Nelson Resources Limited

And Controlled Entities

ABN 83 127 620 482

Annual Report - For the Year Ended 30 June 2025

Directors	Gernot Abl, Non-Executive Chairman Louis Bucci, Executive Director Daniel Smith, Non-Executive Director
Company secretary	Nicholas Ong
Registered office	Level 1, 33 Ord Street West Perth WA 6005
Principal place of business	Level 1, 33 Ord Street West Perth WA 6005
Share register	Automic Pty Ltd Level 5, 191 St Georges Terrace Perth WA 6000
Auditor	Criterion Audit Pty Ltd Suite 2, 642 Newcastle Street Leederville WA 6902
Bankers	National Australia Bank 100 St Georges Terrace Perth WA 6000
Stock exchange listing	Nelson Resources Limited shares are listed on the Australian Securities Exchange (ASX code: NES)
Website & Email	www.nelsonresources.com.au info@nelsonresources.com.au

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Nelson Resources Limited (referred to hereafter as the 'Company' or 'Parent Entity') and the entities it controlled at the end of, or during, the year ended 30 June 2025.

Directors

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

Gernot Abl	Non-Executive Chairman (appointed 3 October 2024)
Louis Bucci	Executive Director (appointed 10 December 2024)
Daniel Smith	Non-Executive Director
Peter Bird	Non-Executive Chairman (resigned 3 October 2024)
Nicholas Ong	Non-Executive Director (resigned 10 December 2024)

Principal activities

The principal activities of the Group during the year were the exploration and development of natural resources. There have been no other significant changes in the activities of the Group during the year other than matters noted in this report.

Dividends

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

Information on directors

Name:	Gernot Abl
Title:	Non-Executive Chairman (appointed 3 October 2024)
Experience and expertise:	Mr Abl has a background in law, corporate finance, and strategic consulting and has more than 20 years of entrepreneurial, business strategy, and investment experience. Mr Abl has worked with many early-stage businesses, across industries, to help commercialise, grow, and increase the value of the business for all stakeholders.
Other current directorships:	DorsaVI Ltd, Peako Limited
Former directorships (last 3 years):	Lithium Universe Limited, Live Verdure Limited, Dragon Mountain Gold Limited
Interests in shares:	133,333,333 ordinary shares through KG Venture Holdings Pty Ltd
Interests in options:	133,333,333 unlisted options exercisable at $0.003 each expiring 4 December 2029 through KG Venture Holdings Pty Ltd

Name:	Louis Bucci
Title:	Executive Director (appointed 5 December 2024)
Experience and expertise:	Dr Bucci is an economic geologist with over 20 years' experience in the mineral resources sector in a wide range of technical, consultant and senior management roles including Board level positions. His experience spans the management of early-stage exploration projects through to mineral resource development, feasibility studies and operations. Dr Bucci holds a PhD in Economic Geology from the University of Western Australia focused on gold and related polymetallic mineral systems and is a former Director of SRK Australasia. He has worked for a broad range of businesses, including global mining and exploration companies, related financial institutions and government agencies, across multiple commodities in Australia, China & SE Asia, Africa, former Soviet countries, India, the Americas, Europe, and the Pacific Islands.
Other current directorships:	Peako Limited
Former directorships (last 3 years):	None.
Interests in shares:	Nil
Interests in options:	Nil

Name:	Daniel Smith
Title:	Non-Executive Director (appointed 15 August 2022)
Experience and expertise:	Mr Smith, BA, GraDipACG, FGIA RG146, holds a Bachelor of Arts, is a Fellow of the Governance Institute of Australia, and has over 15 years primary and secondary capital markets expertise. He has advised on and been involved in over a dozen IPOs, RTOs and capital raisings on the ASX, AIM and NSX. Dan is currently non-executive director and/or company secretary for a number of companies operating in the resources sector, and has been heavily involved in project origination and evaluation.
Other current directorships:	Rapid Critical Metals Limited (appointed 4 November 2024), DY6 Metals Ltd (appointed 3 November 2022), QX Resources Limited (appointed 13 June 2018), Europa Metals Ltd (appointed 16 January 2018)
Former directorships (last 3 years):	White Cliff Metals Ltd, Oceana Lithium Limited, Lachlan Star Limited, Artemis Resources Limited, Alien Metals Ltd
Interests in shares:	125,500,000 ordinary shares through Bridge The Gap Trading Pty Ltd; 43,500,000 ordinary shares through Orwellian Investments Pty Ltd
Interests in options:	89,000,000 unlisted options exercisable at $0.003 each expiring 4 December 2029 through Bridge The Gap Trading Pty Ltd; 40,000,000 unlisted options exercisable at $0.003 each expiring 4 December 2029 through Orwellian Investments Pty Ltd

Name:	Peter Bird
Title:	Non-Executive Chairman (resigned 3 October 2024)
Experience and expertise:	Peter Bird, BSc (Hons) (Geology), has a wide experience in operational mining geology and exploration in large multinational corporations. He has worked in business development and treasury, with extensive experience as a mining analyst and in investor relations and human resources before becoming a company director. Peter was Deputy Chairman and CEO of Asiament Resources Limited, Australia, from 2017 (listed on the AIM market of the London Stock Exchange), prior to joining Zenith. He has previously served as Managing Director of Heemskirk Consolidated Ltd, of which he was a joint founder, and was Non-Executive Chairman of Excelsior Gold Ltd.
Other current directorships:	Cosmo Metals Limited
Former directorships (last 3 years):	Zenith Minerals Limited

Name:	Nicholas Ong
Title:	Non-Executive Director (resigned 5 December 2024)
Qualifications:	MBA, BCom, GradDipAppFin, GradDipACG, FCIS, FGIA
Experience and expertise:	Mr Ong brings 19 years' experience in IPO, listing rules compliance and corporate governance. He is experienced in mining project finance, mining and milling contract negotiations, mine CAPEX & OPEX management, and toll treatment gold reconciliation. Nicholas is a Fellow of the Governance Institute of Australia and holds a Bachelor of Commerce and a Master of Business Administration from the University of Western Australia.
Other current directorships:	Beroni Group Limited, CFOAM Ltd, Dragon Mountain Gold Limited, Stonehorse Energy Limited, Flexiroam Limited
Former directorships (last 3 years):	White Cliff Resources Limited, Helios Energy Limited, Vonex Limited, Miepav Limited

'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
Nicholas Ong, appointed 20 November 2022

Review of operations
The loss for the Group after providing for income tax amounted to $838,606 (30 June 2024: $6,400,075).

During the year, Nelson completed the desktop review of existing Fortnum, Yarri and Woodline gold projects. Desktop review of Yarri has identified additional target areas which was followed up with on-ground exploration during the last quarter of FY2025. A site visit to the Yarri tenements was undertaken by Director Dr Louis Bucci and company consultant Mr Derek Shaw. Historic workings were inspected and samples collected at selected locations. The Company did a reconnaissance sampling at two Prospects (Hidden Treasure and Gibberts, Figure 1) yielded significant initial results as presented in Table 1 below (ASX announcement dated 23 June 2025).

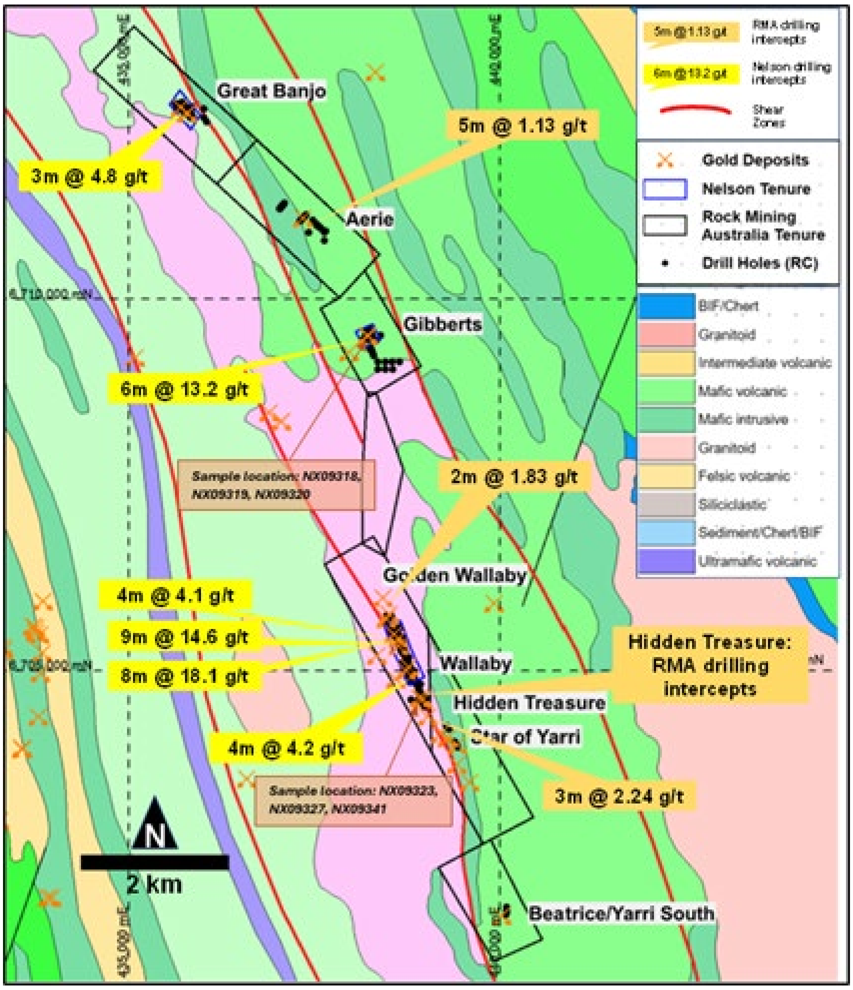

Figure 1: Yarri Project showing recent rock chip sampling locations at Gibberts and Hidden Treasure prospects.

Table 1: Significant initial results from recent rock chip sampling at the Yarri Project

Sample	Easting	Northing	Prospect	Description	Au (g/t)
NX09323	438918	6704620	Hidden Treasure	Millimetre- to cm-scale quartz veins in sheared and sericitised monzogranite with disseminated pyrite	8.6*
NX09327	438930	6704602	Hidden Treasure	Massive (>10cm wide) quartz vein in sheared monzogranite	8.74*
NX09341	438925	6704629	Hidden Treasure	Sericite altered sheared mafic -granite contact with disseminated pyrite and mm-scale shear parallel quartz veining	1.19
NX09319	438227	6709440	Gibberts	Brecciated and mm-scale veined lamprophyre with relict sulphides	0.43
NX09320	438225	6709450	Gibberts	Quartz vein (less than 2cm) in silicified and sheared mafic rocks	8.6*

* sample submitted for re-assay with results pending.

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Dr Louis Bucci, a consulting geologist employed by Nelson Resources Limited. Dr Bucci is a Member Australian Institute of Geoscientists and has sufficient experience that is relevant to this style of mineralisation and type of deposit under consideration and to the activity that is being reported on to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Bucci consents to the inclusion in the report of the matters in the form and context in which it appears.

Listing Rule 5.23 Statement

The Company confirms that it is not aware of any new information that materially affects the information included in the original announcements. 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 market announcements.

Significant changes in the state of affairs
During the year, the Company issued 1,583,333,333 ordinary shares to raise $2.12 million working capital through a placement. The placement included one free attaching option for every new issued share, exercisable at $0.003 each and expiring on 4 December 2029.

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

Meetings of directors
The number of meetings held during the year and the number of meetings attended by each Director was as follows:

	Full Board	
	Attended	Held
Peter Bird	1	1
Nicholas Ong	1	1
Daniel Smith	1	1

The Group does not have an Audit, Remuneration or Nomination Committee with the full Board carrying out the functions that would otherwise be dealt with by such Committees. All Directors were eligible to attend all Board Meetings held when they were in office.

Likely developments and expected results of operations
There is no likely development of which the Directors are aware of which could be expected to significantly affect the results of the Group's operations in subsequent financial periods not otherwise disclosed in the 'Principle activities' and 'Review of operations' or the 'Significant events after the balance sheet date' section of the Directors' report.

Environmental regulation
The Group is subject to significant environmental and monitoring requirements in respect of its natural resources exploration activities. The Directors are not aware of any significant breaches of these requirements during the year.

Shares under option
Unissued ordinary shares of Nelson Resources Limited under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
4 December 2024	4 December 2029	$0.0030	1,533,333,333
4 December 2024	4 December 2029	$0.0015	50,000,000
			1,583,333,333

Shares issued on the exercise of options
There were no ordinary shares of Nelson Resources Limited issued on the exercise of options during the year ended 30 June 2025 and up to the date of this report.

Proceedings on behalf of the Company

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

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Material Business Risks

The Group has exposure to a number of material economic, environmental and social sustainability risks, as is typical for a mineral exploration company. Some of these risks are mitigated by the use of safeguards and appropriate controls, however, some of the risks are outside the control of the Directors and management of the Company and cannot be mitigated.

The risks described in this section are not an exhaustive list of all the risks faced by the Company. The risks described below could in the future materially affect the financial performance and position of the Company.

Security of Tenure

The exploration tenements comprising the Group's projects are subject to the Mining Act and Mining Regulations (or equivalent) in the relevant State or Territory jurisdictions. Exploration tenements are subject to periodic renewal, which is subject to the discretion of the relevant authority and may be subject to conditions. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising the Company's projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

Although the Group has no reason to think that the Group's tenements will not be renewed, there is no assurance that such renewals will be given as a matter of course and there is no assurance that new conditions will not be imposed by the relevant granting authority. The Group considers the likelihood of tenure forfeiture to be low given the laws and regulations governing exploration in the relevant State or Territory jurisdictions and the ongoing expenditure budgeted by the Group.

Exploration and Development Risks

Resource exploration and development involves significant risks which only occasionally provide high rewards. In addition to the normal competition for prospective ground and the high costs of discovery and development of an economic deposit, factors such as demand for commodities, stock market fluctuations affecting access to new capital, sovereign risk, environmental issues, labour disruption, project financing, and technical problems all affect the ability of a company to profit from a discovery.

There is no assurance that the Company's exploration operations will result in the discovery of an economic resources. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited. The success of the Group will also depend upon the Group having access to sufficient development capital, being able to maintain title to its projects and obtaining all required approvals for its activities. In the event that exploration programs prove to be unsuccessful this could lead to a diminution in the value of the tenements, a reduction in the cash reserves of the Group and/or possible relinquishment of its projects.

Environmental Risk

The Company's projects are subject to State and Federal laws and regulations regarding environmental matters. The Governments and other authorities that administer and enforce environmental laws and regulations determine these requirements.

Additional approvals may be required to undertake activities that are likely to impact the environment. Delays in obtaining such approvals can result in the delay to anticipated exploration programs. As with most exploration projects, the Group's activities are expected to have an impact on the environment, particularly if advanced exploration proceeds. It is the Group's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws. There is a risk that environmental laws and regulations become more onerous with time making the Group's activities more expensive.

Reliance on key personnel

The Group's future depends, in part, on its ability to attract and retain key personnel. It may be particularly difficult for the Group to attract and retain suitably qualified and experienced personnel, given the current high demand in the industry and small size of the Group, relative to other industry participants. The Group's future also depends on the continued contributions of its key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Group's business.

Additional Requirement for Funding

The Group's funding requirements depend on numerous factors including the Group's future exploration and work programs. Furthermore, the Group may require further capital in addition to current cash reserves to fund future exploration activities. If required funding cannot be sourced, then this may limit the capacity of the Group to execute its business strategy and exploration programs.

Additional equity funding, if available, may be dilutive to Shareholders and at lower prices than the current market price. Debt funding, if available, may involve restrictions on financing and operating activities and be subject to risks relating to movements in interest rates. Increases in interest rates may make it more expensive for the Group to fund its operations.

Climate Risk

The Group acknowledges that climate change issues could constitute a risk to its operations but has assessed the risks to be very low. The largest concern for the Group is water management during its exploration activities and access to site during major rain events. Most of the Group's operations occur in remote areas with scarce access to water and the Group believes that climate change may exacerbate this issue as weather patterns potentially become less predictable. The Group's approach is to be flexible and adaptive in its response to manage this potential issue whilst adding water bores and improving site access in all-weather conditions.

Remuneration report (audited)
The remuneration report details the key management personnel remuneration arrangements for the Group, 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 Directors present the Remuneration Report for the Group for the year ended 30 June 2025. This Remuneration Report forms part of the Directors' Report in accordance with the requirements of the Corporations Act 2001 and its regulations. For the purposes of this report, Key Management Personnel ("KMP") of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any director (whether executive or otherwise) of the Parent Entity.

Remuneration Policy

The Company Constitution provides that the remuneration of non-executive Directors will not be more than the aggregate fixed sum determined by a general meeting. The aggregate remuneration for non-executive Directors has been set at an amount not to exceed $250,000 per annum. The remuneration of executive Directors will be fixed by the Directors and may be paid by way of fixed salary or consultancy fee.

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

At the 22 November 2024 AGM, 93.48% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2024. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

The remuneration report for the period ended 30 June 2025 will be put to shareholders for approval at the Company's AGM which will be held during November 2025.

Details of remuneration

Amounts of remuneration

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

The key management personnel of the Group consisted of the following directors of Nelson Resources Limited:

- Gernot Abl, Non-Executive Chairman (appointed 3 October 2024)
- Louis Bucci, Executive Director (appointed 5 December 2024)
- Daniel Smith, Non-Executive Director
- Peter Bird, Non-Executive Chairman (resigned 3 October 2024)
- Nicholas Ong, Non-Executive Director (resigned 5 December 2024)

	Short-term benefits	Post-employment benefits	Share-based payments	
2025	Cash salary and fees $	Super-annuation $	Equity-settled $	Total $
Non-Executive Directors:				
Gernot Abl	50,516	5,809	-	56,325
Daniel Smith	47,774	-	-	47,774
Peter Bird	8,306	955	-	9,261
Nicholas Ong	20,677	-	-	20,677
Executive Directors:				
Louis Bucci	105,000	-	-	105,000
	232,273	6,764	-	239,037

2024	Short-term benefits Cash salary and fees $	Post-employment benefits Super-annuation $	Share-based payments Equity-settled $	Total $
Non-Executive Directors:				
Gernot Abl	-	-	-	-
Daniel Smith	36,000	-	-	36,000
Peter Bird	32,432	3,568	-	36,000
Nicholas Ong	36,000	-	-	36,000
	104,432	3,568	-	108,000

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:	Gernot Abl
Title:	Non-Executive Chairman
Agreement commenced:	3 October 2024
Term of agreement:	Gernot Abl is appointed as a non-executive director pursuant to an appointment letter with the Company.
Details:	The Company agreed to pay Gernot Abl $60,000 per year plus superannuation for acting as a Director and Chairman from the appointment to 30 November 2024. From 1 December 2024, the fee has been adjusted to $72,000 plus superannuation.

Name:	Louis Bucci
Title:	Executive Director
Agreement commenced:	15 December 2024
Term of agreement:	Louis Bucci is engaged as an executive director pursuant to a services agreement. The service agreement may be terminated by: (i) the Company by giving Dr Louis Bucci 2 months written notice at any time; or (ii) Dr Louis Bucci by giving the Company 2 months weeks written notice at any time.
Details:	The Company agreed to pay Dr Louis Bucci a monthly fee of $15,000 plus GST from 1 December 2024

Name:	Daniel Smith
Title:	Non-Executive Director
Agreement commenced:	15 August 2022
Term of agreement:	Daniel Smith is engaged as a non-executive director pursuant to a consultancy agreement with the Company.
Details:	The Company agreed to pay Daniel Smith a fee of $52,560 per annum. The fee was reduced to $36,000 per annum effective from 1 November 2022 to 7 December 2024. From 8 December 2024, the fee paid to Daniel Smith has been adjusted to $48,000 per annum.

Name:	Peter Bird
Title:	Non-Executive Director
Agreement commenced:	20 November 2022
Term of agreement:	Peter Bird is appointed as a non-executive director pursuant to an appointment letter with the Company.
Details:	The Company agreed to pay Peter Bird a director fee of $36,000 per annum inclusive superannuation.

Name:	Nicholas Ong
Title:	Non-Executive Director
Agreement commenced:	20 November 2022
Term of agreement:	Nicholas Ong is engaged as a non-executive director pursuant to a consultancy agreement with the Company.
Details:	The Company agreed to pay Nicholas Ong a fee of $36,000 per annum.

Share-based compensation

Issue of shares
There were no shares issued to directors as part of compensation during the year ended 30 June 2025.

Options
There were no options over ordinary shares issued to directors as part of compensation that were outstanding as at 30 June 2025.

Additional information
The earnings of the Group for the five years to 30 June 2025 are summarised below:

	2025 $	2024 $	2023 $	2022 $	2021 $
Sales revenue	10,958	12,505	45,266	373,396	204,456
Loss after income tax	(838,607)	(6,400,075)	(1,307,070)	(2,317,835)	(3,097,367)

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

	2025	2024	2023	2022	2021
Share price at financial year end ($)	0.003	0.003	0.005	0.011	0.060
Total dividends declared (cents per share)	-	-	-	-	-
Basic earnings per share (cents per share)	(0.060)	(1.040)	(0.260)	(1.040)	(2.450)
Diluted earnings per share (cents per share)	(0.060)	(1.040)	(0.260)	(1.040)	(2.450)

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 Group, including their personally related parties, is set out below:

	Balance at the start of the year/date of appointment	Received as part of remuneration	Additions	Disposals/ Resignation	Balance at the end of the year
Ordinary shares					
Gernot Abl	-	-	133,333,333	-	133,333,333
Louis Bucci	-	-	-	-	-
Daniel Smith (i)	40,000,000	-	129,000,000	-	169,000,000
Peter Bird	-	-	-	-	-
Nicholas Ong	40,000,000	-	129,000,000	(169,000,000)	-
	80,000,000	-	391,333,333	(169,000,000)	302,333,333

(i) Among shares held at 30 June 2025, 125,500,000 units were held by Bridge The Gap Trading Pty Ltd, a company of which Daniel Smith and Nicholas Ong are directors and indirect shareholders, and 43,500,000 units were held by Orwellian Investments Pty Ltd, a company of which Daniel Smith is director and indirect shareholder.

Option holding
The number of options over ordinary shares in the Company held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	Balance at the start of the year/date of appointment	Granted	Exercised	Expired/forfeited/resignation	Balance at the end of the year
Options over ordinary shares					
Gernot Abl	-	133,333,333	-	-	133,333,333
Louis Bucci	-	-	-	-	-
Daniel Smith (i)	-	132,500,000	-	-	132,500,000
Peter Bird	-	-	-	-	-
Nicholas Ong	-	132,500,000	-	(132,500,000)	-
	-	398,333,333	-	(132,500,000)	265,833,333

(i) Among options held at 30 June 2025, 89,000,000 options exercisable at $0.003 each expiring 4 December 2029 were held by Bridge The Gap Trading Pty Ltd, a company of which Daniel Smith and Nicholas Ong are directors and indirect shareholders, and 40,000,000 options exercisable at $0.003 each expiring 4 December 2029 were held by Orwellian Investments Pty Ltd, a company of which Daniel Smith is director and indirect shareholder.

Other transactions with key management personnel and their related parties
During the year the Company incurred $73,097 (2024: $60,000) in company secretarial and chief financial officer fees to Minerva Corporate Pty Ltd (“Minerva”), and additional consulting fee of $10,000 (2024: $21,000) to Minerva Corporate for the corporate consulting services provided by Daniel Smith and Nicholas Ong.

This concludes the remuneration report, which has been audited.

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.

Non-audit services
There were no non-audit services provided during the financial year by the auditor.

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.

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

Gernot Abl
Non-Executive Chairman

25 September 2025

CRITERION AUDIT

Criterion Audit Pty Ltd

ABN 85 165 181 822

PO Box 233 LEEDERVILLE WA 6902

Suite 2, 642 Newcastle Street
LEEDERVILLE WA 6007

Phone: 9466 9009

To The Board of Directors

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

As lead audit director for the audit of the financial statements of Nelson Resources Limited and Controlled Entities for the year ended 30 June 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours faithfully

CHRIS WATTS CA
Director

CRITERION AUDIT PTY LTD

DATED at PERTH this 25th day of September 2025

General information

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

Nelson Resources Limited 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 place of business**
Level 1, 33 Ord Street, West Perth WA 6005	Level 1, 33 Ord Street, West Perth WA 6005

A description of the nature of the Group'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 24 September 2025. The directors have the power to amend and reissue the financial statements.

Nelson Resources Limited
Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2025

	Note	Consolidated 2025 $	Consolidated 2024 $
Revenue	3	10,958	12,505
Expenses			
Administration and other expenses		(84,733)	(84,081)
Accounting and audit fees		(42,505)	(44,706)
Consultancy fees		(139,217)	(109,955)
Depreciation and amortisation expense		(12,136)	(24,257)
Directors' fees and superannuation		(189,873)	(95,432)
Employee benefits expense		(6,765)	(13,171)
Legal fees		(5,216)	(387)
Travel and accommodation expenses		(10,286)	(2,076)
Loss on disposal of assets		(8,361)	(2,987)
Impairment for exploration assets	10	-	(4,500,748)
Write-off of capitalised exploration costs	10	(320,734)	(1,490,681)
Exploration expenses		(3,738)	(35,924)
Occupancy		(26,000)	(8,175)
Loss before income tax expense		(838,606)	(6,400,075)
Income tax expense	4	-	-
Loss after income tax expense for the year attributable to the owners of Nelson Resources Limited		(838,606)	(6,400,075)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year attributable to the owners of Nelson Resources Limited		(838,606)	(6,400,075)
		Cents	**Cents**
Basic earnings per share	5	(0.055)	(1.041)
Diluted earnings per share	5	(0.055)	(1.041)

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

Nelson Resources Limited
Consolidated statement of financial position
As at 30 June 2025

	Note	Consolidated 2025 $	Consolidated 2024 $
Assets			
Current assets			
Cash and cash equivalents	7	1,569,281	100,967
Trade and other receivables	8	-	2,717
Prepaid expenses		11,041	28,466
Total current assets		1,580,322	132,150
Non-current assets			
Plant and equipment	9	16,717	54,487
Exploration and evaluation assets	10	930,629	1,057,721
Total non-current assets		947,346	1,112,208
Total assets		2,527,668	1,244,358
Liabilities			
Current liabilities			
Trade and other payables	11	82,718	208,487
Total current liabilities		82,718	208,487
Total liabilities		82,718	208,487
Net assets		2,444,950	1,035,871
Equity			
Issued capital	12	48,700,744	46,578,784
Reserves	13	125,725	49,704
Accumulated losses		(46,381,519)	(45,592,617)
Total equity		2,444,950	1,035,871

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

Consolidated	**Issued capital** $	**Reserves** $	**Accumulated losses** $	**Total equity** $
Balance at 1 July 2023	46,428,784	500,121	(39,642,959)	7,285,946
Loss after income tax expense for the year	-	-	(6,400,075)	(6,400,075)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive loss for the year	-	-	(6,400,075)	(6,400,075)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 12)	150,000	-	-	150,000
Options expired	-	(450,417)	450,417	-
Balance at 30 June 2024	46,578,784	49,704	(45,592,617)	1,035,871

Consolidated	**Issued capital** $	**Reserves** $	**Accumulated losses** $	**Total equity** $
Balance at 1 July 2024	46,578,784	49,704	(45,592,617)	1,035,871
Loss after income tax expense for the year	-	-	(838,606)	(838,606)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive loss for the year	-	-	(838,606)	(838,606)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 12)	2,247,685	-	-	2,247,685
Share-based payments (expired options) (note 13)	-	(49,704)	49,704	-
Share-based payments (issued options) (note 25)	(125,725)	125,725	-	-
Balance at 30 June 2025	48,700,744	125,725	(46,381,519)	2,444,950

Nelson Resources Limited
Consolidated statement of cash flows
For the year ended 30 June 2025

	Note	Consolidated 2025 $	2024 $
Cash flows from operating activities			
Payments to suppliers and employees		(501,760)	(254,772)
Interest received		10,958	4,931
Other revenue		-	27,111
Net cash used in operating activities	15	(490,802)	(222,730)
Cash flows from investing activities			
Payments for exploration and evaluation assets	10	(193,641)	(588,899)
Proceeds from disposal of plant and equipment		17,273	15,800
Net cash used in investing activities		(176,368)	(573,099)
Cash flows from financing activities			
Proceeds from issue of shares	12	2,375,000	-
Share issue transaction costs		(239,516)	-
Net cash from financing activities		2,135,484	-
Net increase/(decrease) in cash and cash equivalents		1,468,314	(795,829)
Cash and cash equivalents at the beginning of the financial year		100,967	896,796
Cash and cash equivalents at the end of the financial year	7	1,569,281	100,967

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

Note 1. Material accounting policy information

This annual report covers Nelson Resources Limited (the "Consolidated Entity"), a company incorporated in Australia for the year ended 30 June 2025. The presentation currency of the Group is Australian Dollars ("$"). A description of the Group's operations is included in the review and results of operations in the Directors' Report. The Directors' Report is not part of the financial statements. The Consolidated Entity is a for-profit entity and limited by shares incorporated in Australia whose shares are traded under the ASX code "NES". The financial statements were authorised for issue on 26 September 2025 by the Directors of the Group. The Directors have the power to amend and reissue the financial statements. The principal accounting policies adopted in the preparation of the financial statements are set out below.

The accounting policies that are material to the Group are set out either in the respective notes or below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

Basis of preparation
This general purpose financial report has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*. Nelson Resources Limited is a for-profit entity for the purpose of preparing the financial statements. The financial statements are presented in Australian dollars and have been prepared under the historical cost convention.

Going concern
The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Group be unable to continue as a going concern and meet its debts as and when they fall due.

The annual financial report has been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Nelson Resources Limited ('Company' or 'parent entity') as at 30 June 2025 and the results of all subsidiaries for the year then ended. Nelson Resources Limited and its subsidiaries together are referred to in these financial statements as the 'Group'.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group 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 Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group 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 Group.

New or amended Accounting Standards and Interpretations adopted
The Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 July 2024. The Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Company and, therefore, no material change is necessary to Company accounting policies.

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 Group for the annual reporting period ended 30 June 2025. The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

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.

Exploration and evaluation costs
Exploration and evaluation costs have been capitalised on the basis that the Group 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.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets
The Group assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Note 3. Revenue

	Consolidated 2025 $	Consolidated 2024 $
Income from sub-lease office	-	7,574
Interest revenue	10,958	4,931
Revenue	10,958	12,505

Accounting policy
Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

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

Note 4. Income tax

	Consolidated	
	2025 $	2024 $
Income tax expense		
Current tax	-	-
Aggregate income tax expense	-	-
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense	(838,606)	(6,400,075)
Tax at the statutory tax rate of 30%	(251,582)	(1,920,023)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Movements in timing differences not recognised	(68,684)	149,356
Non-deductible expenses	-	1,350,224
Current year losses for which no deferred tax asset was recognised	320,266	420,443
Income tax expense	-	-

	Consolidated	
	2025 $	2024 $
Deferred tax assets not recognised		
Deferred tax assets not recognised comprises temporary differences attributable to:		
Tax losses	5,959,567	5,478,495
Exploration	(57,966)	(1,461,265)
Business related costs	102,126	99,090
Others	10,383	220,089
Total deferred tax assets not recognised	6,014,110	4,336,409

Tax losses

The tax benefit at 30% (2024: 30%) of estimated unused tax losses is currently under review and it has not been recognised as a deferred tax asset. The benefit of deferred tax assets will only be brought to account if future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised and the conditions for deductibility imposed by the relevant tax legislation continue to be complied with and no changes in tax legislation adversely affect the Company in realising the benefit.

Accounting policy

Income tax

Income tax comprises current and deferred tax. Income tax is recognised in the profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Deferred tax is provided using the balance sheet method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Note 4. Income tax (continued)

Deferred tax assets are recognised for all 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. Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will be available to allow the deferred tax asset to be recovered. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates (and tax laws) enacted or substantively enacted by the end of the reporting period. Deferred tax relating to items recognised in other comprehensive income or equity is recognised in other comprehensive income or equity and not in the profit or loss.

GST

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office ("ATO"). 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 ATO is included with other receivables or 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 ATO are presented as operating cash flows included in receipts from customers or payments to suppliers. Commitments and contingencies are disclosed net of amount of GST recoverable from, or payable to, the ATO.

Tax Consolidation

Nelson Resources Limited and its 100% owned Australian resident subsidiaries, have implemented the tax consolidation legislation. Nelson Resources Limited is the head entity within the tax consolidated group.

Note 5. Earnings per share

	Consolidated	
	2025	**2024**
	$	**$**
Loss after income tax attributable to the owners of Nelson Resources Limited	(838,606)	(6,400,075)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	1,516,402,547	615,001,436
Weighted average number of ordinary shares used in calculating diluted earnings per share	1,516,402,547	615,001,436
	Cents	**Cents**
Basic earnings per share	(0.055)	(1.041)
Diluted earnings per share	(0.055)	(1.041)

Accounting policy:

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of Nelson Resources Limited, 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.

Note 5. Earnings per share (continued)

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.

Note 6. Operating segments

Operating segments are determined based on the reports reviewed by the Board of Directors, which are used to make strategic decisions. The Company does not have any operating segments with discrete financial information. All of the Company's assets and liabilities are located within Australia. The Company does not have any customers at this stage. Internal management reports for the Board of Directors' review are consistent with the information provided in the statement of profit or loss and other comprehensive income, statement of financial position and statement of cash flows. As a result, no reconciliation is required because the information as presented is what is used by the Board to make strategic decisions.

Note 7. Cash and cash equivalents

	Consolidated	
	2025	**2024**
	$	**$**
Cash in hand and at bank	1,569,281	100,967

Accounting policy for 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.

Note 8. Trade and other receivables

	Consolidated	
	2025	**2024**
	$	**$**
Mongolian projects receivable (i)	-	555,304
Less: Allowance for expected credit losses	-	(555,304)
	-	-
Other receivables	-	2,717
	-	2,717

(i) On 9 June 2017, the Company entered into an agreement with an independent third party buyer to sell its interest in assets and projects in Mongolia for a cash consideration of USD500,000. During the 30 June 2021 financial year the Company received an initial sum of USD40,000 or equivalent of AUD56,490 as a good faith payment, for the sale. Ownership of the shares has already been transferred. The Directors were of the view that the full amount of the receivable is not recoverable and, therefore, the a full provision for impairment had been made in the previous year.

The receivable was fully written off during the year.

Note 8. Trade and other receivables (continued)

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
	2025	2024	2025	2024	2025	2024
Consolidated	%	%	$	$	$	$
Not overdue	-	-	-	2,717	-	-
Over 6 months overdue	-	100%	-	555,304	-	555,304
			-	558,021	-	555,304

Movements in the allowance for expected credit losses are as follows:

	Consolidated	
	2025	2024
	$	$
Opening balance	555,304	555,304
Receivables written off during the year as uncollectable	(555,304)	-
Closing balance	-	555,304

Accounting policy
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 30 days.

The Group 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.

Note 9. Plant and equipment

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

Consolidated	Computer equipment $	Office equipment $	Motor vehicles $	Exploration equipment $	Total $
Balance at 1 July 2023	754	5,246	31,070	60,461	97,531
Disposals	(754)	(5,246)	(12,787)	-	(18,787)
Depreciation expense	-	-	(7,368)	(16,889)	(24,257)
Balance at 30 June 2024	-	-	10,915	43,572	54,487
Disposals	-	-	(10,451)	(15,183)	(25,634)
Depreciation expense	-	-	(464)	(11,672)	(12,136)
Balance at 30 June 2025	-	-	-	16,717	16,717

Accounting policy for 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.

Note 9. Plant and equipment (continued)

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:

Computer equipment	2.5 years
Office equipment	2.5 years
Motor vehicles	4 years
Exploration equipment	2.5 years

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

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

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

Note 10. Exploration and evaluation assets

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

Consolidated	$
Balance at 1 July 2023	6,295,469
Acquisitions of tenements paid by shares	150,000
Expenditure during the year	603,681
Impairment provision (i)	(4,500,748)
Write off of assets (ii)	(1,490,681)
Balance at 30 June 2024	1,057,721
Additions	193,642
Write off of assets (ii)	(320,734)
Balance at 30 June 2025	930,629

(i) In accordance with the requirements of AASB 6, the Company performed an impairment review on its exploration and evaluation assets. In 2024, an impairment provision of $4.5 million was provided against several tenements that have been considered non-prospective, with no significant exploration expenditure or work programs planned for these tenements. Full impairment provisions are provided against these area of interests. In addition, available information received by the Company has indicated that the carrying value of certain projects exceeds their indicative fair value. The difference between the fair value and the carrying amount is recognised as an impairment expense and charged to profit or loss accounts.

(ii) The amounts represented the carrying value of the tenements that the Group surrendered during the year.

Note 10. Exploration and evaluation assets (continued)

Accounting policy
Exploration and evaluation expenditure in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

(i) the rights to tenure of the area of interest are current; and
(ii) at least one of the following conditions is also met:

· the exploration and evaluation expenditure are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or
· exploration and evaluation activities in the area of interest have not, at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortisation of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest. Indirect costs that are included in the cost of an exploration and evaluation asset include, among other things, charges for depreciation of equipment used in exploration and evaluation activities. If an area of interest is abandoned or is considered to be of no further commercial interest, the accumulated exploration costs relating to the area are written off against income in the year of abandonment. Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (or the cash-generating unit(s) to which it has been allocated, being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

Note 11. Trade and other payables

	Consolidated 2025 $	Consolidated 2024 $
Trade creditors	22,758	114,572
Accrued expenses	72,600	102,382
Other payables (i)	(12,640)	(8,467)
	82,718	208,487

(i) Other payables included $14,174 GST claim from the ATO (30 June 2024: $9,131).

Refer to note 16 for further information on financial instruments.

Accounting policy
These amounts represent liabilities for goods and services provided to the Group 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.

Note 12. Issued capital

	Consolidated 2025 Shares	Consolidated 2024 Shares	Consolidated 2025 $	Consolidated 2024 $
Ordinary shares - fully paid	2,171,927,661	613,594,328	48,700,744	46,578,784

Note 12. Issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares	$
Balance	1 July 2023	588,594,328	46,428,784
Share issue	5 July 2023	25,000,000	150,000
Balance	30 June 2024	613,594,328	46,578,784
25,000,000 shares issued to Rock Mining Australia Pty Ltd	27 September 2024	25,000,000	75,000
Placement Tranche 1	11 October 2024	66,666,666	100,000
Placement Tranche 2	5 December 2024	1,466,666,667	2,200,000
Share issued costs		-	(253,040)
Balance	30 June 2025	2,171,927,661	48,700,744

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 Group'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 Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group 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 Group 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 Group is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

Accounting policy
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.

Note 13. Reserves

	Consolidated 2025 $	Consolidated 2024 $
Share-based payments reserve	125,725	49,704

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	$
Balance at 1 July 2023	500,121
Reversal of expired options	(450,417)
Balance at 30 June 2024	49,704
Reversal of expired options	(49,704)
Issue of options (note 25)	125,725
Balance at 30 June 2025	125,725

	Consolidated 2025 No.	Consolidated 2024 No.
Listed options		
Balance at beginning of year	-	79,198,858
Options expired	-	(79,198,858)
Balance at end of year	-	-

	Consolidated 2025 No.	Consolidated 2024 No.
Unlisted options		
Balance at beginning of year	2,152,539	10,152,539
Options granted (i)	1,583,333,333	-
Options expired	(2,152,539)	(8,000,000)
Balance at end of year	1,583,333,333	2,152,539

(i) 1,583,333,333 options granted during the year included 1,533,333,333 free options attached to the placement shares at an exercise price of $0.003 with expiry date of 4 December 2029; and 50,000,000 options issued to Phoenix Global Investments Pty Ltd at an exercise price of $0.003 with expiry date of 4 December 2029 for its brokerage service. Refer to Note 25.

Note 14. Dividends

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

Note 15. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	2025 $	2024 $
Loss after income tax expense for the year	(838,606)	(6,400,075)
Adjustments for:		
Depreciation and amortisation	12,136	24,257
Impairment of non-current assets	-	4,500,748
Write off of capitalised exploration assets	320,734	1,490,681
Net loss on disposal of plant and equipment	8,361	2,987
Change in operating assets and liabilities:		
Decrease in trade and other receivables	20,142	36,912
Increase in provisions	-	(21,539)
Increase/(decrease) in trade and other payables	(13,569)	143,299
Net cash used in operating activities	(490,802)	(222,730)

Note 16. Financial instruments

Financial risk management objectives
The Company has exposure to the following risks from their use of financial instruments: (i) credit risk; (ii) liquidity risk; and (iii) market risk (including gold price risk, interest rate and currency risk).

This note presents information about the Company' exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk. The Board has overall responsibility for the establishment and oversight of the risk management framework. The Board reviews and agrees policies for managing each of these risks and they are summarised below. The Company's principal financial instruments comprise cash. The main purpose of the financial instruments is to earn the maximum amount of interest at a low risk to the Company. The Company also has other financial instruments such as receivables and payables which arise directly from its operations. For the year under review, it has been the Company's policy not to trade in financial instruments.

	Consolidated	
	2025 $	2024 $
Financial assets		
Cash and cash equivalents	1,569,281	100,967
Trade and other receivables	-	2,717
	1,569,281	103,684
Financial liabilities		
Trade and other payables	82,718	208,487

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The Company does not have short or long-term debt and therefore the risk is minimal. The Company limits its exposure to credit risk by only deposited its cash into reputable finance institution.

Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Current financial assets and financial liabilities are generally not exposed to interest rate risk because of their short-term nature.

Note 16. Financial instruments (continued)

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

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

Consolidated - 2025	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Other payables	-	82,718	-	-	-	82,718
Total non-derivatives		82,718	-	-	-	82,718

Consolidated - 2024	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Other payables	-	208,487	-	-	-	208,487
Total non-derivatives		208,487	-	-	-	208,487

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

Fair value of financial instruments
The carrying amounts of financial instruments reflect their fair value due to their short-term nature.

The fair values of cash, receivables, trade and other payables approximate their carrying amounts as a result of their short maturity. 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.

Note 16. Financial instruments (continued)

Accounting policy
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, its carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the Consolidated Entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

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 measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

Note 17. Key management personnel disclosures

Directors
The following persons were directors of Nelson Resources Limited during the financial year:

Gernot Abl	Non-Executive Chairman (appointed 3 October 2024)
Louis Bucci	Executive Director (appointed 5 December 2024)
Daniel Smith	Non-Executive Director
Peter Bird	Non-Executive Director (resigned 3 October 2024)
Nicholas Ong	Non-Executive Director (resigned 5 December 2024)

Note 17. Key management personnel disclosures (continued)

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

	Consolidated	
	2025 $	2024 $
Salary and fees	232,273	104,432
Superannuation	6,764	3,568
	239,037	108,000

Note 18. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Criterion Audit Pty Ltd, the auditor of the Company:

	Consolidated	
	2025 $	2024 $
Audit services - Criterion Audit Pty Ltd		
Audit or review of the financial statements	31,500	31,500

Note 19. Contingencies

Contingent assets

There are no contingent assets as at 30 June 2025.

Contingent liabilities

There are no contingent liabilities as at 30 June 2025.

Note 20. Commitments

The Group had the following expenditure commitment at the reporting date. The Group has certain statutory requirements to undertake a minimum level of exploration activity in order to maintain rights of tenure to its various exploration tenements. These requirements may vary from time to time, subject to approval of the relevant government departments and are expected to be fulfilled in the normal course of operations of the Company to avoid forfeiture of any tenement. The Group has a 100% share of tenements rental and expenditure commitments. These exploration commitments are not provided for in the financial statements and are payable:

	Consolidated	
	2025 $	2024 $
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	626,400	493,220
One to five years	918,000	380,000
	1,544,400	873,220

Note 21. Related party transactions

Parent entity
Nelson Resources Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 23.

Transactions with related parties
During the year the Company incurred $73,097 (2024: $60,000) in company secretarial and chief financial officer fees to Minerva Corporate Pty Ltd ("Minerva"), and an additional $10,000 (2024: $21,000) consulting fee corporate consulting services provided by Daniel Smith and Nicholas Ong.

As of 30 June 2025, the Company owed Minerva totalling $11,000 excl GST (30 June 2024: $98,000) , including $4,000 unpaid directors fee each for Daniel Smith, $4,000 for company secretarial service, and $3,000,for chief financial officer services.

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

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 22. Parent entity information

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

Statement of profit or loss and other comprehensive income

	Parent	
	2025	**2024**
	$	**$**
Loss after income tax	(764,988)	(714,281)
Total comprehensive loss	(764,988)	(714,281)

Note 22. Parent entity information (continued)

Statement of financial position

	Parent 2025 $	Parent 2024 $
Total current assets	1,580,322	132,075
Total assets	2,510,951	1,189,796
Total current liabilities	82,720	194,558
Total liabilities	82,720	194,558
Equity		
Issued capital	48,700,744	46,578,784
Share-based payments reserve	125,725	49,704
Accumulated losses	(46,398,238)	(45,633,250)
Total equity	2,428,231	995,238

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2025 and 30 June 2024.

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2025 and 30 June 2024.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2025 and 30 June 2024.

Material accounting policy information
The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 1, except for the following:
- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in associates 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 23. Interests in subsidiaries

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

Name	Principal place of business / Country of incorporation	Ownership interest 2025 %	Ownership interest 2024 %
79 Exploration Pty Ltd	Australia	100.00%	100.00%
Nelson Exploration Services Pty Ltd	Australia	100.00%	100.00%

Note 24. Events after the reporting period

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Note 25. Share-based payments

On 18 November 2024, 2,152,539 options at exercisable price of $0.1125 expired. The value of these options were transferred from share-based payment reserve to accumulated loss.

On 4 December 2024, 50,000,000 options were granted to Phoenix Global Investments Pty Ltd at an exercise price of $0.003 with expiry date of 4 December 2029 for its brokerage service. The value of these options was recognized as a share-based payment and recorded as part of capital raising costs.

Set out below are summaries of options granted as share-based payments:

	Number of options 2025	Weighted average exercise price 2025	Number of options 2024	Weighted average exercise price 2024
Outstanding at the beginning of the financial year	2,152,539	$0.1125	2,152,539	$0.1125
Granted	50,000,000	$0.0015	-	$0.0000
Expired	(2,152,539)	$0.1125	-	$0.0000
Outstanding at the end of the financial year	50,000,000	$0.0015	2,152,539	$0.1125
Exercisable at the end of the financial year	50,000,000	$0.0015	2,152,539	$0.1125

The weighted average remaining contractual life of options outstanding at the end of the financial year was 4.4 years (2024: 0.6 years).

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
04/12/2024	04/12/2029	$0.0030	$0.0015	100.00%	-	3.90%	$0.00251

Accounting policy
Equity-settled transactions are awards of shares, or options over shares, that are provided 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 Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

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 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.

Consolidated entity disclosure statement

Set out below is a list of entities that are consolidated in this set of Consolidated Financial Statements at the end of the financial year.

Entity name	Entity type	Place formed / Country of incorporation	Ownership interest %	Tax residency
Nelson Resources Limited (the Parent)	Body corporate	Australia	-	Australia
Nelson Exploration Services Pty Ltd	Body corporate	Australia	100.00%	Australia
79 Exploration Pty Ltd	Body corporate	Australia	100.00%	Australia

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 Group's financial position as at 30 June 2025 and of its performance for the financial year ended on that date;

- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

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

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

On behalf of the directors

____

Gernot Abl
Non-Executive Chairman

25 September 2025

CRITERION AUDIT

Criterion Audit Pty Ltd

ABN 85 165 181 822

PO Box 233 LEEDERVILLE WA 6902

Suite 2, 642 Newcastle Street
LEEDERVILLE WA 6007

Phone: 9466 9009

Independent Auditor's Report

To the Members of Nelson Resources Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Nelson Resources Limited ("the Company") and Controlled Entities ("the Consolidated Entity"), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit and loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of material accounting policies, and the directors' declaration.

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

a) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2025 and of its financial performance for the year then ended; and

b) 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 (including Independence Standards)* (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.

Key Audit Matters

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

Key audit matter	How our audit addressed the key audit matter

Exploration and Evaluation Expenditure – $930,629 (Refer to Note 10)
 	
Exploration and evaluation is a key audit matter due to:
• The significance of the balance to the Consolidated Entity's consolidated financial position.
• The level of judgement required in evaluating management's application of the requirements of AASB 6 *Exploration for and Evaluation of Mineral Resources*. AASB 6 is an industry specific accounting standard requiring the application of significant judgements, estimates and industry knowledge. This includes specific requirements for expenditure to be capitalised as an asset and subsequent requirements which must be complied with for capitalised expenditure to continue to be carried as an asset.
• The assessment of impairment of exploration and evaluation expenditure being inherently difficult.
	Our procedures included, amongst others:
	
	• We assessed management's determination of its areas of interest for consistency with the definition in AASB 6. This involved analysing the tenements in which the Consolidated Entity holds an interest and the exploration programmes planned for those tenements.
	• For each area of interest, we assessed the Consolidated Entity's rights to tenure by corroborating to government registries and evaluating agreements in place with other parties as applicable;
	• We tested the additions to capitalised expenditure for the year by evaluating a sample of recorded expenditure for consistency to underlying records, the capitalisation requirements of the Consolidated Entity's accounting policy and the requirements of AASB 6;
	• We considered the activities in each area of interest to date and assessed the planned future activities for each area of interest by evaluating budgets for each area of interest.
	• We assessed each area of interest for one or more of the following circumstances that may indicate impairment of the capitalised expenditure:
	  ◦ the licenses for the right to explore expiring in the near future or are not expected to be renewed;
	  ◦ substantive expenditure for further exploration in the specific area is neither budgeted or planned
	  ◦ decision or intent by the Consolidated Entity to discontinue activities in the specific area of interest due to lack of commercially viable quantities of resources; and
	  ◦ data indicating that, although a development in the specific area is likely to proceed, the carrying amount of the exploration asset is unlikely to be recovered in full from successful development or sale.
	• We assessed the appropriateness of the related disclosures in the notes to the financial statements.

Share-based payments (Refer to Note 25)	Our procedures included, amongst others:
Share-based payments is a key audit matter due to: • The significance of the balance to the Consolidated Entity's financial performance and position. • The level of judgement required in evaluating management's application of the requirements of AASB 2 *Share-based Payment* which requires the application of significant judgements and estimates.	• Verifying the key terms of the share based payments in respect of the granting of option and performance rights over shares for rendering of services by directors, employees and contractors. • Assessing the fair value calculation of options and performance rights granted by checking the accuracy of the inputs to the various pricing models adopted for that purpose. • Testing the accuracy of the amortisation of share-based payments over the vesting period and the recording of an expense in the statement of profit or loss and an increment to the share based payment reserve. • We assessed the completeness and adequacy of the related disclosures in the financial report.

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 30 June 2025, but does not include the financial report and our 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 has 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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Consolidated Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Consolidated Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Consolidated Entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Consolidated Entity's audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Nelson Resources Limited, for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with s 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.

Criterion Audit

CRITERION AUDIT PTY LTD

CHRIS WATTS CA
Director

DATED at PERTH this 25th day of September 2025

Nelson Resources Limited
Additional information
30 June 2025

As at 19 September 2025

Issued Securities

	Listed on ASX	Unlisted	Total
Fully paid ordinary shares	2,171,927,661	-	2,171,927,661
Unlisted options exercisable @ $0.003 expiring 04/12/2029	-	1,533,333,333	1,533,333,333
Unlisted options exercisable @ $0.0015 expiring 04/12/2029		50,000,000	50,000,000
Total	**2,171,927,661**	**1,583,333,333**	**3,755,260,994**

Distribution of Listed Ordinary Fully Paid Shares

Spread of holdings	Number of Holders	Number of Units	% of Total Issued Capital
1 – 1,000	49	7,633	0.00%
1,001 – 5,000	34	138,147	0.01%
5,001 – 10,000	131	1,131,600	0.05%
10,001 – 100,000	426	17,765,901	0.82%
100,001 – and over	376	2,152,884,380	99.12%
Total	**1,016**	**2,171,927,661**	**100.00%**

Top 20 Listed Ordinary Fully Paid Shareholders

Rank	Shareholder	Shares Held	% Issued Capital
1.	MR ANDREW DAVID WILSON <WILSON FAMILY A/C>	166,666,667	7.67%
2.	CITICORP NOMINEES PTY LIMITED	137,318,090	6.32%
3.	KG VENTURE HOLDINGS PTY LTD <KG VENTURE HOLDINGS A/C>	133,333,333	6.14%
4.	BRIDGE THE GAP TRADING PTY LTD	125,500,000	5.78%
5.	MR FADI DIAB	100,000,000	4.60%
6.	MR INSAF MOHAMED LIYAUL FOUZ	100,000,000	4.60%
7.	KEMP VIEW PTY LTD <D & G IZZARD SUPER FUND A/C>	100,000,000	4.60%
8.	CROESUS MINING PTY LTD <STEINEPREIS SUPER FUND A/C>	95,666,667	4.40%
9.	MR JOHN DIAB	73,333,333	3.38%
10.	PES MAK GROUP PTY LTD <SCJ GROUP FAMILY A/C>	66,666,667	3.07%
11.	SANCOAST PTY LTD	53,000,000	2.44%
12.	N & J MITCHELL HOLDINGS PTY LTD <ORD STREET PROPERTIES A/C>	52,730,859	2.43%
13.	MELVIN PEEBLES PTY LTD <NERD FAMILY SUPER FUND A/C>	50,000,000	2.30%
14.	ROCK THE POLO PTY LTD <ROCK THE POLO A/C>	50,000,000	2.30%
15.	ORWELLIAN INVESTMENTS PTY LTD	43,500,000	2.00%
16.	DR MICHEL ELKHOURY	40,513,041	1.87%
17.	QUPIT PTY LTD	40,000,000	1.84%
18.	HAVANA NOMINEES (WA) PTY LTD	16,666,667	0.77%
18.	MR MICHAEL PETER JURLEKA & MRS SUZANNE ALICE JURLEKA <MSJ SUPER FUND A/C>	16,666,667	0.77%
19.	ROCK MINING AUSTRALIA PTY LTD	16,650,000	0.77%
20.	ESM LIMITED	16,020,000	0.74%
	Total	**1,614,898,657**	**74.35%**

At $0.003 per share, the number of shareholdings held in less than marketable parcels is 700.

Substantial shareholders listed in its register as at 19 September 2025 are Mr Andrew David Wilson <Wilson Family A/C>, Citicorp Nominees Pty Limited, KG Venture Holdings Pty Ltd <KG Venture Holdings A/C>, and Bridge The Gap Trading Pty Ltd.

Holder of a class of unquoted securities that owns 20% of the securities.

	Holder	Number of Securities	%
Unlisted options exercisable @ $0.0015 expiring 04/12/2029	Phoenix Global Investments Pty Ltd	50,000,000	100%

There is no on-market buy-back as at the date of this report.

Ordinary Shares Voting Rights - Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

- each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the Share, but in respect of partly paid Shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

Schedule of Exploration Tenements

Tenement ID	Name	Status	Interest
E28/2923	Woodline	Live	100%
E28/2874	Woodline	Live	100%
E28/2633	Woodline	Live	100%
E28/2679	Woodline	Live	100%
E28/2769	Woodline	Live	100%
E28/3210	Woodline	Live	100%
E28/2805	Tempest	Live	100%
E28/3342	Tempest	Live	100%
P31/2085	Yarri	Live	100%
P31/2090	Yarri	Live	100%
P31/2088	Yarri	Live	100%
P31/2087	Yarri	Live	100%
P31/2086	Yarri	Live	100%
P31/2091	Yarri	Live	100%
P31/2089	Yarri	Live	100%
P31/2093	Yarri	Live	100%
P31/2096	Yarri	Live	100%
M31/503	Yarri	Pending	100%
M31/504	Yarri	Pending	100%
M31/505	Yarri	Pending	100%
E52/3695	Fortnum	Live	100%
E52/4133	Fortnum	Live	100%