157
Interest charged	7,705	429	8,134
Balance at 31 December 2023	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 fx	2,508	-	2,508
Transfer of unsecured debt	11,713	-	11,713
Discount on interest free loan	(2,088)	-	(2,088)
Acquisition of leases	-	-	-
Interest charged	11,284	306	11,590
Balance at 31 December 2024	**81,396**	**3,214**	**84,610**

Note 37. Earnings per share

	Consolidated	
	2024 $'000	**2023 $'000**
Profit / (loss) after income tax attributable to the owners of Austral Resources Australia Ltd used in calculating earnings per share	(22,620)	1,920

	Consolidated	
	$	**$**
Basic earnings per share	(0.043)	0.004
Diluted earnings per share	(0.043)	0.003

	Number	Number
Weighted average number of ordinary shares		
Weighted average number of ordinary shares used in calculating basic earnings per share	527,165,826	527,165,826

Adjustments for calculation of diluted earnings per share:		
Performance rights	-	32,302,135
Weighted average number of ordinary shares used in calculating diluted earnings per share	**527,165,826**	**559,467,961**

Note 38. 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 KPI's are not met within three months of the employees termination date the performance rights will be forfeited. In the scenario where the KPI's 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 KPI's are not met within three months of the employees termination date the performance rights will be forfeited. In the scenario where the KPI's 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 cancelation 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 $326,000 (2023: expense $951,000) in current financial year.

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

		Balance at 1 January 2024	Granted as part of remuneration	Number of Rights Exercised	Number of Rights Lapsed/ Cancelled	Balance at 31 December 2024
KPI 1	First material ore production from Anthill deposit	690,330	-	-	-	690,330
KPI 2	Production of 20kt of copper cathode from Anthill Project	4,141,989	-	-	(4,141,989)	-
KPI 3	Generate 20kt inferred resource 1	10,354,966	-	-	(2,249,143)	8,105,823
KPI 4	Share price target of $0.50	8,283,975	-	-	(1,799,315)	6,484,660
KPI 7	Generate 20kt inferred resource 2	4,141,989	-	-	(899,658)	3,242,331
HSSEQ1	HSSEQ and Indigenous Affairs – FY 2023	2,070,995	-	-	(68,925)	2,002,070
HSSEQ1	HSSEQ and Indigenous Affairs – FY 2024	2,070,995	-	-	(1,125,344)	945,651
	Total	**31,755,239**	**-**	**-**	**(10,284,374)**	**21,470,865**

The Key Performance indicators of the new performance rights are as follows:

HSSEQ1 KPI – to be met by 30 June 2023 (measurement period 1 July 2022 to 30 June 2023)

This KPI will be considered satisfied where the following criteria are met during the relevant period:

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.

HSSEQ2 KPI – to be met by 30 June 2024 (measurement period 1 July 2023 to 30 June 2024)

This KPI will be considered satisfied where the following criteria are met during the relevant period:

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.

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 17,240,465 Performance Rights on issue as at 31 December 2024 (of those issued at IPO);
- 9,090,105 performance rights lapsed and were forfeited during the year following the resignation of Phillip Thomas and Luke Johnstone as well assessment of various performance rights during the year; and
- Each Performance Right converts into one AR1 share upon vesting and exercise.

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

#	Key Performance Indicators	Performance Right	Vesting Date[1]	Expiry Date[2]
1	First material ore production from Anthill deposit	11,134,372	Vested[3]	30 Jun 25
2	Production of 20kt of Copper cathode from Anthill Project	4,453,752	Forfeited	30 Jun 26
3	Generate 20kt inferred resource [1]	11,134,372	30 Jun 25	30 Jun 26
4	Share price target of $0.50	8,907,500	30 Jun 25	30 Jun 26
5	Health Safety Security Environment and Quality (HSSEQ) and Indigenous Affairs – FY 2022	2,226,876	Cancelled	30 Jun 25
6	HSSEQ and Indigenous Affairs – FY 2023	2,226,876	Cancelled	30 Jun 26
7	Generate 20kt inferred resource [2]	4,453,752	30 Jun 25	30 Jun 26
	Total	**44,537,500**		

1. Unless otherwise specified, the Vesting Date represents the last possible date by which the relevant KPI must be met in order for the relevant Performance Rights to vest. Where a KPI is not met, the Performance Rights will be forfeited.
2. Expiry date applies where the KPI has been met by the relevant Vesting Date.
3. Some of the vested rights have been exercised.

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.
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 Mt Kelly processing facility	This KPI represents an exploration target for the exploration team to either continue more detailed exploration work on the top 12 prospects or explore and drill a new Mineral Resource estimate so that collectively an Inferred Mineral Resource estimate of 20,000 tonnes of contained Cu at a cut-off grade of 0.2% is achieved. This represents approximately half the resource at Anthill and must be within 70km of the Mt Kelly facility.
4	Share price target of $0.50	This KPI will be considered satisfied where the volume weighted price average of the Company's Shares trades at or above $0.50 for 20 consecutive Trading Days (as that term is defined in the Listing Rules).
5	Health, Safety, Security, Environment, Quality (HSSEQ) and Indigenous Affairs – to 30 June 2022	This KPI will be considered satisfied where both of the following criteria are met during the relevant period: 1. the Company's published Lost Time Injury Frequency Rate (LTIFR) is no more than 10% higher than the twelve month rolling average LTIFR for surface minerals mines as reported in the Queensland Government 'Mines and Quarries Safety Performance and Health Reports' (adjusted on a pro-rata basis for any period prior to first production at the Anthill Project); and 2. the Company (or its relevant subsidiary) is not in material breach or in material dispute with any counter-party to any indigenous land use agreement (ILUA) (including for example the agreements set out in section 12.7 of the Prospectus).
6	HSSEQ and Indigenous Affairs – from 1 July 2022 to 30 June 2023	This KPI will be considered satisfied where both of the following criteria are met during the relevant period: 1. the Company's published LTIFR is no more than 10% higher than the twelve month rolling average LTIFR for surface minerals mines as reported in the Queensland Government 'Mines and Quarries Safety Performance and Health Reports'; and 2. the Company (or its relevant subsidiary) is not in material breach or in material dispute with any counter-party to any ILUA (including for example the agreements set out in section 12.7 of the Prospectus).
7	Generate a JORC compliant Inferred Mineral Resource estimate measuring 20,000 tonnes contained Cu in sulphide mineralisation	This KPI represents an exploration target for the exploration team to develop a more detailed exploration work on the sulphides (from existing pits, existing targets and drill a new Mineral Resource so that collectively an Inferred Mineral Resource estimate generating 20,000 tonnes of contained Cu in the sulphides at a cut-off grade of 0.2%.

The fair value of performance rights granted is estimated at the date of grant. The following table list the inputs to the models used for the valuation of the performance rights:

	Performance rights under KPI #4	Performance rights under KPI #1-3 and #5-7
Expected volatility (%)	90%	90%
Risk-free interest rate (%)	0.89%	0.89%
Expected life	4 years	4 years
Model used	Monte Carlo	Black-Scholes
Grant date	4 August 2021	4 August 2021

The following table lists the inputs to the models used for the valuation of the performance rights issued to Michael Hansel:

	Performance rights under KPI #4	Performance rights under KPI #1-3 and #5-7
Expected volatility (%)	108.7%	108.7%
Risk-free interest rate (%)	2.66%	2.66%
Expected life	3.2 years	3.2 years
Model used	Monte Carlo	Black-Scholes
Grant date	12 May 2022	12 May 2022

The following table lists the inputs to the models used for the valuation of the performance rights issued during the year to Directors and KMP:

	Performance rights under KPI #4	Performance rights under KPI #1-3 and #5-7
Expected volatility (%)	104.09%	104.09%
Risk-free interest rate (%)	3.35%	3.35%
Expected life	0.7 years	1.7 years
Model used	Black-Scholes	Black-Scholes
Grant date	17 October 2022	17 October 2022

Note 39. Restatement of comparative information

During the year, management conducted a comprehensive review of the inventory valuation process and identified an error in calculating the opening balance for the comparative period, 1 January 2023. This error led to an understatement of the inventory balance as at 31 December 2022 by $7.5 million, with a corresponding overstatement of accumulated losses. Consequently, the cost of goods sold for the year ended 31 December 2023 was understated by $7.5 million.

It is important to note that there were no misstatements in the inventory balance as at 31 December 2023.

Relevant extracts, showing only the affected line items, are provided below:

Statement of profit or loss and other comprehensive income

	2023 Reported $'000	Adjusted $'000	2023 Restated $'000
Revenue	110,280	-	110,280
COGS	(78,927)	(7,532)	(86,459)
Gross profit	**31,353**	**(7,532)**	**23,821**
Profit before income tax expense	**9,452**	**(7,532)**	**1,920**
Loss after income tax expense for the year	**9,452**	**(7,532)**	**1,920**
Total comprehensive loss for the year	**9,452**	**(7,532)**	**1,920**
Basic Earnings per share	0.0017	(0.013)	0.004
Diluted Earnings per share	0.0017	(0.014)	0.003

Statement of financial position

	2022 Reported $'000	Adjusted $'000	2022 Restated $'000
Current assets			
Cash and cash equivalents	1,535		1,535
Trade and other receivables	7,854		7,854
Prepayments	844		844
Inventories	26,876	7,532	34,408
Other assets	**105**		**105**
Total current assets	**37,214**	**7,532**	**44,746**
Total non-current assets	**97,086**	**-**	**97,086**
Total assets	**134,300**	**7,532**	**141,832**
Equity			
Issued capital	71,546		71,546
Reserves	1,298		1,298
Accumulated losses	**(91,519)**	**7,532**	**(83,987)**
Total deficiency	**(18,675)**	**7,532**	**(11,143)**

Directors' declaration

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 2024 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 2025
Brisbane

Independent auditor's report

RSM Australia Partners

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INDEPENDENT AUDITOR'S REPORT
To the Members of Austral Resources Australia Ltd

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 2024, 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, 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 2024 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report, which indicates that the Consolidated entity has incurred a net loss of $22.6 million and had net cash outflows from investing activities of $12.5 million for the year ended 31 December 2024. As at that date, the Consolidated entity's current liabilities exceeded its current assets by $87.1 million and had net liabilities of $31.2 million. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Consolidated entity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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. In addition to the matter described in the *Material Uncertainty Related to Going Concern* section of our report, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed this matter
Revenue Recognition Refer to Note 4 to the financial statements	
Revenue recognition was considered a key audit matter because it is the most significant account balance in the statement of profit or loss and other comprehensive income, and because the Consolidated entity's process of revenue recognition is complex and involves significant management judgements. These include: • 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 included: • 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 tests; • Conducting cut-off testing for revenue transactions around year end; • Searching and reviewing large and/ or unusual transactions during the financial year; and • Assessing the appropriateness of disclosure in the financial statements.

Key Audit Matters (continued)

Key Audit Matter	How our audit addressed this matter
Property, Plant and Equipment - Stripping Activity Asset Refer to Note 12 to the financial statements	

As at 31 December 2024, the Consolidated entity has a Stripping activity asset with a carrying value of $43.9 million.
 	
During the year ended 31 December 2024, the Consolidated entity incurred a net loss of $22.6 million. Given consideration to the requirements of AASB 136 *Impairment of Assets*, management has concluded the loss for the year to be an indicator of potential impairment and accordingly conducted an impairment test to estimate the recoverable amount of the cash generating unit (‘CGU’) which contains the Stripping activity asset. The recoverable amount was determined based on the value-in-use calculation.
 	
We consider this to be a key audit matter due to the significance of this asset and the significant management judgements and estimates involved in:
• determining the appropriate accounting treatment in accordance with IFRIC 20 *Stripping Costs in the Production Phase of a Surface Mine* (‘IFRIC 20’), including the identification of the components within the ore body being stripped and estimating the stripping ratio in accordance with the Life of Mine Plan for each component; and
• determination of the value in use, such as the estimation of the future underlying cashflows of the CGU and judgments of an appropriate discount rate to apply to the estimated cashflows.
	Our audit procedures included, among others:
	• Assessing whether the recognition of the stripping activity asset was consistent with the requirements of IFRIC 20;
	• Reviewing management’s calculation of the Stripping activity asset, including:
	  - Agreeing relevant mining costs to the general ledger and assessing the reasonableness of cost allocation among components;
	  - Checking mathematical accuracy of the calculations of the stripping activity asset based on expected vs actual waste to ore ratio of each component; and
	  - Agreeing expected waste to ore ratio to Life of Mine Plan of each component;
	• Assessing management’s deprecation model and agreeing key inputs to supporting information, including Life of Mine Plan and the mine reserve estimate;
	• Conducting substantive analytical procedures to corroborate the reasonable of the depreciation expense;
	• In relation to impairment testing:
	  o Holding discussions with management, reviewing ASX announcements and minutes of the directors' meetings to gather sufficient information regarding the operations of the reporting period, as well as the expectations going forward;
	  o Evaluating the valuation methodology used to determine the recoverable amount of the CGU;
	  o Corroborating the mathematical accuracy of the cashflow model;

Key Audit Matters (continued)

Key Audit Matter	How our audit addressed this matter
Property, Plant and Equipment - Stripping Activity Asset (Continued) Refer to Note 12 the financial statements	
	o Assessing the assumptions used to estimate the recoverable amount of the CGU used to determine present value of future cash inflows of the Consolidated entity, including reconciling input data to supporting evidence, such as budgets, and challenging the reasonableness of the nature and quantum of cashflows included in the model and the discount rate applied; o Challenging management's sensitivity analysis over the key assumptions used in the models, including the consideration of the available headroom; and • Assessing the appropriateness of disclosure in the financial statements.
Borrowings and payables Refer to Note 16 and Note 17 to the financial statements	
On 20 June 2024, the Consolidated entity entered into a Framework Agreement with three main lenders to facilitate the repayment of approximately $76.4 million in secured debt and $44.9 million trade and other payables through a combination of a capital raise, the issuance of redeemable convertible notes, and proceeds from the Anthill Project. At the time the Framework Agreement was executed, the borrowing facilities were in default. As at 31 December 2024, the Framework Agreement remained active. We consider this a key audit matter due to the significance of the borrowings to the Consolidated entity's financial position, the complexity and uncertainties associated with the fulfillment of the Framework Agreement conditions precedent. Otherwise, the perversive impact on the Consolidated entity.	Our audit procedures included, among others: • Reviewing the original loan agreement terms to understand key provisions and default clauses, and evaluating their implications on the financial position of the Consolidated entity; • Assessing the terms of the Framework Agreement, understanding the standstill period terms and evaluating whether it appropriately addresses the borrowings in default; • Evaluating the appropriateness of classification of the borrowings under AASB 101 *Presentation of Financial Statements*; • Obtaining confirmations or corroborating schedules from lenders to validate the balances outstanding as at 31 December 2024; • Assessing the accuracy of the interest expense recognised during the financial year; and • Assessing the appropriateness of disclosure in the financial statements.

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 2024, 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.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 36 to page 47 of the directors' report for the year ended 31 December 2024.

In our opinion, the Remuneration Report of Austral Resources Australia Ltd, for the year ended 31 December 2024, 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

Dated: 31 March 2025
Melbourne, Victoria

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Mineral Resource and Ore Reserve statement

Global Summary of Mineral Resource Estimate at 31 December 2023 – Copper Mineral Resource, Queensland.

Classification	Material Type	Tonnes (million)	Cu%	Ca%	Mg%
Measured		9.4	0.75	4.2	2.3
Indicated	In-situ	33.0	0.76	5.1	3.5
Inferred		11.3	0.67	4.5	2.7
Total[1]		**53.7**	**0.74**	**4.8**	**3.2**

Global JORC 2012 In-situ Copper Mineral Resources (0.3% Cu cut-off grade [0.5% Cu cut-off grade for Lady Colleen]).
1. Totals may contain discrepancies associated with rounding.

Global Summary of Mineral Resource Estimate at 31 December 2024 – Copper Mineral Resource, Queensland.

Classification	Material Type	Tonnes (million)	Cu%	Ca%	Mg%
Measured		8.8	0.75	4.4	2.6
Indicated	In-situ	33.0	0.76	5.1	3.1
Inferred		11.0	0.69	5.2	3.3
Total[1]		**52.8**	**0.74**	**5.0**	**3.0**
Inferred[2]	Stockpile	**22.6**	**0.20**	**-**	**-**

Global JORC 2012 Copper Mineral Resources (0.3% Cu cut-off grade [0.5% Cu cut-off grade for Lady Colleen]).
1. Totals may contain discrepancies associated with rounding.
2. Inferred Mt Kelly Heap Leach stockpile material (0.14% Cu cut-off grade).

Relative to the 2023 Global Mineral Resource Estimate (MRE) of 397,676 tonnes of contained copper, the 2024 Global Mineral Resource Estimate reports 435,920 tonnes of contained copper. This relative difference of 38,244 tonnes of contained copper results from changes to the Mineral Resource Base due to Anthill mining depletion, an update to the McLeod Hill Mineral Resource and the inclusion of the maiden Mt Kelly Heap Leach stockpile Mineral Resource estimate.

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 did not require updating, prior to depletion. The current Mineral Resource update used the same Anthill mine depletion surfaces as applied for the Ore Reserve update, depleting the previous resource model (2012) to build the current Mineral Resource statement tables presented in this report.

McLeod Hill

The McLeod Hill Mineral Resource estimate was updated by ResEval on 27 September 2023 and reported publicly on the 20 May 2024[1].

1. ASX Announcement, "Significant Increase of McLeod Hill Copper Mineral Resource, 20 May 2024.

Mt Kelly Heap Leach stockpile

Utilising historical metallurgical accounting data, a maiden MRE was completed for the Mt Kelly Heap Leach stockpile by WSP and reported publicly on 28 October 2024[2]. Mineral Resources were reported above an economical based 0.14% Cu cut-off. The most recently added material to the Mt Kelly Heap Leach stockpile is currently being leached.

Ore Reserves at 31 December 2023 – Copper Ore Reserve, Queensland.

Classification	Tonnes (million)	Cu%	Ca%
Proved	0.90	0.90	0.90
Probable	1.97	0.96	0.87
Total	**2.87**	**0.94**	**0.88**

Global JORC 2012 Copper Ore Reserves

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.

Relative to the 2023 Global Ore Reserve Estimate of 27.0 ktonnes of contained copper, the 2024 Global Ore Reserve Estimate reports 17.8 ktonnes of contained copper. This relative difference of 9.2 ktonnes 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 2024 and the current final pit design at that time and it also includes the material in surface stockpiles. The same depletion surfaces representing the as-mined 31 December 2024 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 2024 overcoming several operational challenges to scale back to steady state production throughout 2025.

2. ASX Announcement: "Mt Kelly Heap Leach Mineral Resource", 28 October 2024.

The following summarizes key mining activities and developments reported throughout the year:

Mining activities recommenced in the Anthill West pit as weather conditions improved during the year with mining nearing completion in the West Pit.

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. Small incremental changes to accommodate changes in conditions have been made to the final design that have had a negligible impact on ore reserve.

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 Senior 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 consultant 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. 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 2024 and represent the fourth 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 "Mt Kelly Heap Leach Mineral Resource" on 28 October 2024.

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.

Austral Resources Mineral Resources by deposit at 31 December 2023 – Copper Mineral Resource, Queensland.

Deposit	Material Type	Cut-off grade (Cu %)	Measured Resources				Indicated Resources				Inferred Resources				Total Resources			
			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	0.3	1.33	0.68	0.41	0.28	4.52	0.64	0.4	0.5	0.14	0.37	0.3	0.3	5.99	0.64	0.4	0.4
	Transition		0.29	0.9	5.8	3.3	1.82	0.76	5.6	3.1	0.26	0.47	5.5	3.3	2.37	0.75	5.6	3.1
	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	3.6
	Total		**1.64**	**0.72**	**1.43**	**0.85**	**7.18**	**0.67**	**2.31**	**1.46**	**2.07**	**0.52**	**5.96**	**3.58**	**10.89**	**0.65**	**2.9**	**1.8**
Lady Annie	Oxide	0.3	0.51	0.56	1	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		1.94	0.68	8	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**	**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	0.3	0.33	0.43	1.6	1	2.76	0.39	1.3	0.9	0.16	0.35	2.2	1.4	3.25	0.39	1.4	1
	Transition		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**	**8.03**	**0.46**	**5.7**	**3.5**
Flying Horse	Oxide	0.3	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		0.76	0.59	5	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**	**4.08**	**0.77**	**5.1**	**3.1**	**14.2**	**0.77**	**4.9**	**2.9**
Mt Clarke	Oxide	0.3	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		0.41	0.55	1.5	1	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**	**0.52**	**0.55**	**2.4**	**1.4**	**2.64**	**0.54**	**1.5**	**1**
Lady Colleen	Oxide	0.5	<0.01	0.77	3.01	1.52	<0.01	0.8	2.51	1.27	-	-	-	-	<0.01	0.79	2.71	1.37
	Transition		0.13	0.85	1.98	1.01	0.18	0.99	3.35	1.68	<0.01	0.61	8.53	4.67	0.32	0.93	2.85	1.44
	Sulphide		0.49	1.7	4.03	2.18	1.96	1.91	4.54	2.44	0.37	1.5	5.89	3.14	2.82	1.82	4.63	2.49
	Total		**0.63**	**1.51**	**3.59**	**1.93**	**2.14**	**1.83**	**4.44**	**2.37**	**0.37**	**1.49**	**5.92**	**3.16**	**3.15**	**1.73**	**4.44**	**2.38**

Deposit	Material Type	Cut-off grade (Cu %)	Measured Resources				Indicated Resources				Inferred Resources				Total Resources			
			Mt	Cu (%)	Ca[1] (%)	Mg[1] (%)	Mt	Cu (%)	Ca[1] (%)	Mg[1] (%)	Mt	Cu (%)	Ca[1] (%)	Mg[1] (%)	Mt	Cu (%)	Ca[1] (%)	Mg[1] (%)
McLeod Hill	Oxide	0.3	-	-	-	-	-	-	-	-	0.48	0.35	-	-	0.48	0.35	-	-
	Transition		-	-	-	-	-	-	-	-	0.55	0.57	-	-	0.55	0.57	-	-
	Sulphide		-	-	-	-	-	-	-	-	0.39	0.56	-	-	0.39	0.56	-	-
	Total		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1.42**	**0.49**	**-**	**-**	**1.42**	**0.49**	**-**	**-**
Swagman	Oxide	0.3	0.14	0.67	-	-	0.03	0.62	-	-	0.02	0.53	-	-	0.19	0.65	-	-
	Transition		-	-	-	-	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	0.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Transition		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sulphide		-	-	-	-	-	-	-	-	0.95	0.97	-	-	0.95	0.97	-	-
	Total		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.95**	**0.97**	**-**	**-**	**0.95**	**0.97**	**-**	**-**
Total[2]	Oxide		3.18	0.58	0.68	0.50	9.58	0.52	0.68	0.62	0.86	0.36	0.48	0.35	13.62	0.52	0.66	0.58
	Transition		3.82	0.66	6.50	3.80	9.92	0.69	7.12	5.84	1.68	0.51	4.47	2.76	15.42	0.66	6.68	5.00
	Sulphide		2.39	1.12	5.02	2.39	13.53	0.98	6.70	3.93	8.78	0.73	4.88	2.91	24.7	0.90	5.89	3.42
	Total		**9.4**	**0.75**	**4.15**	**2.32**	**33.0**	**0.76**	**5.08**	**3.54**	**11.3**	**0.67**	**4.48**	**2.69**	**53.7**	**0.74**	**4.79**	**3.15**

Notes:

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

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

Deposit	Material Type	Cut-off grade (Cu %)	Measured Resources				Indicated Resources				Inferred Resources				Total Resources			
			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	0.3	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		0.26	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	0.3	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		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	0.3	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		0.29	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	0.3	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		0.76	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**
Mt Clarke	Oxide	0.3	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		0.41	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	0.5	<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		0.13	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**

Deposit	Material Type	Cut-off grade (Cu %)	Measured Resources				Indicated Resources				Inferred Resources				Total Resources			
			Mt	Cu (%)	Ca[1] (%)	Mg[1] (%)	Mt	Cu (%)	Ca[1] (%)	Mg[1] (%)	Mt	Cu (%)	Ca[1] (%)	Mg[1] (%)	Mt	Cu (%)	Ca[1] (%)	Mg[1] (%)
	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
McLeod Hill	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**
	Oxide		0.14	0.67	-	-	0.03	0.62	-	-	0.02	0.53	-	-	0.19	0.65	-	-
Swagman	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**	**-**	**-**
	Oxide		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Enterprise	Transition	0.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sulphide		-	-	-	-	-	-	-	-	0.95	0.97	-	-	0.95	0.97	-	-
	Total		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.95**	**0.97**	**-**	**-**	**0.95**	**0.97**	**-**	**-**
	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
Total[2]	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**
Mt 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**	**-**	**-**

Notes:

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 of the Mt Kelly Heap Leach stockpile is currently ongoing.

Shareholder information

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 2025.

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

Holding	Quoted Ordinary Shares AR1		Unquoted Performance rights	
	#	%	#	%
1 – 1,000	55	0.00	-	-
1,001 – 5,000	431	0.25	-	-
5,001 – 10,000	353	0.57	-	-
10,001 – 100,000	832	6.14	-	-
100,001 and over	260	93.04	6	100.0
Number of Holders	**1,931[1]**		**6**	
Securities on issue[3]	**527,165,826**	**100.00**	**21,470,865[2]**	**100.0**

1. There were 303 holders of less than a marketable parcel of ordinary shares ($500 amounts to 3,125 shares at $0.16).

2. Performance Rights were issued under the Company's Performance Share Plan.

3. There are no securities subject to ASX restriction or voluntary escrow.

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**
Yellow Gear Pty Ltd <Super Snake A/C>	235,100,000	44.60
Thiess Group Investments Pty Ltd	25,000,000	4.74
G Harvey Nominees Pty Ltd <Harvey 1995 DT A/C>	16,608,109	3.15
Sparta AG	16,995,102	3.22
Mr John Kamara	13,179,833	2.50
2Invest AG	12,342,364	2.34
Kamjoh Pty Limited	8,449,972	1.60
Moose 2.0 Pty Ltd <The Moose A/C>	8,269,890	1.57
Kamjoh Pty Ltd	6,231,668	1.18
Ms Renee Jauncey	5,171,859	0.98
HSBC Custody Nominees (Australia) Limited	5,074,717	0.96
Mr Wil Jauncey	5,091,824	0.97
Mr Daniel Jauncey <Ms Lucy Jauncey A/C>	5,000,000	0.95
Mr Daniel Jauncey <Ms Maggie Jauncey A/C>	5,000,000	0.95
Mrs Simone Elise Rappell	4,960,948	0.94
Mr Daniel Jauncey	4,874,431	0.92
Citicorp Nominees Pty Limited	3,078,627	0.58
Agilis Pty Ltd <The Agilis A/C>	2,800,000	0.53
Mr Jacob Alan Burgoyne	2,753,809	0.52
Mr Nicholas James Procter	2,743,805	0.52
	388,726,958	**73.72**

Substantial holders

Substantial holders in the company are set out below:

	Ordinary shares	
	Number held	% of total shares issued
Yellow Gear Pty Ltd	235,100,000	
Moose 2.0 Pty Ltd	8,269,890	
Daniel Jauncey	14,874,431	
Renee Jauncey	5,171,859	
Total	**263,416,180**	**49.97**

The above holders are associates of Daniel Jauncey.

	Ordinary shares	
	Number held	% of total shares issued
2 Invest AG	12,342,364	
Sparta AG	16,995,102	
Total	**29,337,466**	**5.57**

2 Invest AG and Sparta AG are associated entities.

Corporate directory

Directors
David Newling
Daniel Jauncey
Michael Hansel

Company secretary
Jaroslaw Kopias

Registered office and principal place of business
RACQ House
Level 9, Suite 902
60 Edward Street
Brisbane QLD 4000
Phone: 07 3520 2500

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

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
HopgoodGanim Lawyers
Level 8
Waterfront Place
1 Eagle 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/

AUSTRAL RESOURCES