Austral Gold Limited
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ASX: AGD | TSXV: AGLD
OTCQB: AGLDF
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MEDIA RELEASE

28 August 2025

Austral Gold Announces Filing of 2025 Half Year Report

Established gold producer Austral Gold Limited's (Austral or the Company) (ASX: AGD; TSX-V: AGLD; OTCQB: AGLDF) is pleased to announce that it has filed its half year report for the six months ended 30 June 2025. The complete Report is available under the Company's profile at www.asx.com.au, www.sedarplus.ca and on the Company's website at australgold.com.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Release approved on behalf of the Austral Board by Chief Executive Officer, Stabro Kasaneva.

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Half Year Report for the period ended 30 June 2025

AUSTRALGOLD

25

Unique Value Proposition for **Gold Production, Exploration and Investments** in the Americas

www.australgold.com

RESULTS FOR HALF-YEAR ENDED 30 JUNE 2025

Appendix 4D, previous corresponding period, half-year ended 30 June 2024

Revenue and net profit				US$'000
Revenue from ordinary activities	Down	3%	to	18,567
Loss from ordinary activities after tax	Down	93%	to	(1,292)
Net Loss attributable to members	Down	93%	to	(1,292)
Dividend information				

No interim dividend for the financial half year 2025 has been declared.

Net tangible assets per security	June 2025 per share	Dec 2024 per share
Net tangible assets per security	US$0.02	US$0.02
Common shares on issue at reporting date	612,311,353	612,311,353

Additional Appendix 4D disclosure requirements can be found in the Directors' Report and the 30 June 2025 half-year financial statements.

This report is based on the consolidated half-year financial statements for the period to 30 June 2025 which have been reviewed by BDO, and are not subject to dispute or qualification. The Independent Auditors' Review Report is included herein.

This is a half-yearly report and is to be read in conjunction with the 31 December 2024 Annual Report.

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CORPORATE DIRECTORY

KEY MANAGEMENT

Stabro Kasaneva
Chief Executive Officer and Executive Director

Jose Bordogna
Chief Financial Officer and Joint Company Secretary

DIRECTORS

Eduardo Elsztain
Chair & Non-Executive Director

Saul Zang
Non-Executive Director

Pablo Vergara del Carril
Non-Executive Director

Stabro Kasaneva
Chief Executive Officer and Executive Director

Robert Trzebski
Independent Non-Executive Director

Ben Jarvis
Independent Non-Executive Director

COMPANY SECRETARY

David Hwang
Joint Company Secretary
Confidant Partners

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BDO Audit Pty Ltd
www.bdo.com.au

LISTED

Australian Securities Exchange
ASX: AGD

TSX Venture Exchange
TSXV: AGLD

OTC Bulletin Board
OTCQB: AGLDF

PLACE OF INCORPORATION:

Western Australia

DIRECTORS' REPORT

Your Directors present their report together with the consolidated interim financial report for the half-year ended 30 June 2025 and the Independent Auditor's Review Report.

DIRECTORS

The following directors were in office for the full reporting period, from 1 January 2025 to 30 June 2025 and up to the date of this report.

Name	Position
Eduardo Elsztain	Chair & Non-Executive Director
Saul Zang	Non-Executive Director
Pablo Vergara del Carril	Non-Executive Director
Stabro Kasaneva	Chief Executive Officer and Executive Director
Robert Trzebski	Independent Non-Executive Director
Ben Jarvis	Independent Non-Executive Director

HY 2025 HIGHLIGHTS

GOLD PRODUCTION

Produced 5,996 gold equivalent ounces at the Guanaco/Amancaya mine complex in Chile, integrating both agitation leaching and heap leaching processes.

STRONG GROWTH INITIATIVES

Commenced refurbishment of the Casposo Agitation Leaching Processing Plant in San Juan Province, Argentina, in early 2025, which was substantially completed by 30 June 2025. This milestone positions the Company to bring a second mine complex into production, further diversifying its revenue streams.

EQUITY INVESTMENTS

Maintained a substantial shareholding in ASX-listed Unico Silver Limited, providing exposure to a high-quality portfolio of exploration projects in Santa Cruz Province, Argentina.

There were no other significant changes in our principal activities during the year.

REVIEW OF RESULTS OF OPERATIONS

A summary of key operating results for HY25 and HY24 are set out in the following tables for comparative purposes.

KEY OPERATIONAL INDICATORS

Guanaco/Amancaya Operations	For the six months ended 30 June	
	2025	2024
Safety Indicators		
Lost-Time Accidents (LTA)	-	-
Non-Lost-Time Accidents (NLTA)	8	8
Mining		
Mined Ore (t)	-	28,567
Agitation Leaching Process		
Processed (t)	136,582	158,737
Plant Grade Underground (g/t Au)	-	2.45
Plant Grade Heap (g/t Au)	0.76	1.33
Plant Grade Mine (g/t Ag)	-	6.89
Plant Grade Heap (g/t Ag)	2.89	3.88
Gold recovery rate (%)	81.2	85.0
Silver recovery rate (%)	54.0	59.9
Gold produced (Oz)	2,611	6,460
Silver produced (Oz)	6,386	14,292
Gold-Equivalent produced (Oz) (1)	2,680	6,626
Heap Leaching Process		
Gold produced (Oz)	3,206	1,842
Silver produced (Oz)	10,295	4,410
Gold-Equivalent produced (Oz)	3,316	1,895
Total Production		
Gold produced (Oz)	5,817	8,302
Silver produced (Oz)	16,681	18,702
Gold-Equivalent produced (Oz)	5,996	8,521
C1 Cash Cost of Production (US$/AuEq Oz)(2)	2,253	1,889
All-in Sustaining Cost (US$/Au Oz)(3)	2,448	2,090
Realised gold price (US$/Au Oz)	3,054	2,186
Realised silver price (US$/Ag Oz)	33	26
Gold Equivalent sales volume	6,079	8,726

(1) (AuEq) ratio is calculated at: 93.2:1 Ag:Au for the six months ended 30 June 2025 and 85:1 Ag:Au for the six months ended 30 June 2024
(2) The cash cost (C1) includes: Mine, Plant, On-Site G&A, Smelting, Refining, and Royalties (excludes Corporate G&A). It is the cost of production per gold equivalent ounce
(3) The All-in Sustaining Cost (AISC) includes: C1, Sustaining Capex, Brownfield Exploration, and Mine Closure Amortisation
(4) Composition of the cash cost (C1) and All-in Sustaining Cost (AISC) are provided on page 9

Cash Costs of Production (C1) refer to the direct expenses incurred during the production of gold and silver. These costs are typically reported on a per-ounce basis while **All in Sustaining costs (AISC)** provides a comprehensive view of the total costs included with gold and silver production and includes C1 plus sustaining costs to maintain ongoing mining operations.

Cash Cost of Production (C1) and All-in Sustaining Cost (AISC) Breakdown (Expressed in US$ per GEO)	For the six months ended 30 June	
	2025	2024
Mining	-	272
Plant	1,812	1,113
Geology, engineering, and laboratory	102	87
Onsite general and administration	247	224
Smelting and refining	48	55
Royalties and taxes	89	52
Inventory movement	(45)	83
Other	-	3
Cash Cost (C1)	**2,253**	**1,889**
Reclamation & Remediation amortisation	4	8
Sustaining capital expenditure	1	36
Other administration costs	116	58
Financial leases	74	99
All in Sustaining costs (AISC)	**2,448**	**2,090**

KEY FINANCIAL RESULTS

Guanaco/Amancaya Operations	For the six months ended 30 June	
	2025	2024
Revenue (US$'000)	18,567	19,074
Gross profit (US$'000)	4,286	1,157
Gross profit (%)	23.1	6.1
Adjusted earnings (US$'000)	1,225	2,467
Adjusted earnings per share (basic and fully diluted) (US$/share)	0.002	0.004
Loss before income tax (US$'000)	(1,004)	(20,910)
Loss attributed to owners of the Company (US$'000)	(1,292)	(17,969)
Loss attributed to non-controlling interests (US$'000)	-	(6)
Loss per share (basic and fully diluted) (US$/share)	(0.21)c	(2.93)c

Note: Adjusted earnings and basic adjusted earnings per share are non-IFRS measures that the Company considers to better reflect normalised earnings as it eliminates items that in management's judgment are subject to volatility as a result of factors which are unrelated to operations in the period, and readers are cautioned that Adjusted earnings may not be comparable to similar measures presented by other companies. Further, readers are cautioned that Adjusted Earnings should not replace profit or loss or cash flows from operating, investing and financing activities (as determined in accordance with IFRS), as an indicator of the Company's performance.

ADJUSTED EARNINGS

Guanaco/Amancaya Operations	For the six months ended 30 June	
	2025	2024
Loss before income tax	(1,004)	(20,910)
Depreciation and amortisation(1)	792	1,901
Impairment loss on property plant and equipment	-	11,025
Impairment loss on exploration and evaluation expenditure	782	8,320
Other (income)(2)		
Net fair value gain on financial assets at fair value through profit or loss	(1,500)	(1,012)
Gain on sale of equipment	(539)	(238)
Equipment rental	(4)	(28)
Other	(57)	(156)
Other expenses(3)		
Care and maintenance	67	858
Production start-up costs	908	-
Inventory allowance at non-operating mine	121	31
Other	13	944
Finance income(4)		
Interest income	(82)	(49)
Present value adjustment to mine closure provision	-	(176)
Finance costs		
Interest expense	1,505	1,842
Present value adjustment to mine closure provision	223	115
Adjusted Earnings	**1,225**	**2,467**

(1) Includes US$778 thousand (2024: US$1,883 thousand) in cost of sales, and US$14 thousand (2024: US$7 thousand) and US$nil (2024: US$11 thousand) in other expenses and administration expenses, respectively.
(2) Note 5 to the financial statements
(3) Note 6 to the financial statements
(4) Note 7 to the financial statements

Thousands of US$	As at	
	30 June 2025	31 December 2024
Cash and cash equivalents	1,052	3,590
Current assets	19,421	20,177
Non-current assets	53,691	52,913
Bank overdraft	207	199
Current liabilities	30,120	26,000
Non-current liabilities	29,962	32,725
Net assets	13,030	14,365
Net current liabilities	(10,699)	(5,823)
Current loans and borrowings	11,137	5,433
Non-current loans and borrowings	16,530	19,901
Current lease liabilities	550	677
Non-current lease liabilities	108	385
Combined debt (bank overdraft, loans, borrowings and lease liabilities) *	28,532	26,595
Combined net debt (net of cash and cash equivalents) *	27,480	23,005
Current ratio (1) *	0.6	0.8
Total liabilities to net assets *	4.6	4.1

[1] Current Assets divided by Current Liabilities
* Non-IFRS Measure

OPERATING AND FINANCIAL RESULTS OF THE GROUP

During HY25, the Group realised a loss before and after income tax of US$1,004 thousand (HY24: $20,910 thousand) and US$1,292 thousand (HY24:US$17,975 thousand), respectively.

Sales revenues from operations totaled US$18,567 thousand, compared to US$19,074 thousand in HY24. Gross profit increased to US$4,286 thousand, representing a margin of 23.1%, up from US$1,157 thousand and a margin of 6.1% margin in HY24.

The decline in revenue was primarily due to a 31% reduction in gold equivalent ounces sold, partially offset by a 40% increase in the price of gold realised.

The increase in gross profit and margin was mainly due to higher sales prices, partially offset by higher production costs.

The Group's results during HY25 were primarily impacted by the following:

i. No impairment was recorded on property, plant and equipment in HY25 (HY24:US$11,025 thousand). The impairment recognised in HY24 was related to a portion of the Underground property, plant and equipment at Amancaya, based on its expected recoverable value.

ii. Impairment of exploration and evaluation assets decreased to US$782 thousand for HY25 (HY24: US$8,320 thousand). The impairment recognised in HY25 primarily relates to three of the properties acquired from Revelo Resources in 2021, together with a few smaller tenements in the Guanaco area. The HY 24 impairment was attributable to the Jaguelito project in the San Juan Province of Argentina and three other properties also acquired from Revelo Resources in 2021.

iii. Increase in other income by US$666 thousand to US$2,100 thousand (HY24: US$1,434 thousand). The increase was primarily due to an unrealised gain on financial assets of US$1,498 thousand (HY24: US$381 thousand) and a gain on the sale of equipment of US$539 thousand (HY24: US$238 thousand). HY24 other income also included a realised gain of US$631 thousand from the sale of equity securities of publicly listed mining companies.

iv. Decrease in other expenses by US$768 thousand to US$1,276 thousand (HY24: US$2,044 thousand) mainly due to a decrease in care and maintenance expenses as the company began to incur production startup costs during HY25. Additionally, the Group's decision to terminate an agreement with the Amancaya underground contractor in HY24 contributed to the decrease. These savings were partially offset by US$908 thousand in production startup costs incurred at the Casposo plant in HY25.

v. Decrease in finance income by US$2,368 thousand to US$82 thousand (HY24: US$2,450 thousand) primarily due to a decrease in foreign exchange gain to US$nil (HY24: US$2,225 thousand). The HY24 foreign exchange gains were mainly due to the increase in the value of the US dollar versus the Chilean currency.

vi. Increase in finance costs by US$674 thousand to US$2,631 thousand (HY24: US$1,957 thousand) primarily due to a loss on foreign exchange due to a decrease in the US dollar versus the Chilean and Argentine currencies.

The cost of production ("C1") per GEO increased to US$2,253 in HY25 from US$1,889 for HY24 while the all-in sustaining cost ("AISC") per GEO increased to US$2,448 in HY25 from US$2,090 for HY24. The increase was mainly due to lower production volumes and equipment failures, particularly within the conventional crushing circuit, tailing filter press, and grinding circuit, which reduced operational days during the period, and contributed to higher operating expenditures.

FINANCIAL POSITION

The Group held cash and cash equivalents of US$1,052 thousand at 30 June 2025 (31 December 2024: US$3,590 thousand) or US$2,360 thousand (31 December 2024 US$4,886 thousand) when combined with the fair value of 390 unsold and unrefined gold equivalent ounces in inventory of US$1,308 thousand (31 December 2024: 490 unrefined gold equivalent ounces with a fair value of US$1,296 thousand).

Trade and other receivables (current and non-current) decreased by US$916 thousand to US$4,071 thousand at 30 June 2025 (31 December 2024:US$4,987 thousand). The decrease was mainly due to the receipt of US$2,000 thousand of the initial fee due under the Toll Processing Agreement, executed in December 2024 with ASX-listed Challenger Gold Limited and paid in January 2025, partially offset by an increase of US$466 in GST/VAT receivable.

Other financial assets increased by US$1,497 thousand to US$4,880 thousand at 30 June 2025 (31 December 2024:US$3,383 thousand) mainly due to an unrealised gain on Unico Silver shares and options held by the Group.

Inventories increased by US$852 thousand to US$9,556 thousand at 30 June 2025 (31 December 2024: US$8,704 thousand) mainly due to an increase in spare parts at both the Guanaco and Amancaya mines and the Casposo mine.

Property, plant and equipment increased by US$1,988 thousand to US$32,043 thousand at 30 June 2025 (31 December 2024: US$30,055) primarily due to capital acquisitions at the Group's Casposo plant.

Exploration and evaluation expenditure decreased by US$531 thousand to US$18,928 thousand at 30 June 2025 (31 December 2024: US$19,459 thousand) primarily due to the impairment of properties as described in the prior page.

Current trade and other payables decreased by US$1,567 thousand to US$13,216 thousand at 30 June 2025 (31 December 2024: US$14,783 thousand) primarily due to the payments on overdue supplier invoices.

Net current liabilities increased by US$ 4,876 thousand to US$10,699 thousand at 30 June 2025 (31 December 2024: US$5,823 thousand). The increase was mainly due to a US$5,704 thousand increase in current loans and borrowings, largely attributable to the reclassification of certain borrowings that became due within one year during 2025. Additionally, the increase reflects the current portion of funds drawn under the Group's US$7 million loan facility, which was obtained to fund the Casposo plant refurbishment in HY25.

Combined net financial debt (borrowings and lease liabilities net of cash & cash equivalents) increased by US$4,475 thousand to US$27,480 thousand at 30 June 2025 (31 December 2024: US$23,005 thousand). Financial debt totaled US$28,325 thousand at 30 June 2025, of which US$11,687 thousand (representing 41% of total financial debt) was categorised as short-term. The short-term financial debt includes related party loans, convertible notes, lease liabilities and the short-term portion of two long-term bank loans.

Net assets decreased by US$1,335 thousand from 31 December 2024 to US$13,030 thousand at 30 June 2025 (31 December 2024: US$14,365 thousand), mainly due to the net loss of the period.

CASH FLOW

During HY25, the Group recorded a net cash outflow of US$664 thousand from operating activities (HY24: US$2,360 thousand), as presented using the direct method. This was primarily due to cash payments to suppliers and employees exceeding cash receipts from customers, largely driven by the settlement of overdue supplier invoices during the period. This occurred despite a significant improvement in the Group's gross margin.

Net cash used in investing activities totaled US$2,471 thousand (HY24:US$3,312 thousand provided) mainly due to the following:

- Investments of US$2,949 thousand (HY24:US$275 thousand) primarily related to additions to plant, property and equipment, with the majority allocated to capital additions at the Group's Casposo plant.
- Proceeds from the sale of equipment totaling US$734 thousand (HY24:US$374 thousand).
- Proceeds from the sale of equity securities amounting to US$2 thousand (HY24:US$3,752 thousand.
- Exploration and evaluation expenditure of US$251 thousand (HY24:US$485 thousand).

Net cash provided by/(used in) in financing activities amounted to US$589 thousand provided (HY24: US$753 thousand used) including US$2,410 thousand in loans, net of repayments. Of this amount, US$230 thousand in loans were from related parties (HY24: US$1,223 thousand in loans, net of repayments, of which US$1,000 thousand were from related parties). Additionally, US$1,414 thousand of interest was paid on loans, leases and other items (2024:US$1,367 thousand).

LIQUIDITY AND CAPITAL RESOURCES

Access to capital

The Group has a strong shareholder group and solid banking relationships that have demonstrated their financial support. The Group expects this support to continue. In addition, the Group's equity investment portfolio is comprised by shares and options of public companies valued at US$4,880 thousand as of 30 June 2025, which can be monetised if required.

Going Concern

The 2025 financial report has been prepared on a going concern basis, which contemplates the continuity of normal business operations and the realisation of assets and settlement of liabilities in the ordinary course of business. Notwithstanding this basis of preparation, there is a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern that primarily arises from the Group's net current liability position. However, the Directors have assumed that the Group will have sufficient cash to pay its debts as and when they become payable, for a period of at least 12 months from the date the financial report was authorised for issue. Further disclosure is provided in Note 3 of the financial statements.

ROUNDING

The Company is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the directors' report. Amounts in the directors' report have been rounded off in accordance with the instrument to the nearest thousand dollars, unless otherwise indicated.

AUDITOR'S INDEPENDENCE DECLARATION

The Auditor's Independence Declaration on page 29 forms part of the Directors' Report.

Signed in accordance with a resolution of the board of directors of Austral Gold Limited.

Robert Trzebski

Director

28 August 2025

FINANCIAL STATEMENTS

INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 JUNE 2025

All figures are reported in thousands of US$	Note	2025	2024
Sales revenue	9	18,567	19,074
Cost of sales	4	(14,281)	(17,917)
Gross profit		**4,286**	**1,157**
Other income	5	2,100	1,434
Other expenses	6	(1,276)	(2,044)
Impairment loss on property plant and equipment		-	(11,025)
Impairment loss on exploration and evaluation expenditure	15	(782)	(8,320)
Administration expenses		(2,783)	(2,605)
Finance income	7	82	2,450
Finance costs		(2,631)	(1,957)
(Loss) before income tax		**(1,004)**	**(20,910)**
Income tax benefit/ (expense)	8	(288)	2,935
(Loss) for the year period after income tax expense		**(1,292)**	**(17,975)**
(Loss) attributable to:			
Owners of the Company		(1,292)	(17,969)
Non-controlling interests		-	(6)
		(1,292)	**(17,975)**
Other comprehensive income			
Items that may not be classified subsequently to profit or loss			
Foreign currency translation		(43)	(4)
Total comprehensive (loss) for the year		**(1,335)**	**(17,979)**
Comprehensive (loss) attributable to:			
Owners of the Company		(1,335)	(17,973)
Non-controlling interests		-	(6)
		(1,335)	**(17,979)**
(Loss) per share (cents per share):			
Basic (loss) per share		(0.21)	(2.93)
Diluted (loss) per share		(0.21)	(2.93)

The accompanying notes are an integral part of these consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025

All figures are reported in thousands of US$	As at		
	Note	30 June 2025	31 December 2024
Assets			
Current assets			
Cash and cash equivalents		1,052	3,590
Trade and other receivables	11	3,933	4,500
Other financial assets	12	4,880	3,383
Inventories	13	9,556	8,704
Total current assets		**19,421**	**20,177**
Non-current assets			
Other receivables	11	138	487
Mine properties		1,320	1,395
Property, plant and equipment	14	32,043	30,055
Exploration and evaluation expenditure	15	18,928	19,459
Deferred tax asset		1,262	1,517
Total non-current assets		**53,691**	**52,913**
Total assets		**73,112**	**73,090**
Liabilities			
Current liabilities			
Bank overdraft		207	199
Trade and other payable	16	13,216	14,783
Employee entitlements		3,010	2,908
Loans and borrowings	18	11,137	5,433
Deferred revenue	19	2,000	2,000
Lease liabilities		550	677
Total current liabilities		**30,120**	**26,000**
Non-current liabilities			
Provisions for reclamation and rehabilitation	17	12,416	11,566
Loans and borrowings	18	16,530	19,901
Lease liabilities		108	385
Employee entitlements		29	27
Deferred tax liability		879	846
Total non-current liabilities		**29,962**	**32,725**
Total liabilities		**60,082**	**58,725**
Net assets		**13,030**	**14,365**
Equity			
Issued capital		109,114	109,114
Accumulated losses		(94,950)	(93,658)
Reserves		(1,134)	(1,091)
Total equity		**13,030**	**14,365**

The accompanying notes are an integral part of these consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2025

All figures are reported in thousands of US$	Issued capital	Accumulated losses	Reserves	Non-controlling interest	Total
Balance at 31 December 2023	**109,114**	**(66,549)**	**(1,157)**	**165**	**41,573**
Loss for the period	-	(17,969)	-	(6)	(17,975)
Other comprehensive income	-	(14)	10	-	(4)
Total comprehensive income/ (loss)		**(17,983)**	**10**	**(6)**	**(17,979)**
Decrease in Sierra Blanca investment	-	-	(27)	27	-
Assets held for sale	-	-	-	(186)	(186)
Balance at 30 June 2024	**109,114**	**(84,532)**	**(1,174)**	**-**	**23,408**
Balance at 31 December 2024	**109,114**	**(93,658)**	**(1,091)**	**-**	**14,365**
Loss for the period	-	(1,292)	-	-	(1,292)
Other comprehensive income	-	-	(43)	-	(43)
Total comprehensive income/ (loss)	**-**	**(1,292)**	**(43)**	**-**	**(1,335)**
Balance at 30 June 2025	**109,114**	**(94,950)**	**(1,134)**	**-**	**13,030**

The accompanying notes are an integral part of these consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

All figures are reported in thousands of US$	Note	2025	2024*
Cash Flows from operating activities			
Cash receipts from customers (inclusive of GST/VAT)		19,995	18,860
Cash paid to suppliers and employees (inclusive of GST/VAT)		(20,741)	(21,070)
Interest received		82	49
Income Tax received (paid)		-	-
Net cash used in / generated from operating activities		**(664)**	**(2,361)**
Cash flows from investing activities			
Payments for property, plant and equipment	14	(2,949)	(275)
Proceeds from sale of equipment		734	374
Payment for investment in exploration and evaluation		(251)	(485)
Payment for investment in mine properties		(7)	(54)
Proceeds from sale of other financial assets		2	3,752
Net cash generated from /used in investing activities		**(2,471)**	**3,312**
Cash flows from financing activities			
Proceeds from loans and borrowings		3,730	8,001
Repayment of loans and borrowings		(1,320)	(6,778)
Interest paid on loans and borrowings		(1,244)	(538)
Repayment of lease liabilities		(407)	(609)
Interest paid on leases		(54)	(105)
Other Interest paid		(116)	(723)
Net cash generated from financing activities		**589**	**(752)**
Net (decrease) increase in cash and cash equivalents		**(2,546)**	**199**
Cash and cash equivalents at the beginning of the period		**3,391**	**1,039**
Cash and cash equivalents at the end of the period		**845**	**1,238**

The accompanying notes are an integral part of these consolidated financial statements.
*The comparative statement of cash flows has been restated. Refer to note 23.

NOTES TO THE INTERIM CONSOLIDATED STATEMENT FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

1. BASIS OF PREPARATION

These interim consolidated financial statements have been prepared in accordance with Australian Accounting Standards adopted by the Australian Accounting Standards Board ('AASB') 134 Interim Financial Reporting and the Corporations Act 2001. The consolidated financial statements also comply with International Financial Reporting Standards adopted by the International Accounting Standards Board. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the annual report. They were authorized for issue by the Company's Board of Directors on 28 August 2025.

2. ACCOUNTING POLICIES

A number of amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards.

3. GOING CONCERN

The consolidated financial statements have been prepared on the going concern basis of accounting, which assumes the continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. As disclosed in the consolidated financial statements, the group has net operating cash outflows during the period of US$664 thousand and a net current asset deficiency position of US$10,699 thousand. The Group also generated losses after tax for the period of US$1,292.

The ability of the Group to continue as a going concern is principally dependent upon the following conditions:

- The ability to meet its internal cash flow forecasts, in particular meeting revenue targets and achieving margins forecast for the Group's flagship Guanaco mine;
- The ability to successfully resume operations at Casposo in Argentina; and
- The ability to obtain additional capital by way of equity raisings or funding through bank or related party loans.

Based on the Group's cash flow forecast for the 18-month period to 30 September 2026, the Board acknowledges the need to obtain additional capital within the next 12 months to enable the Group to continue its normal business activities to ensure the realisation of assets and extinguishment of liabilities as and when they fall due.

These conditions give rise to a material uncertainty, which may cast significant doubt over the Groups ability to continue as a going concern.

Notwithstanding these conditions, the Directors are of the view that Group will be able to continue as a going concern due to the following factors:

- The operating cash inflows projected from the Group's flagship asset, the Guanaco mine in Chile, with a revised production guidance of 14,000–16,000 GEOs for FY 2025.The Group has also announced plans to resume operations at Casposo in Argentina, which is expected to improve cash flow.
- The major shareholder group has a history of providing the Group with financial support, including providing US$8,600 thousand in loans and US$1,700 thousand to purchase financial assets held by the Company during FY24 and US$230 thousand in HY25 to fund working capital requirements, and extending the maturity dates on loans. Additionally, the Group has obtained confirmation that should the Company be unable to secure alternative finding sources and require additional financing, they have expressed their intention to continue providing ongoing financial support and assistance, as deemed necessary.
- The Group's equity investments are liquid and can be monetised if required. The value of the investments increased by 44% during HY25 to US$4,880 thousand at 30 June 2025 , of which approximately US$3,500 thousand relates to collateral for a related party loan of US$2,000 thousand.
- The Group's ability to secure loans from Chilean and Argentine banks on favourable terms, as demonstrated by the recent financing obtained to initiate the refurbishment of the Casposo Plant in Argentina.

Should the Group be unable to continue as a going concern, it may be required to realise assets and discharge liabilities other than in the ordinary course of business, and at amounts that differ from those stated in these financial statements. This report does not include any adjustments relating to the recoverability or classification of asset amounts, or the amounts or classification of liabilities, that may be necessary should the Group be unable to continue as a going concern.

4. COST OF SALES

All figures are reported in thousands of US$	For the 6 months ended 30 June	
	2025	2024
Production	10,327	11,061
Staff costs	2,719	3,160
Royalty	534	446
Mining canon fees	204	157
Inventory movements	(281)	1,210
Total cost of sales before depreciation and amortisation expense	**13,503**	**16,034**
Depreciation of plant and equipment	750	1,725
Amortisation of mine properties	28	158
Total depreciation and amortisation expense	**778**	**1,883**
Total cost of sales	**14,281**	**17,917**
Severance included in staff costs	**59**	**22**

5. OTHER INCOME

All figures are reported in thousands of US$	For the 6 months ended 30 June	
	2025	2024
Net fair value gain on financial assets at fair value through profit or loss	1,500	1,012
Gain on sale of equipment	539	238
Equipment rental	4	28
Other	57	156
Total other income	**2,100**	**1,434**

6. OTHER EXPENSES

All figures are reported in thousands of US$	For the 6 months ended 30 June	
	2025	2024
Production startup costs		
Staff costs	276	-
Security	175	-
Maintenance	130	-
Contractor services	112	-
Electricity	75	-
Other	140	-
	908	-
Care and maintenance[1]	67	858
Exploration expenses	167	211
Inventory allowance at non-operating mine	121	31
Other	13	944
Total other expenses	**1,276**	**2,044**

(1) Includes depreciation of US$nil thousand (2024-US$11 thousand)

NOTES TO THE INTERIM CONSOLIDATED STATEMENT FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

7. FINANCE INCOME

All figures are reported in thousands of US$	For the 6 months ended 30 June	
	2025	2024
Interest income	82	49
Gain from foreign exchange	-	2,225
Present value adjustment to mine closure provision	-	176
Total finance income	**82**	**2,450**

8. INCOME TAX EXPENSE

All figures are reported in thousands of US$	For the 6 months ended 30 June	
	2025	2024
(A) Income tax expense comprises:		
Current income tax (benefit)	-	-
Deferred income tax (benefit) expense	288	(2,935)
Income tax	**288**	**(2,935)**

9. OPERATING SEGMENTS

Management have determined the operating segments based on reports reviewed by the Chief Operating Decision Maker ("CODM"). The CODM considers the business from both an operations and geographic perspective and has identified two reportable segments, Guanaco/Amancaya which is based in Chile and Casposo/Manantiales which is based in Argentina. The CODM monitors the performance in these two regions separately. During the 6 months ended 30 June 2025 and 2024, the Group earned 100% of its consolidated revenue from sales made to one customer.

All figures are reported in thousands of US$	For the 6 months ended 30 June 2025				For the 6 months ended 30 June 2024			
	Guanaco/ Amancaya	Casposo	Group and unallocated items	Consolidated	Guanaco/ Amancaya	Casposo	Group and unallocated items	Consolidated
Revenue:								
Gold	18,009	-	-	18,009	18,692	-	-	18,692
Silver	558	-	-	558	382	-	-	382
Cost of sales	(13,503)	-	-	(13,503)	(16,034)	-	-	(16,034)
Depreciation and amortisation expense	(778)	-	-	(778)	(1,883)	-	-	(1,883)
Impairment loss on property plant and equipment	-	-	-	-	(11,025)	-	-	(11,025)
Impairment loss on exploration and evaluation assets	(406)	-	(376)	(782)	(246)	-	(8,074)	(8,320)
Other income	521	46	1,533	2,100	203	158	1,073	1,434
Other expenses	-	(1,186)	(90)	(1,276)	(768)	(1,066)	(210)	(2,044)
Administration expenses	(1,283)	(404)	(1,096)	(2,783)	(1,217)	(17)	(1,371)	(2,605)
Finance income	8	54	20	82	1,889	414	147	2,450
Finance expenses	(2,355)	(179)	(97)	(2,631)	(1,290)	(24)	(643)	(1,957)
Income tax (expense)/ benefit	(254)	(34)	-	(288)	2,889	46	-	2,935
Segment (loss)	**517**	**(1,703)**	**(106)**	**(1,292)**	**(8,408)**	**(489)**	**(9,078)**	**(17,975)**
Segment assets	**47,224**	**19,473**	**6,415**	**73,112**	**57,409**	**14,461**	**6,976**	**78,846**
Segment liabilities	**43,167**	**13,604**	**3,311**	**60,082**	**50,360**	**4,777**	**301**	**55,438**
Property, plant and equipment	-	2,949	-	2,949	275	-	-	275
Exploration and Evaluation expenditure	179	72	-	251	147	338	-	485
Mine properties	7	-	-	7	54	-	-	54
Capital expenditure	**186**	**3,021**	**-**	**3,207**	**476**	**338**	**-**	**814**

Geographic information:

All figures are reported in thousands of US$	For the 6 months ended 30 June	
	2025	2024
Revenue by geographic location		
Chile	18,567	19,074
Total revenue	**18,567**	**19,074**

All figures are reported in thousands of US$	As at	
	30 June 2025	31 December 2024
Non-current assets by geographic location		
Chile	38,934	40,811
Argentina	14,757	12,102
Total non-current assets	**53,691**	**52,913**

11. TRADE AND OTHER RECEIVABLES

All figures are reported in thousands of US$	As at	
	30 June 2025	31 December 2024
Current		
Trade Receivables	137	106
Other receivables*	2,072	3,577
Other tax receivable	254	73
GST/VAT receivable	1,578	744
Total current receivables	**4,041**	**4,500**
Allowance for expected credit losses on GST/VAT	(108)	-
Net current receivables	**3,933**	**4,500**
Non-current		
GST/VAT receivable	439	808
Other tax receivable	50	140
Other receivables	48	161
Total non-current receivables	**537**	**969**
Allowance for expected credit losses on GST/VAT	(399)	(482)
Net non-current receivables	**138**	**487**
Trade debtors ageing		
The ageing of trade receivables is 0-30 days	137	106
>30 days	-	-

* US $2,000 thousand of the movement relates to cash paid by Challenger to the Group, which were receivable in the prior period. The remaining balance is made up of prepayments to suppliers, and US $1,000 thousand relates to a receivable from the sale of SCRN Properties Ltd. (owner of the Pinguino project) in the prior year.

12. OTHER FINANCIAL ASSETS

All figures are reported in thousands of US$	As at	
	30 June 2025	31 December 2024
Listed equity securities — level 1	4,096	2,820
Unico Silver options— level 3	784	563
Total current other financial assets at fair value through profit or loss	**4,880**	**3,383**

The table above sets out the Group's financial assets measured and recognised at fair value at 30 June 2025 and 31 December 2024 with any movements recorded through the profit or loss.

Unico Silver equity securities classified as level 1.

Listed equity securities are shares of Australian and Canadian listed mining companies denominated in A$ and C$ at 30 June 2025 and 31 December 2024, respectively.

Level 3 recurring fair value

Reconciliation of Level 3 fair values

The following table presents the changes in level 3 instruments for the half-year ended 30 June 2025.

All figures are reported in thousands of US$	Options
Opening balance 31 December 2024	**563**
Gains recognised in other income	221
Closing balance 30 June 2025	**784**

The main level 3 inputs used by the group in measuring the fair value of financial instruments are derived and evaluated as follows:

- These options were valued using the Black Scholes model. Key inputs into the model include the underlying share price, expiry date and volatility
- Annual volatility: measures the degree of variation in the price of the asset. Higher volatility implies greater uncertainty or risk about the asset's future price.

Transfers-there were no transfers during the period.

13. INVENTORIES

All figures are reported in thousands of US$	As at	
	30 June 2025	31 December 2024
Materials and supplies	6,490*	5,918*
Ore stocks	1,363	1,647
Gold bullion and gold in process	1,703	1,139
Total inventories	**9,556**	**8,704**

*As part of the Group's regular inventory review process, certain materials and supplies that are considered obsolete were identified. Obsolescence is determined based on factors such as age, condition, and likelihood of use. The allowance for inventory obsolescence forming part of the above balance is US$2,322 thousand (31 December 2024:US$2,181 thousand) resulting in an expense of US$121 thousand included with other expenses (note 6) and US$20 thousand charged to cost of sales (note 4).

14. PROPERTY, PLANT AND EQUIPMENT

All figures are reported in thousands of US$	As at	
	30 June 2025	31 December 2024
Property, plant and equipment owned	30,827	28,528
Right of use assets	1,216	1,527
	32,043	**30,055**
Property, plant and equipment owned		
Cost	194,531	193,692
Accumulated depreciation and impairment	(163,704)	(165,164)
Carrying amount at end of the period	**30,827**	**28,528**
Accumulated impairment	**(16,705)**	**(16,705)**

Following is a reconciliation of changes in the balances of property, plant and equipment owned.

All figures are reported in thousands of US$	6 months to 30 June 2025
Carrying amount at beginning of the period	28,528
Additions	2,949
Depreciation	(578)
Disposals	(2,110)
Depreciation on disposals	2,038
Carrying amount at end of the period	**30,827**

All figures are reported in thousands of US$	Underground Mine Development	Plant	Mining Equipment	Buildings	Heap	Other	Total
Additions	-	2,917	8	-	-	24	2,949
Disposals	-	-	(1,783)	-	-	(327)	(2,110)

(a) Impairment of assets

Under AASB 136 Impairment of Assets, property, plant and equipment and lease right-of-use 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. The recoverable amount is the higher of an asset's fair value less costs to sell, and its value in use.

For previously impaired assets, an impairment review is also carried out whenever events or changes in circumstances indicate that there could be a reversal of prior impairment. A reversal of prior impairment is recognised to the extent that the asset's recoverable amount exceeds its impaired carrying amount.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units, or CGUs). In assessing impairment of assets, the Group has determined that it has the following CGUs:

- Guanaco/Amancaya Mine
- Casposo- Manantiales Mine

Guanaco

In the Group's impairment testing of Guanaco, the recoverable amount of assets has been determined based on 9-year value-in-use calculations, incorporating:

- Board approved FY25 budget; and
- Management projections for the remaining years to 2034

The use of a 9-year period is considered appropriate, as this is consistent with the remaining forecasted life of mine.

The calculations also include the following key assumptions:

	30 June 2025	31 December 2024
Pre-tax discount rate	11.5%	10.8%
Long term growth rate	N/A	N/A

The above assumptions are considered to be reasonable at 30 June 2025. The sensitivity of Guanaco/Amancaya assets' value-in-use to changes in key assumptions are as follows:

		Change in value-in-use US$'000
Pre-tax discount rate	+0.50%	(1,001)
	-0.50%	1,021

No reasonably possible changes in these assumptions could result in impairments.

Casposo- Manantiales Mine

There have been no changes in the impairment considerations or operations of the Casposo- Manantiales assets since 31 December 2024. Management has determined that there are no significant indicators of impairment for Casposo as at 30 June 2025. As a result, impairment testing for this CGU has not been required in the current period.

15. EXPLORATION AND EVALUATION EXPENDITURE

All figures are reported in thousands of US$	30 June 2025
Costs carried forward in respect of areas of interest:	
Carrying amount at the beginning of the period	19,459
Additions	251
Impairment for the year	(782)
Carrying amount at end of the period	**18,928**

The recovery of the carrying amount of the exploration and evaluation assets is dependent on the successful development and commercial exploitation or sale of the areas of interest. This balance mainly relates to expenditures at the Guanaco, and Casposo exploration areas of interest.

Additions for the 6 months ended 30 June 2025 mainly related to the Casposo-Manantiales project in San Juan, Argentina, and the Guanaco projects in Chile.

During the 6 months ended 30 June 2025, the Group impaired one property and a portion of another property previously acquired from Revelo Resources, totalling US$376 thousand. Additionally, five properties at Guanaco were impaired, two of which were partially impaired, totalling US$406 thousand.

16. TRADE AND OTHER PAYABLES

All figures are reported in thousands of US$	As at	
	30 June 2025	31 December 2024
Current		
Trade payables	3,999	5,501
Accrued expenses	6,754	7,000
Royalty payable	1,513	1,306
Director fees	756	654
Other	194	322
Total current trade and other payables	**13,216**	**14,783**

17. PROVISIONS

All figures reported in thousands of US$	30 June 2025
Mine closure provision	
Movement in non-current provisions	
Opening balance	11,566
(Decrease) of provision for reclamation and rehabilitation capitalised	(54)
Exchange difference	681
Present value adjustment	223
Closing balance	**12,416**

18. LOANS AND BORROWINGS

All figures are reported in thousands of US$	As at	
	30 June 2025	31 December 2024
Current		
Loan facilities	6,438	3,779
Related party loans	4,036	1,606
Convertible notes	663	48
Total current loans and borrowings	**11,137**	**5,433**
Non-current		
Loan facilities	7,732	8,547
Related party loans	8,798	10,790
Convertible notes	-	564
Total non-current loans and borrowings	**16,530**	**19,901**

Loan Facilities

During the 6-month period ended 30 June 2025, the Group received US$3,500 thousand from the US$7,000 thousand secured loan facility, obtained on 20 December 2024 from Banco San Juan, bearing an interest rate of 8% per annum, to refurbish the Casposo Plant.

On 25 April 2025, the Company obtained an amendment to the secured loan facility, extending the loan maturity from 24 to 30 months. Monthly repayments of principal and interest to commence in November 2025.

At 30 June 2025, the current and non-current Loan facilities are to be repaid over 9 months and 37 months respectively at an annual average interest rate of 11.5% (2024–9.6%).

Related party loans

During the 6-month period ended 30 June 2025, the Group received the following loans:

i. US$150,000 under the unsecured credit facility agreement with Inversiones Financieras del Sur S.A. for up to US$3,000,000 with an interest rate of 9% per annum, with funds advanced under the facility due 31 July 2026. As of 30 June 2025, US$850,000 remains undrawn under the facility.

ii. US$80,000 under the unsecured credit facility agreement with Consultores Assets Management S.A. for up to US$2,200,000 with an interest rate of 9% per annum, with funds advanced under the facility due 31 July 2026. As of 30 June 2025, US$1,120,000 remains undrawn under the facility.

Reconciliation of movements of liabilities to cash flows arising from financing activities

All figures are reported in thousands of US$	Loans	Leasing
Non-cash movements		
Interest expense	1,309	54
Foreign exchange	(193)	3

All figures are reported in US$	30 June 2025		Interest rate (%)	Maturity date
Lender	Face value	Carrying value		
Bank loans				
Banco de Crédito e Inversiones SA (BCI)	2,883,060	2,563,060	9.90	27 March 2026
Banco de Crédito e Inversiones SA (BCI)	1,000,000	444,445	12.35	23 October 2026
Banco San Juan	5,000,000	5,000,000	8.00	20 December 2026
Santander Bank	7,000,000	6,162,746	10.17	17 July 2028
	15,383,060	14,170,251		
Related party loans				
Banco Hipotecario[1]	1,332,778	1,377,253	43.50	1 August 2025
Inversiones Financieras del Sur S.A.	500,000	537,375	9.00	29 January 2026
Eduardo Elsztain	1,700,000	1,802,850	9.00	29 January 2026
Saul Zang	300,000	318,150	9.00	29 January 2026
Inversiones Financieras del Sur S.A.	555,000	637,973	9.00	31 July 2026
Inversiones Financieras del Sur S.A.	2,150,000	2,484,360	9.00	31 July 2026
Eduardo Elsztain	850,000	1,026,706	9.00	31 July 2026
Eduardo Elsztain	850,000	986,425	9.00	31 July 2026
Saul Zang	150,000	181,183	9.00	31 July 2026
Saul Zang	150,000	174,150	9.00	31 July 2026
Consultores Assets Management S.A.	1,080,000	1,201,690	9.00	31 July 2026
Inversiones Financieras del Sur S.A.	2,000,000	2,105,690	7.00	25 September 2026
	11,617,778	12,833,893		
Convertible notes	584,031	663,426	9.00	15 February 2026
	28,084,869	27,667,570		

(1) Interest rate denominated in Argentine pesos (AR$)

19. COMMITMENTS AND CONTINGENCIES

To maintain legal rights to its properties, the Group pays fees for mining concessions and exploration. It anticipates that it will need to pay approximately US$533 thousand (2023: US$383 thousand) during the next year to maintain legal rights to all of its properties. Additionally, on 8 May 2025, the Argentine Provincial Institute of Mining Exploration and Exploitation (IPEEM) granted the Group a two-year extension, through 19 December 2026, to continue exploration activities on the Manantiales project. In exchange, the Group committed to incur exploration expenditures totaling US$1.5 million on the property.

Toll Processing Agreement

On 30 December 2024, the Group's subsidiary, Casposo Argentina Mining Ltd. ("Casposo) and Challenger Gold ("Challenger") executed a Toll Processing Agreement ("the Agreement").

Under the Agreement, Casposo will process mineralised material from Challenger's Hualilan project at Casposo's Plant, in San Juan, Argentina.

Material Terms of the Agreement

- The parties agree to set up a technical and advisory committee made up of up to three professionals from each party.
- Casposo to use best commercial efforts to finance, directly or through third parties, the funds required for the refurbishment and commercial startup of the Casposo Plant on or before July 31, 2025.
- Operator: The Casposo Plant ("Plant") will be operated by Casposo´s local branch in Argentina, named Casposo Argentina Ltd. Sucursal Argentina.
- Guaranteed throughput Tonnage: guaranteed toll treatment of 150,000 tons available to Challenger per year, with a guaranteed toll treatment capacity available to Challenger of 450,000 tons over a three (3) year period.

Consideration:

As part of this agreement US$2,000 thousand was paid in advance by Challenger to the Group. The amount would have been required to be repaid if the plant was not ready for commercial operations by 31 July 2025, other than due to delays and other matters beyond Casposo's control, and/or the Technical Committee, comprised of employees of Challenger and the Group determines, after conducting all relevant studies and testing, that less than 70% of the material from Challenger's Hualilan project processed at Casposo's plant will be recovered. The Group has determined that the US$2,000 thousand is not refundable as several critical components experienced substantial delays in delivery from vendors, and metallurgical testing conducted by both companies indicated that the expected metallurgical recovery rate on gold material of the Challenger's Hualilan project is expected to be above 70%.

20. RELATED PARTY TRANSACTIONS

Refer to note 18 for details of loans with related parties.

21. SUBSEQUENT EVENTS

On 18 August 2025, the Group obtained a new US$1.3 million unsecured related party loan from Banco Hipotecario (BH). The proceeds of the loan was applied against the AR$1,600 million loan plus accrued interest and structuring fees (approximately to US$1.25 million at 18 August 2025) previously obtained and subsequently renewed from BH, which became due on 1 August 2025.

On 26 August 2025, the Group reported a fatal incident at its Guanaco mine in Chile, resulting in the death of an employee from a contractor company that provides plant service support at the operation. Emergency protocols were immediately initiated to assist those on site, support employees and contractors, and notify the relevant authorities to commence an investigation. It is currently too early to estimate any potential financial impact from this incident.

22. CHANGE IN CLASSIFICATION

During the 6 month period ended 30 June 2025, the Group updated the classification of certain disclosures to better reflect the nature of the items.

Changes were made to the Consolidated statement of profit or loss and other comprehensive income to:

- reclassify impairment loss on property plant and equipment of US$11,025 thousand; and impairment loss on exploration and evaluation assets of US$8,320 thousand from Other expenses.
- reclassify gain on sale of equipment and gain on sale of inventory of US$152 thousand from proceeds in other income and cost in other expenses.

Changes were made to the Consolidated Statement of Cash Flows to:

- reclassify US$98 thousand of Supply chain financing arrangement from Trade and other payables.

Previous financial statement captions	30 June 2024 (Prior) $000's	Reclassification	30 June 2024 (Current) $000's
Consolidated profit or loss and other comprehensive income			
Other income	1,586	(152)	1,434
Other expenses	(21,541)	19,497	(2,044)
Impairment loss on property, plant and equipment	-	(11,025)	(11,025)
Impairment loss on exploration and evaluation assets		(8,320)	(8,320)
	(19,955)	**-**	**(19,955)**
Consolidated statement of cash flows			
Net cash generated from operating activities	**(2,887)**	**723**	**(2,164)**
Cash flow from financing activities			
Other interest and financial expenses paid	-	(723)	(723)
	(2,887)	**-**	**(2,887)**

The comparative statement of cash flows has been restated, with presentation changed to the direct method. A reconciliation of loss after income tax to net cash used in operating activities has been included below:

Reconciliation of Loss After Income Tax to Net Cash used in Operating Activities	6 months ended 30 June 2025	6 months ended 30 June 2024
Loss after income tax	(1,292)	(17,975)
Adjustments for		
Income tax benefit recognized in loss	288	(2,935)
Impairment of exploration and evaluation expenditure	782	8,320
Impairment of property, plant and equipment	-	11,025
Depreciation and amortisation	792	1,901
Gain on sale of equipment	(539)	(238)
Gain on sale of financial assets	(2)	(631)
Net finance charges	1,505	1,841
Gain from foreign exchange	(209)	(120)
Provision for reclamation and rehabilitation	904	(564)
Allowance for doubtful accounts	25	41
Inventory write-down	141	39
Non-cash employee entitlements	2	(2)
Net fair value gain on financial assets at fair value through profit or loss	(1,498)	(381)
Net cash generated from operating activities before change in assets and liabilities	899	321
Income tax refunds	-	-
Net cash generated from operating activities before changes in assets and liabilities	**899**	**321**
Changes in working capital		
Decrease / (increase) in inventory	(993)	1,693
Decrease in trade and other receivables	895	(403)
(Decrease) /increase in trade and other payables	(1,567)	(3,787)
(Decrease) / increase in supply chain financing arrangement	-	(98)
(Decrease) in employee entitlements	102	(87)
Net cash used in / generated from operating activities	**(664)**	**(2,361)**

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DECLARATION OF INDEPENDENCE BY T R MANN TO THE DIRECTORS OF AUSTRAL GOLD LIMITED

As lead auditor for the review of Austral Gold Limited for the half-year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Austral Gold Limited and the entities it controlled during the period.

T R Mann
Director

BDO Audit Pty Ltd

Brisbane, 28 August 2025

DIRECTORS' DECLARATION

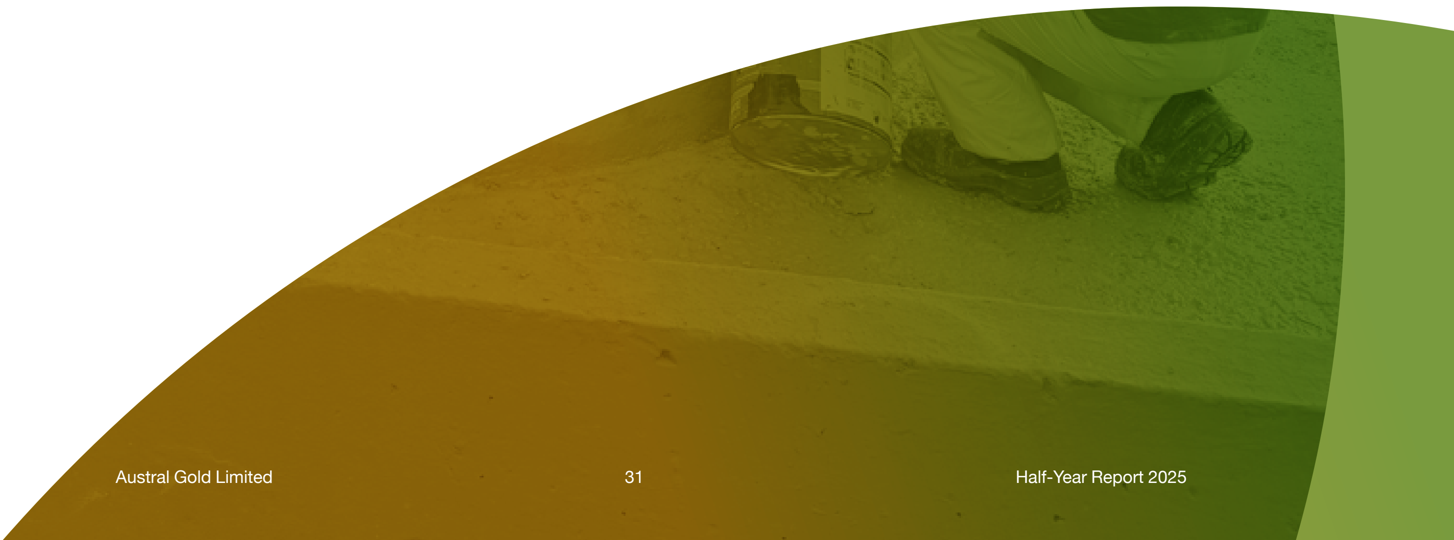
IN THE DIRECTORS' OPINION:

- the attached financial statements and notes thereto comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes thereto give a true and fair view of the consolidated entity's financial position as at 30 June 2025 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5) of the Corporations Act 2001.

Robert Trzebski
Director
Sydney
28 August 2025

INDEPENDENT AUDITOR'S REVIEW REPORT



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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Austral Gold Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Austral Gold Limited (the Company) and its subsidiaries (the Group), which comprises the interim consolidated statement of financial position as at 30 June 2025, interim the consolidated statement of profit or loss and other comprehensive income, the interim consolidated statement of changes in equity and the interim consolidated statement of cash flows for the half-year ended on that date, material accounting policy information and other explanatory information, and the directors' declaration.

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

i. Giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the half-year ended on that date; and
ii. Complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual 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 the same terms if given to the directors as at the time of this auditor's review report.

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Material uncertainty relating to going concern

We draw attention to Note 3 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.

Responsibility of the directors for the financial report

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

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2025 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

BDO Audit Pty Ltd

BDO
TMann

T R Mann
Director

Brisbane, 28 August 2025

Forward Looking Statements

In this half-year report, statements that are not historical facts are forward-looking statements. Forward-looking statements are statements that are not historical, and consist primarily of projections — statements regarding future plans, expectations and developments. Words such as “expects”, “intends”, “plans”, “may”, “could”, “potential”, “should”, “anticipates”, “likely”, “believes” and words of similar import tend to identify forward-looking statements. Forward-looking statements in this half year report include statements relating to the refurbishment and commissioning of the Casposo Agitation Leaching Processing Plant, the Group’s projected operating cash flows, financing arrangements, and strategic initiatives. These include expectations regarding production guidance from the Guanaco mine in Chile, the planned resumption of operations at Casposo in Argentina, ongoing financial support from major shareholders, and the potential monetisation of the Group’s equity investment portfolio, and the Group’s ability to secure loans from Chilean and Argentine banks on favourable terms.

All these forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those expressed or implied, including, without limitation, business integration risks; uncertainty of production, development plans and cost estimates, commodity price fluctuations; political or economic instability and regulatory changes; currency fluctuations, the state of the capital markets, uncertainty in the measurement of mineral reserves and resource estimates, Austral’s ability to attract and retain qualified personnel and management, potential labour unrest, reclamation and closure requirements for mineral properties; unpredictable risks and hazards related to the development and operation of a mine or mineral property that are beyond the Company’s control, the availability of capital to fund all of the Company’s projects and other risks and uncertainties identified under the heading “Risk Factors” in the Company’s continuous disclosure documents filed on the ASX and SEDAR+.. You are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. Austral cannot assure you that actual events, performance or results will be consistent with these forward-looking statements, and management’s assumptions may prove to be incorrect. Austral’s forward-looking statements reflect current expectations regarding future events and operating performance and speak only as of the date hereof and Austral does not assume any obligation to update forward-looking statements if circumstances or management’s beliefs, expectations or opinions should change other than as required by applicable law. For the reasons set forth above, you should not place undue reliance on forward-looking statements.