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AND ITS CONTROLLED ENTITIES

2025 ANNUAL REPORT

Verity Resources Limited
ACN 122 995 073

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Review of Operations

Overview of Activities

During the year, Verity Resources Limited achieved significant exploration growth across its gold and critical minerals projects in Australia, Brazil, and Botswana. Key operational highlights included:

Western Australia – Monument Gold Project

The Monument Gold Project is located in the Laverton Gold District of Western Australia, comprising approximately 195km² of prospective tenure (Figure 1). The project lies along a 20km banded iron formation (**BIF**) horizon adjacent to Genesis Minerals' 3.3Moz Laverton Gold Project, highlighting the region's excellent infrastructure and gold endowment. Verity Resources owns 100% of Monument and currently hosts a JORC (2012) compliant Inferred Mineral Resource of 3.257 million tonnes at 1.4g/t Au for 154,000 ounces across the Korong and Waihi deposits.

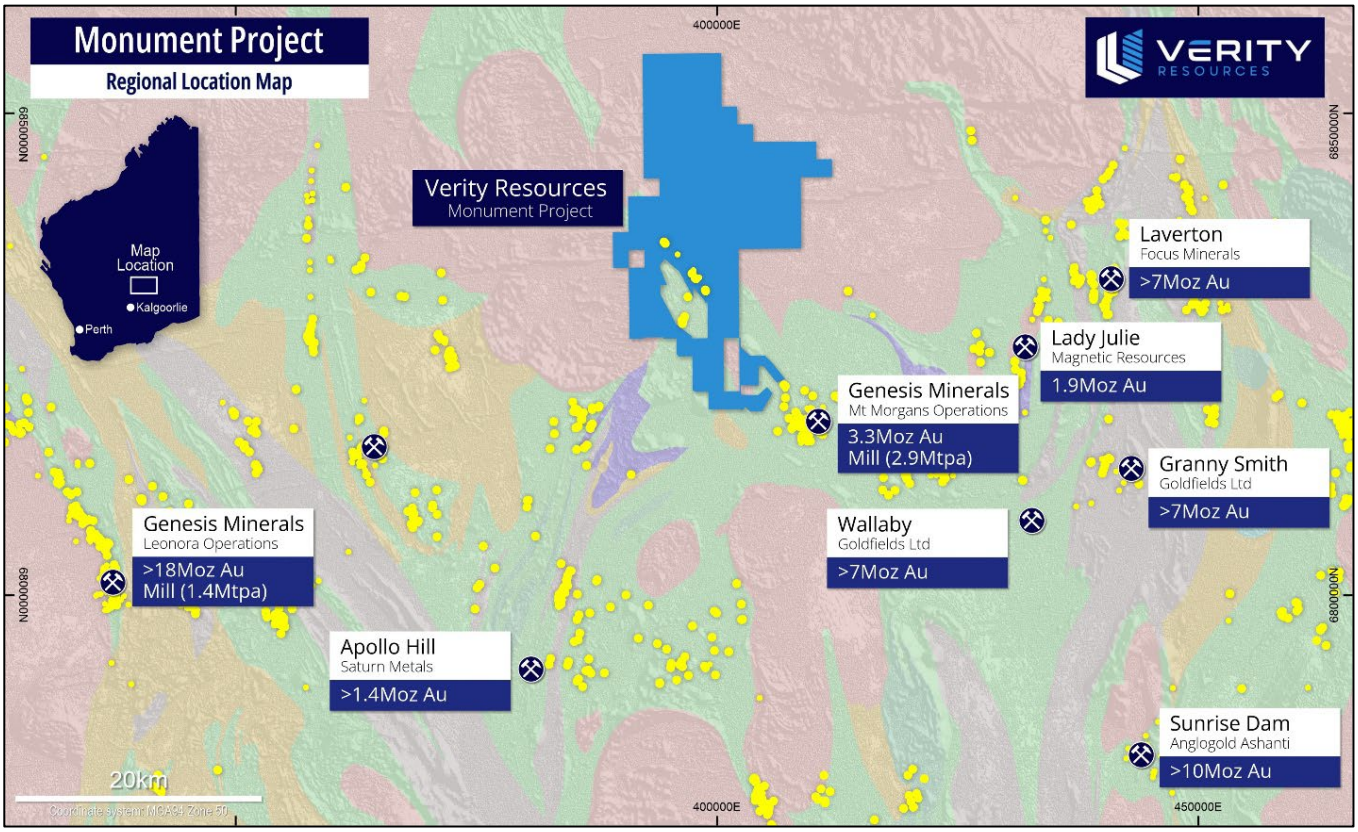


Figure 1. Monument Gold Project location in the Laverton Gold District amongst major gold deposits.

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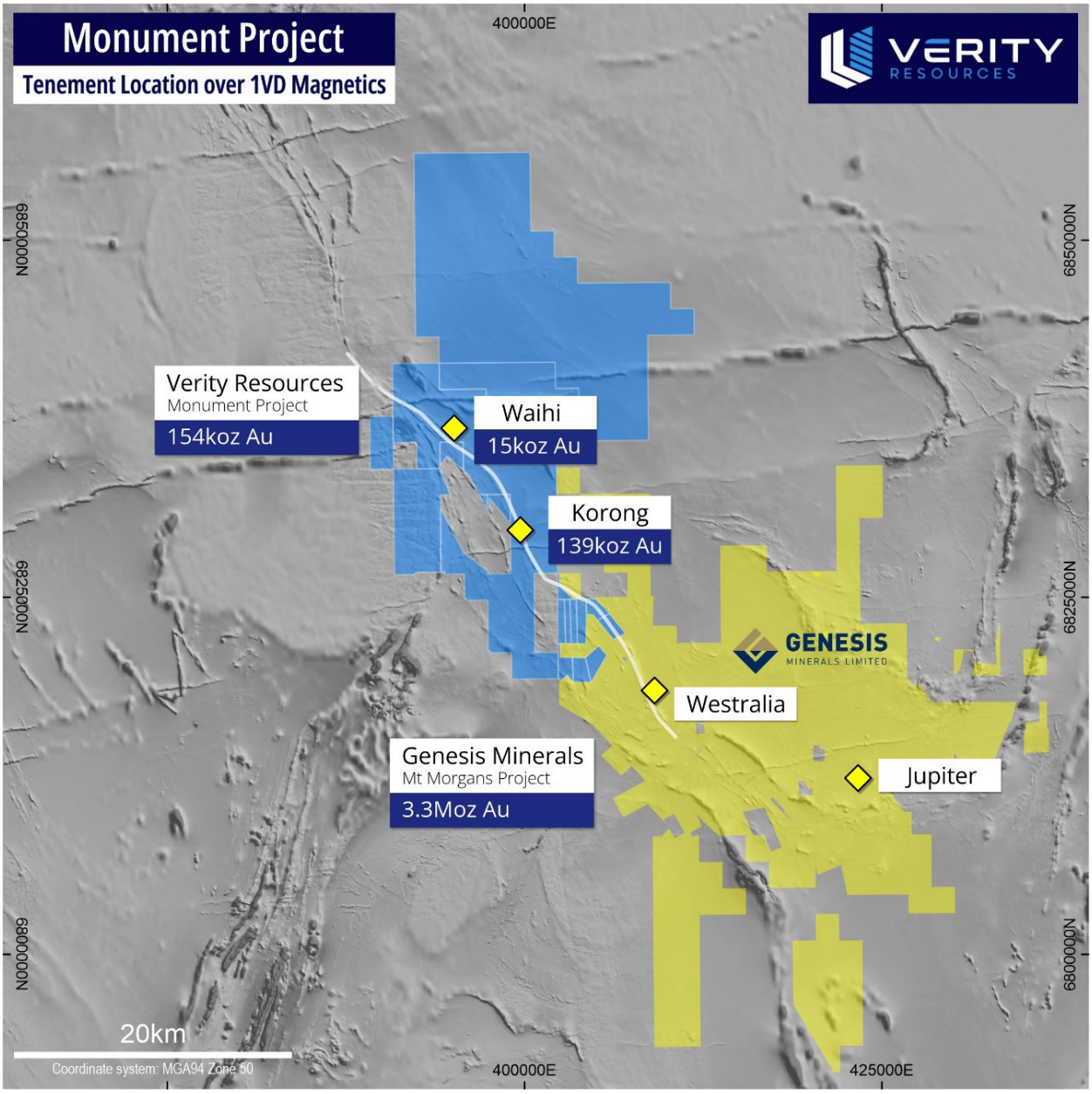


Figure 2. Monument Gold Project directly adjacent to Genesis Minerals Ltd's Laverton Operations (~30km) and Westralia deposit.

Resource upgrade drilling

A major focus during the year was the 139koz Korong deposit infill drilling program aimed at upgrading the resource classification from Inferred to Indicated. Verity successfully completed 54 RC drill holes for 3,630m in a phase-one campaign, exceeding the planned meterage. Drilling was carried out on a tight 25m x 25m grid over a 1.2km² area at Korong to improve geological confidence in the resource model. All holes reached their target depths and samples were dispatched for assay.

This infill campaign also included twin drilling of historical holes to validate prior high-grade gold intercepts. During the year, Verity completed a comprehensive historical drill data validation study over 16,000m of historical drilling. The purpose of the program was to review and standardise older drilling that had not previously been reported to JORC (2012) standard. All

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"low-confidence" intercepts were removed and the remaining intercepts were included and reported to JORC Code (2012) standards as true widths within the current geological model at Korong.

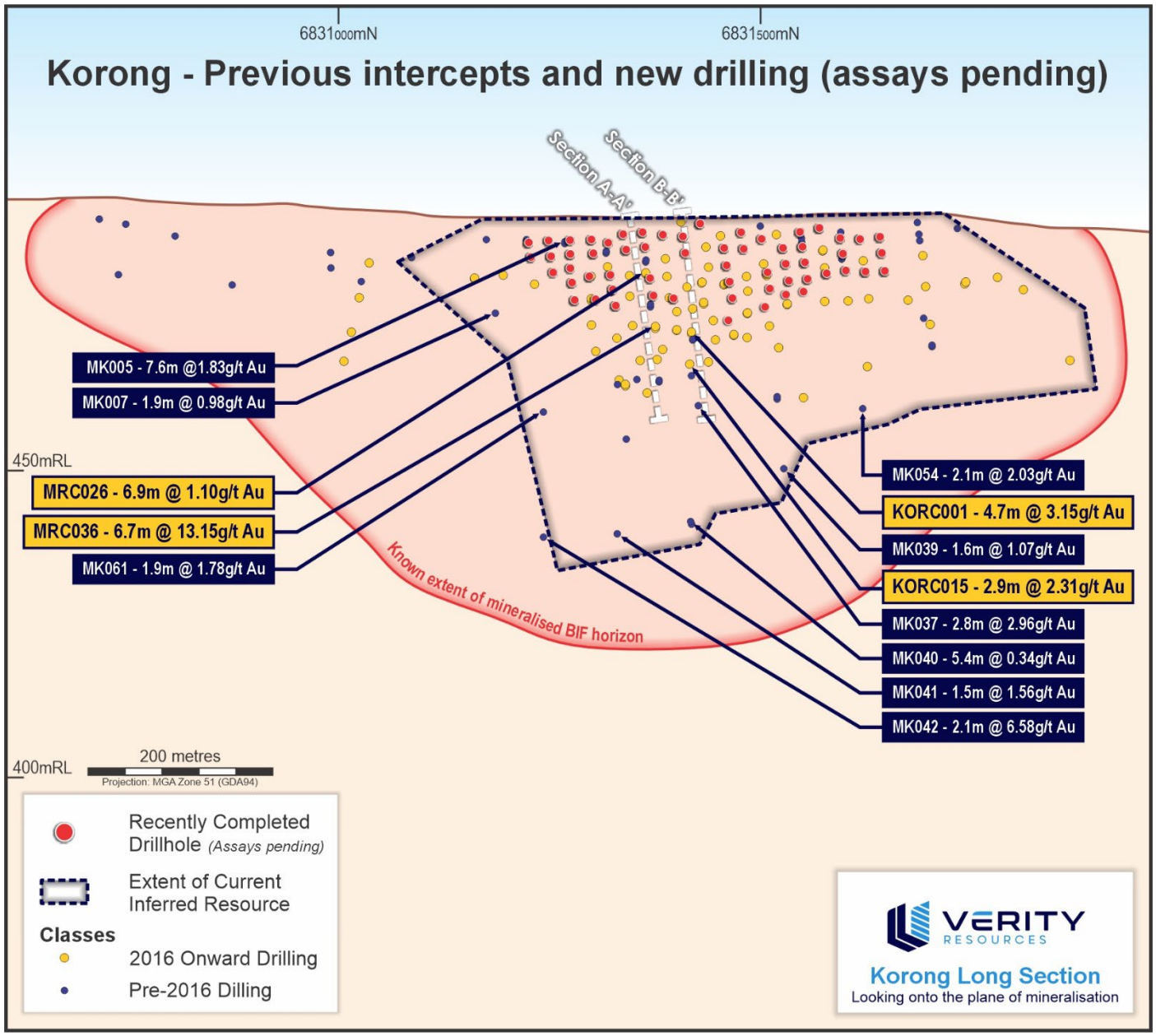


Figure 3. Long section view of recently completed drilling and validated historical intercepts looking from the hanging wall down onto the mineralised Banded Iron Formation (BIF) horizon (red outline). Outline of the current 154koz Au Inferred Resource is shown (black).

Importantly, the study validated previous results and confirmed strong mineralisation with high-grade and meaningful thicknesses that support continuity of the banded iron formation host and underpin the next phase of resource work. Significant intercepts include:

Korong (139koz Au Resource):

- **6.7m @ 13.15 g/t Au (MRC036 from 95m)**
- **5.90m @ 7.24 g/t (MRC003 from 79m)**
- **2.90m @ 5.41 g/t (MRC028 from 112m)**
- **3.00m @ 3.52 g/t (MRCD004 from 139m)**
- **3.90m @ 3.16 g/t (MRC042 from 48m)**
- **3.00m @ 3.09 g/t (MRC039 from 104m)**
- **4.70m @ 3.15 g/t (KORC001 from 95m)**
- **3.70m @ 3.07 g/t (KORC002 from 130m)**
- **2.10m @ 6.58 g/t (MK042 from 263m)**
- **3.30m @ 5.12 g/t (MK012 from 104m)**
- **11.80m @ 1.85 g/t (MK034 from 30m)**

Waihi (15koz Au Resource):

- **2.70m @ 5.71 g/t (WHRC005 from 62m)**
- **2.10m @ 2.45 g/t (WHRC010 from 113m)**
- **0.50m @ 10.82 g/t (MK033 from 91m)**
- **4.20m @ 3.55 g/t (WASC03 from 29m)**
- **4.9m @ 1.53 g/t (WAC06 from 56m)**
- **2.80m @ 4.82 g/t (MK032 from 36m)**

Exploration of new targets

In addition to resource-focused drilling, Verity advanced early-stage exploration on under-explored prospects within the Monument project. A maiden RC drill program tested several targets along the BIF trend, including the Freds Well, Triton and McKenzie Well prospects. Encouragingly, ***multiple drill holes intersected gold-bearing structures*** at these targets, indicating the presence of significant gold mineralisation outside the existing Korong-Waihi resource area.

These results validate the Company's regional exploration model and highlight the considerable upside, given that only ~10% of the 20 km BIF strike length at Monument has been systematically drilled to date. More than 60 additional anomalies (BIF-hosted, basalt-hosted, and intrusion-related) have been identified across the tenements for future follow-up. Verity's exploration strategy at Monument remains disciplined and data-driven, focusing on both upgrading known resources and making new discoveries within this prolific gold district.

Freds Well

24 holes (22 aircore, 2 reverse circulation) were drilled for 1,718m across the Freds Well prospect with holes positioned on 100m spaced drill lines with collars predominantly 40m apart, to infill 370m of untested strike between 400m of previous lines of AC drilling and historic workings as well as test depth and potential strike extensions of previously intersected significant gold mineralisation.

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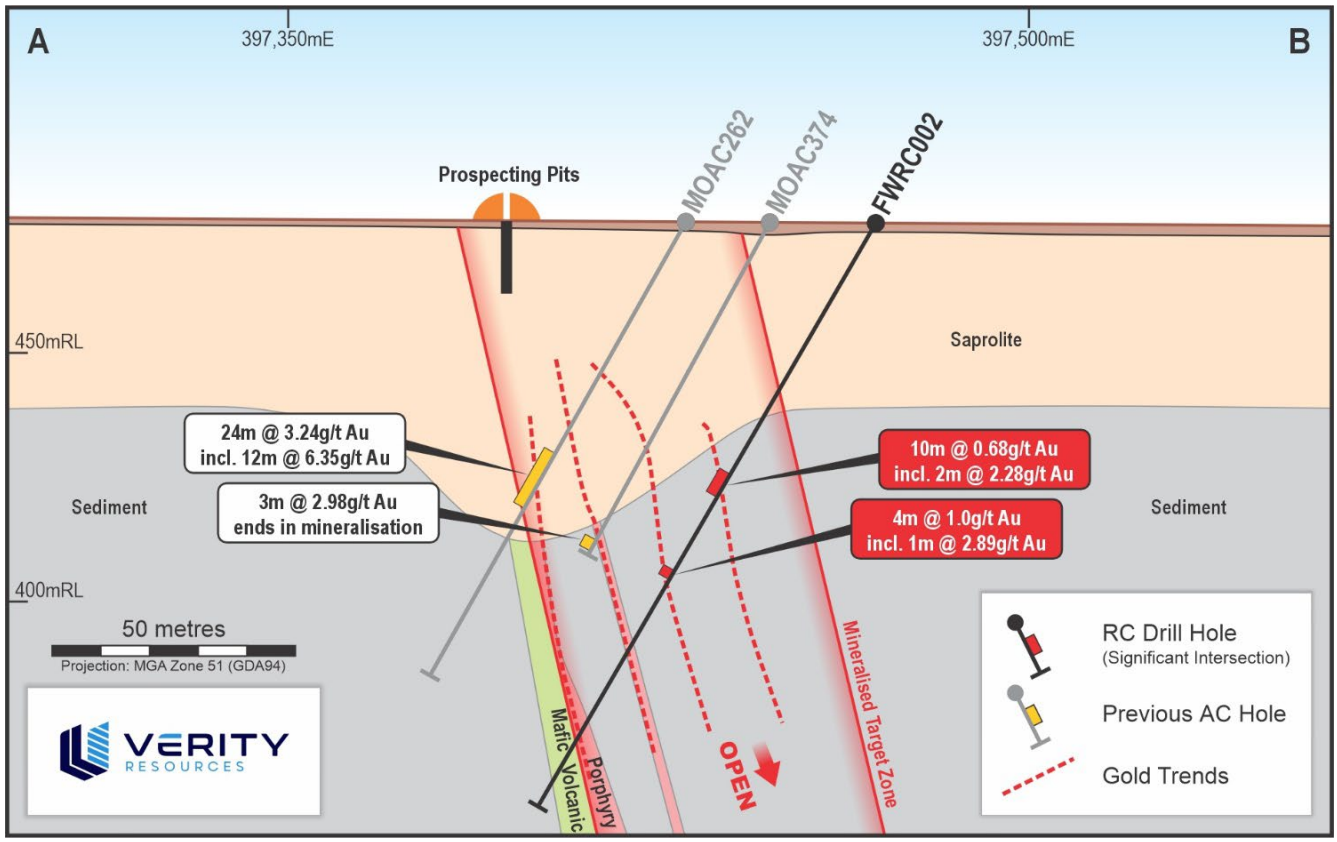


Figure 2. Fred's Well cross section showing significant intercepts in holes FWRC002 and relating to mineralisation previously intersected in MOAC262 and MOAC374.

Overall, during the year Verity strengthened the Monument Gold Project's prospects by improving resource confidence and expanding the footprint of mineralisation. All exploration activities were conducted in accordance with JORC standards and with a commitment to safety and environmental management. The progress at Monument has positioned the project for potential development studies once the resource upgrade work is finalized (with no forward-looking statements on timing in this report). The Company is pleased to report that these achievements at Monument were accomplished on budget and in compliance with all regulatory requirements.

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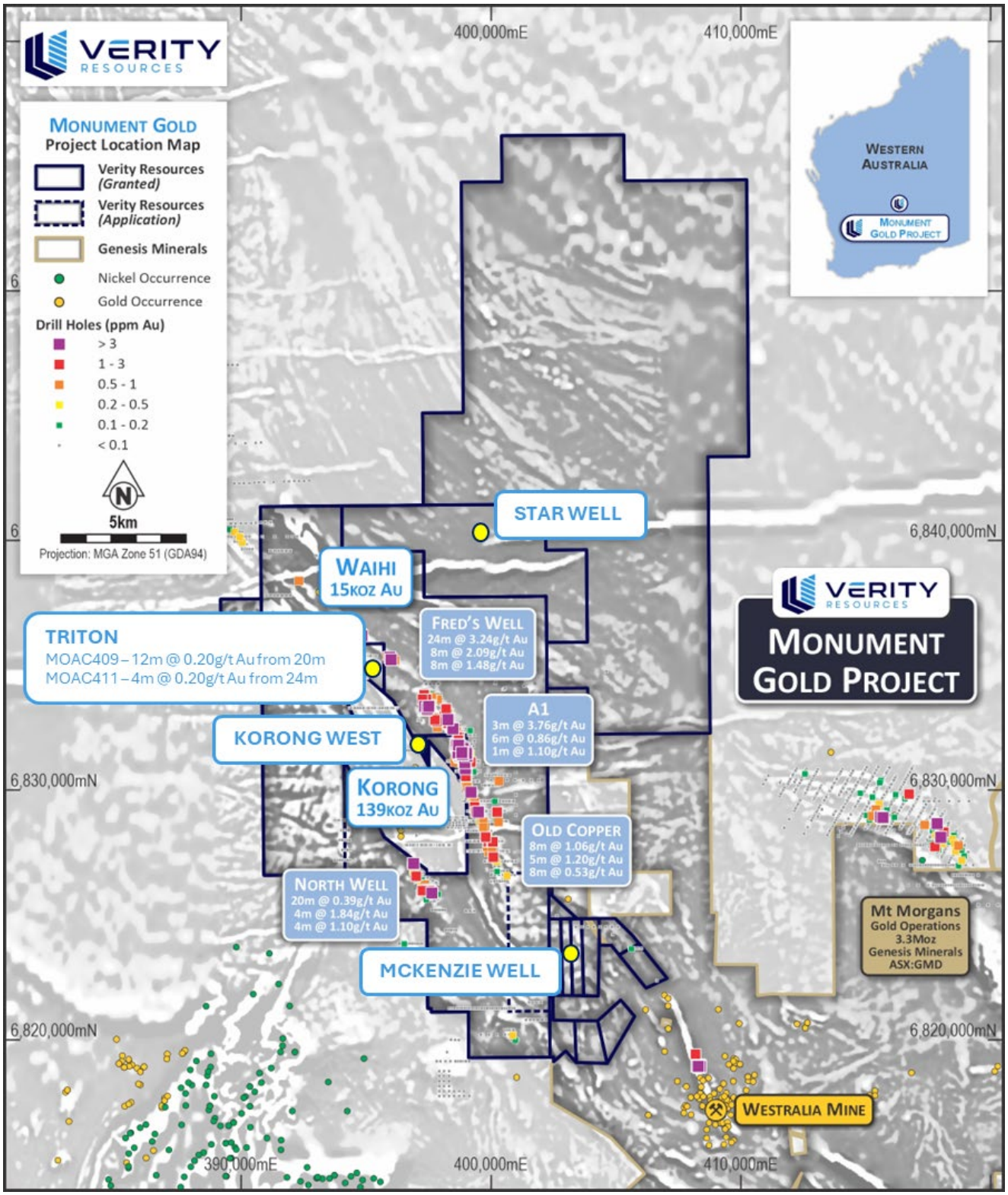


Figure 3. Prospect location plan and significant intercepts from AC drilling outside of 154koz Au Resource.

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Brazil – Critical Metals

Verity Resources made significant advances in Brazil during the year, following the strategic acquisition of a 50% interest in a Brazilian critical metals portfolio. This JV portfolio (acquired 8 February 2024) comprises ten exploration licenses (~17,000 hectares) in prime mineral provinces known for rare earth element-rich clays and lithium-bearing pegmatites. In May 2024, Verity acquired an 70% interest in the Pimenta REE-Gallium Project in Minas Gerais under the joint venture.

Pimenta REE Project (Minas Gerais)

Verity holds a 70% interest in Pimenta, a potentially large-scale rare earth and gallium project in eastern Minas Gerais. During the year, a reconnaissance exploration program at Pimenta delivered *outstanding geochemical results*. A total of 137 surface samples (soil, saprolite, rock) were collected over a 20km² radiometric anomaly zones. Assay results confirmed high-grade REE mineralisation, with samples returning up to 25,817ppm TREO (Total Rare Earth Oxides, equivalent to 2.58% TREO) and containing an attractive mix of ~25% magnet rare earth elements. Importantly, the survey also identified critical battery metals including gallium (values up to 89 g/t Ga_2O_3) and high titanium (up to 9.26% TiO_2) in the regolith. The presence of elevated zirconium (up to 8,619 ppm ZrO_2) further underlines the polymetallic potential at Pimenta. These results confirm an allanite-hosted REE mineralisation style analogous to American Rare Earths' Halleck Creek deposit in Wyoming (a globally significant REE resource). In response to the Pimenta discoveries, Verity approved an expanded exploration program and extended its earn-in expenditure timeline by 12 months (now through February 2026) to fully evaluate this prospect. By the end of FY2025, preparations were underway for grid-based auger drilling at Pimenta to test the lateral and vertical continuity of the REE and gallium-bearing zones identified (initial drilling commenced in June 2025) *(Figure 6)*.

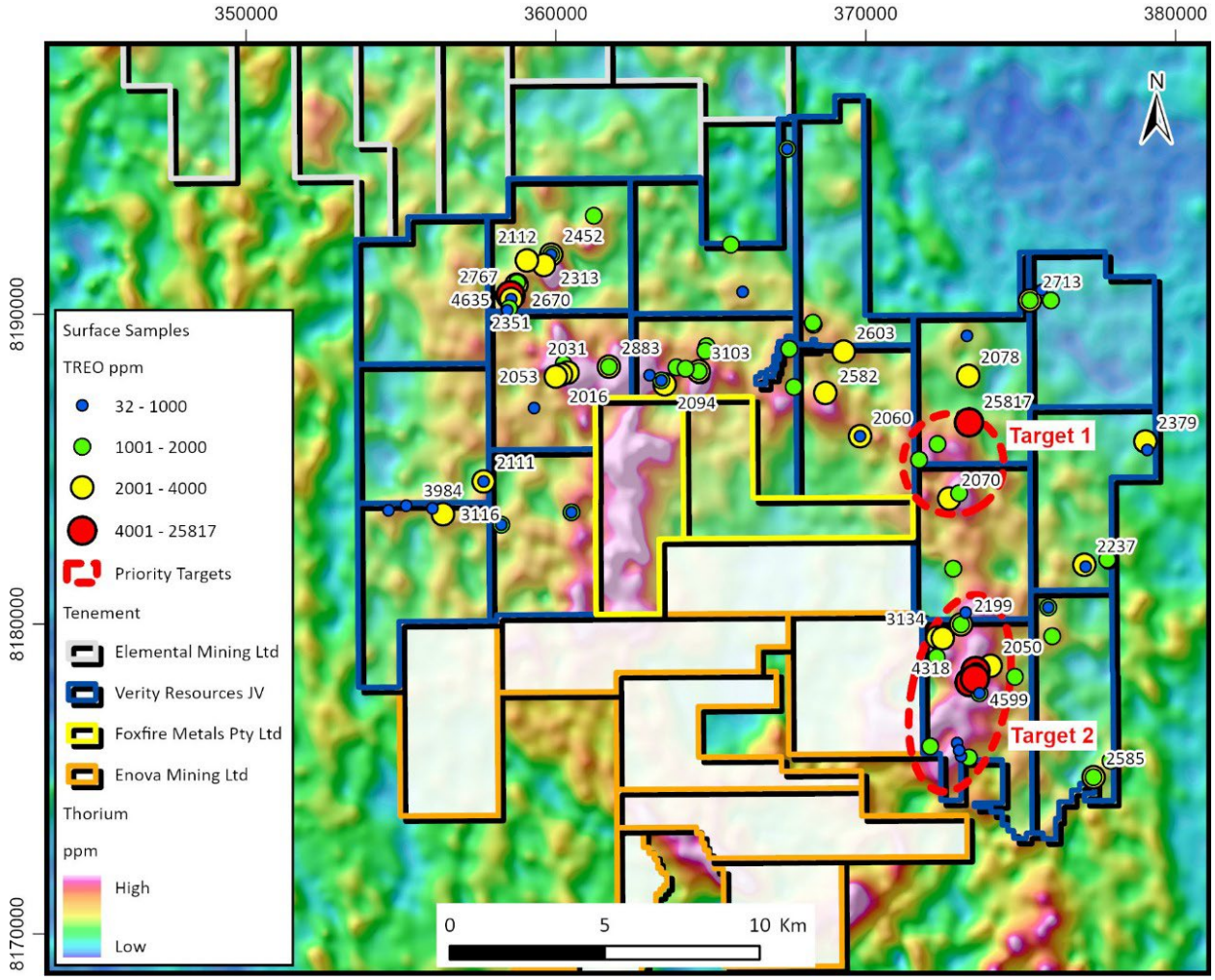


Figure 6. TREO distribution over Thorium airborne radiometric image at Pimenta Project. Two high grade multi-element target areas identified over anomalous strike zones (Target 1 and Target 2)

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Caldera REE Projects (Minas Gerais)

The Brazilian JV includes two exploration licences (Caldera and Caldera South) situated in the **Poços de Caldas alkaline complex** of southern Minas Gerais. This district is emerging as a hotspot for ionic clay-type REE deposits, with neighbouring projects held by Meteoric Resources and Viridis Mining targeting the same geological complex. During the year, Verity conducted preliminary field reconnaissance at Caldera and defined initial auger drill targets based on radiometric anomalies. Previous scout drilling identified high-grade surface zones at the joint venture prospect inside the Poços de Caldas adjacent to Metoric Resources NL (ASX:MEI). Previous auger drilling at the Caldera prospect yielded ultra-high-grade intercepts, including 5m @ 4,526ppm Total Rare Earth Oxides (TREO) and 34% Magnetic Rare Earth Oxides (MREO) from surface.

Lithium Valley Projects - Minas Gerais

Verity's JV tenure in northern Minas Gerais lies in the state's **"Lithium Valley"**, a burgeoning lithium province that has seen multiple spodumene discoveries by companies such as Pilbara Lithium Limited (ASX: PLS) and Sigma Lithium (NASDAQ: SGML). Notably, global majors like Rio Tinto have also recently acquired licenses in this region, underscoring its significance. Within Verity's ground, the key lithium target is the Padre Paraíso Project, which is prospective for hard-rock lithium (pegmatite-hosted) as well as rare earths.

Pedra Branca Project (Ceará State)

The Pedra Branca license (Ceará Project) is located in Ceará state, northeastern Brazil, and is prospective for lithium and gold mineralisation. The area is known for pegmatitic lithium occurrences and also lies along strike from historic gold workings. In FY2025, Verity's work at Pedra Branca was limited to desktop studies, data compilation, and initial site visits due to prioritisation of the Minas Gerais projects. Geological mapping and sampling are planned as next steps to delineate drill targets. Despite limited field activity this year, Pedra Branca remains an important part of the Brazilian portfolio, offering exposure to a different geological terrain (Borborema Province) with potential for discovery of lithium-bearing pegmatites and shear-zone hosted gold. The Company's commitment to this asset is reflected in its continued inclusion in the broader Brazil exploration strategy, with gold-focusses exploration to ramp up in the coming year.

Botswana – Copper-Nickel

Verity's Botswana portfolio provides the Company with a foothold in the highly prospective Limpopo Mobile Belt, which hosts world-class nickel and copper deposits.

Maibele North Nickel-Copper Deposit

The Maibele North deposit is an intrusive-hosted Ni-Cu sulphide body with platinum-group element (PGE) credits, geologically analogous to other magmatic nickel sulphide deposits in mobile belts (e.g., Nova-Bollinger in Australia, Thompson Belt in Canada). Maibele North currently holds a J**ORC (2012) Inferred Mineral Resource of 2.4Mt grading 0.72% Ni and 0.21% Cu, with associated cobalt, PGEs and gold**. This resource was delineated by previous drilling (refer ASX announcement on 2 September 2015) and remains unchanged since. The deposit is open along strike and at depth, and lies approximately 50km from the Selebi-Phikwe mining complex (a former Ni-Cu producer), offering potential synergies for future development. During FY2025, Verity's activities at Maibele were focused on data review and refining targets for possible resource extension drilling. No new field drilling was undertaken, reflecting the Company's prioritisation of capital toward Australian and Brazilian projects this year. However, desktop studies have identified untested electromagnetic (EM) conductors and geochemical anomalies along the Maibele trend that warrant investigation in the future. Verity also engaged with Botswana's Department of Mines to ensure all license renewals and compliance reporting were up to date, maintaining the good standing of the tenements.

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Airstrip & Dibete Copper-Silver Discoveries

The Airstrip and Dibete prospects are **shallow high-grade copper-silver** occurrences within the Botswana permits, through drilling in prior years. Notable past drill results include intersections of massive and vein-hosted chalcocite-bornite mineralisation, with exceptional copper and silver grades. These two prospects confirm the district's potential for Kalahari Copper Belt-style or vein-type copper-silver deposits.

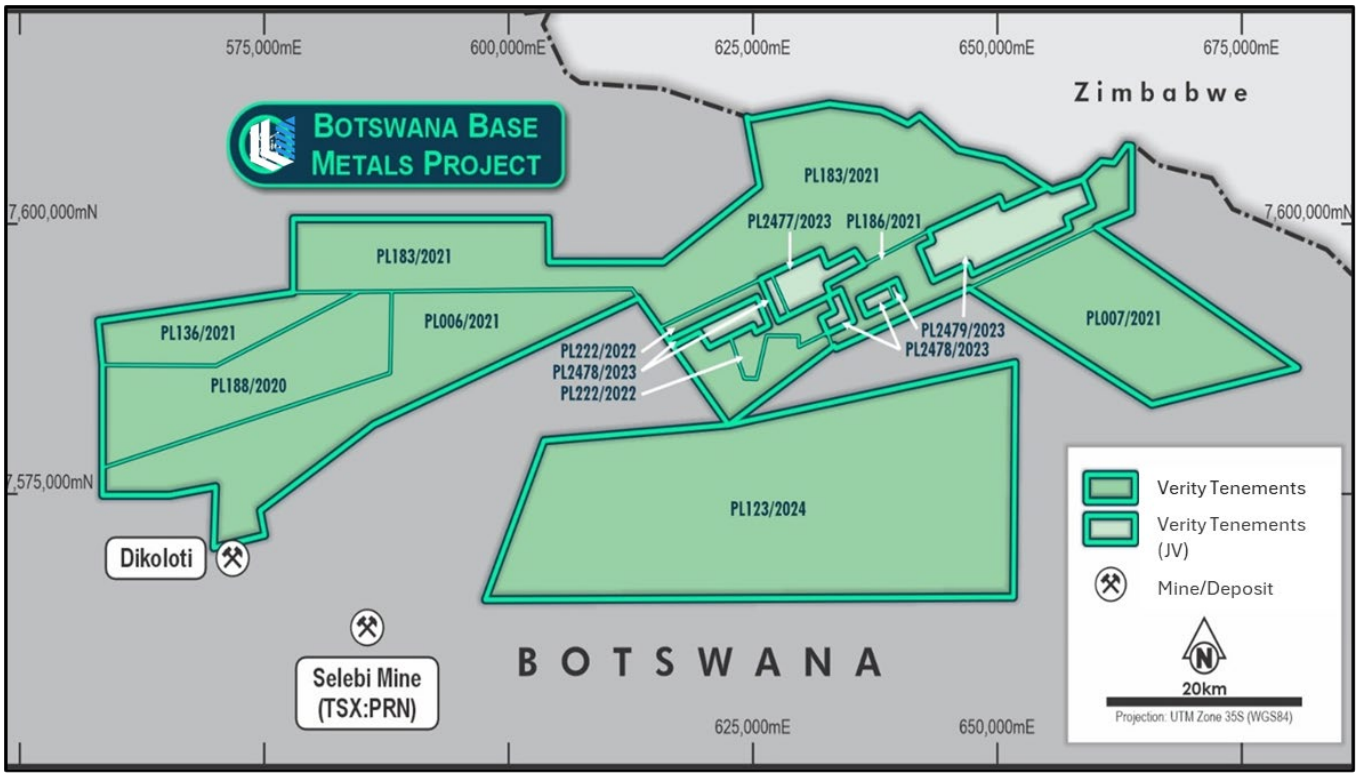


Figure 7. Map of Botswana projects <50km from Selebi mine and infrastructure.

Dibete significant past intercepts

6.15m @ 7.20% Cu + 182g/t Ag from 24.85m	DBRD149
incl. 0.5m @ 10.8% Cu + 281g/t Ag	
and 1.0m @ 13.0% Cu + 168g/t Ag	
1m @ 3.94% Cu + 161g/t Ag from 33.50m	DBRD149
9m @ 1.54% Cu, 82g/t Ag from 45m	DBRD142
incl. 2m @ 4.20% Cu, 269g/t Ag from 52m	
38m @ 1.72% Cu, 119.5g/t Ag from 16m	DBRC014
17m @ 2.7% Cu, 40.5g/t Ag from 16m	DBRC081
11m @ 4.5% Cu, 229.9g/t Ag from 33m	DBRC028
10m @ 3.9% Cu, 110g/t Ag from 43m	DBRC108
25m @ 2.17% Cu, 77g/t Ag from 27m	DBRC124

13m @ 2.11% Cu, 37.8g/t Ag from 37m	DBRC129
13m @ 1.9% Cu, 61.9g/t Ag from 41m	DBRC130
6m @ 4.46% Cu, 162 g/t Ag from 38m	DBRC131
10m @ 2.04% Cu, 15.6g/t Ag from 7m	DBRC133

Airstip significant past intercepts

8m @ 1.71% Cu + 51.1g/t Ag from 159m	ACRD018
11m @ 7.63% Cu, 462g/t Ag from 52m	ACRC003
Incl. 7m @ 11.81% Cu + 717g/t Ag	
Incl. 3m @ 22.74% Cu + 1,379g/t Ag	
1.13m @ 21.58% Cu + 1,023g/t Ag from 65m	ACRD029
Incl. 0.25m @ 60.98% Cu + 2,833g/t Ag	
0.9m @ 20.53% Cu + 377g/t Ag from 55m	ACRD032
Incl. 0.35m @ 57.59% Cu + 1,054g/t Ag	DBRC081
0.6m @ 25.27% Cu + 1,238g/t Ag from 65m	ACRD033
Incl. 0.24m @ 49.06% Cu + 2,493g/t Ag	
18m @ 1.72% Cu + 27.5g/t Ag from 42m	ACRC122
Incl. 3m @ 8.39% Cu + 136.3g/t Ag	

Strategic Importance of Botswana Assets:

Despite the limited exploration expenditure in Botswana this year, the Company considers these assets to be of high strategic value. They provide Verity exposure to battery and base metals (silver, copper, nickel, cobalt, PGEs) which are commodities in demand globally. The work completed to date –an Inferred resource at Maibele North and proving high-grade copper-silver at Airstrip/Dibete – represents a solid platform for future growth or monetisation. Importantly, the Botswana projects are situated in a stable mining jurisdiction with a long history of base metal production.

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Competent Persons Statement (Western Australia)

The information in this report that relates to Exploration Targets and Exploration Results is based on recent and historical exploration information compiled by Mr Michael Jackson, who is a Competent Person and a Member of the Australian Institute of Geoscientists. Mr Jackson is a consultant to Verity Resources Limited. Mr Jackson has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for the reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Jackson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Competent Persons Statement (Brazil)

The information in this announcement that relates to Exploration Results is based on and fairly represents information and supporting documentation compiled by Mr Antonio de Castro, BSc (Hons), MAusIMM, CREA who acts as AXEL´s Senior Consulting Geologist through the consultancy firm, ADC Geologia Ltda. Mr. de Castro has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking 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" (the JORC Code). Mr Castro consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

Monument Gold Project, Western Australia, Resource Information

Korong Resource			
Deposit	**Tonnes**	**Grade (g/t)**	**Au (Oz)**
Korong	3,034,000	1.4	139,000
Waihi	223,000	2.1	15,000
Total	**3,257,000**	**1.4**	**154,000**

Table 1: JORC (2012) Inferred Resource was calculated at Korong and Waihi by CSA Global Pty Ltd in 2021 (see Table 2) using a 0.5g/t cut-off grade. See ASX announcement on 2 August 2021 "Mineral Resource Estimate Declared for Monument Gold Project".

Maibele North,Botswana (66% Joint Venture ownership, Resource Information

Korong Resource							
Million Tonnes (Mt)	**Ni (%)**	**Cu (%)**	**Pt (g/t)**	**Pd (g/t)**	**Rh (g/t)**	**Ru (g/t)**	**Au (g/t)**
2.38	**0.72**	**0.21**	**0.08**	**0.36**	**0.04**	**0.05**	**0.10**

Table 1: JORC (2012) Inferred Resource was calculated at Maibele North by MSA South Africa in 2015 (see Table 1) using a 0.30% Nickel cut-off grade. See the ASX announcement on 28 April 2015 "Maiden Inferred Resource for Maibele North" for further information.

References

- ASX release 12 September 2025 "Historical Drill Validation Study Confirms High Grade Zones at Monument Gold Project"
- ASX release 29 April 2025 "Significant REE, Gallium and Titanium Anomalies at Pimenta"
- ASX release 29 January 2025 "Drilling Confirms Extension of Mineralisation at Monument"
- ASX release 5 October 2023 "Drilling Commences at Airstrip Cu-Ag Project Botswana"
- ASX release 20 September 2023 "Sulphides Drilled At Dibete Cu-Ag Project, Botswana"
- ASX release 2 August 2021 "Mineral Resource Estimate Declared For Monument Gold Project"
- ASX release 16 November 2017 "Thick High-Grade Copper and Silver – Initial Holes at Dibete"
- ASX release 18 December 2017 "Drill Results from Dibete Prospect in Botswana"
- ASX release 16 April 2012 "Dibete drilling confirms additional High-Grade Copper-Silver of up to 15.5% Copper and 1,220 g/t Silver (or over 30 ounces/t Ag) from 30m"
- ASX release 22 September 2010 "Update Drilling on Airstrip Copper and Dibete Prospects"

Directors' Report

The Directors present their report on Verity Resources Limited (**Verity** or **the Company**) and the entities it controlled (**the Group**) at the end of, and during the year ended 30 June 2025.

Directors

The Directors of Verity at any time during the year up to the date of this report, unless otherwise stated were:

- Patrick Antonio Volpe
- Paul Dickson (appointed 18 March 2025)
- Elvis Mosweu (appointed 21 November 2024)
- Dr. Paul Woolrich (resigned 18 March 2025)
- Ian Kiers (resigned 21 November 2024)

Patrick Volpe (Non-executive Director and Company Secretary)

MB Econ, BCom (Eco, Fin), AGIA, MAICD

Patrick Volpe is an experienced corporate governance and financial services professional and holds public and private company directorships as co-founder of greenfield exploration projects in Botswana and Brazil including graphite, rare earths, lithium, gold and base metals. He has also provided corporate governance management and company secretary services for private, not-for-profit, unlisted public and ASX-listed entities. Patrick is currently Managing Director of a boutique corporate advisory firm and currently holds directorships and company secretarial positions in a range of ventures in metals and minerals resources exploration including graphite, lithium, gold and base metals, as well as biotech and managed investments.

Mr Volpe holds a Master of Business Economics from Monash University, Bachelor of Commerce (Majoring in Economics and Finance) from Deakin University, is an Affiliated member of the Governance Institute of Australia and Member of the Australian Institute of Company Directors.

Former ASX directorships in last 3 years: Axel REE Limited (resigned 18 December 2023)

Elvis Mosweu (Non-Executive Director, appointed 21 November 2024)

BSc (Honours), MSc, Ph.D.

Elvis Mosweu has been the longstanding Managing Director of Verity's 100%-owned Botswanan subsidiary African Metals Pty Ltd for over 10 years. During this time he has managed the Company's copper-silver-nickel-PGE projects in Botswana. He was also previously involved in managing the exploration programs that led to the 118Mlb U3O8 Letlhekane uranium discovery by A-CAP Resources (now Lotus Resources Limited ASX:LOT).

Former ASX directorships in last 3 years: None

Dr. Paul Woolrich (Non-Executive Director, resigned 18 March 2025)

BSc (Honours), MSc, Ph.D.

Dr. Woolrich has over 45 years' experience in the international exploration and mining industry focused on gold, base metals, platinum group elements (PGEs), uranium and coal. Dr Woolrich has previously held senior management roles in Western Mining Corporation, Ranger Minerals, Orion Resources, Gallery Gold, Platmin Ltd, A-Cap Resources Ltd and Botswana Metals Ltd. In 1990, he was credited with discovering the 4Moz Damang Gold deposit in Ghana, for Ranger Minerals, which is still an operating mine today.

Dr Woolrich served as Group Exploration Manager of Gallery Gold Limited from 2003 to 2005 and as Project Manager/Consultant in charge of the Feasibility Study of the Pilanesberg PGE Project for Platmin Ltd. in South Africa from 2005 to 2006. Dr Woolrich also served as an Independent Consultant to the mining and exploration industry for several years with clients including Perilya Ltd and Boynton Investments of South Africa. Dr Woolrich subsequently served as a Non-

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Executive Director of Botswana Metals Limited from 2008 until January 2017 and as a Director of A-Cap Resources Limited from 2007 to September 2016 with the latter years as an Executive Director.

Dr. Woolrich is a Geologist/Metallurgist and holds a BSc honours in Geology, MSc in Geochemistry and a PhD in Metallurgy.

Former ASX directorships in last 3 years: Axel REE Limited (ASX:AXL) (resigned 8 March 2024)

Paul Dickson (Non-Executive Director, appointed 6 March 2024)

B.Ed. SF Fin Grad Dip TA

Paul Dickson has over 35 years of experience in the finance services industry. He has worked with a number of stock broking firms including Ord Minett Ltd and Colonial Stock-broking Limited and more recently has been a director of a number of corporate advisory boutiques.

Mr Dickson is currently independent non-executive chair of Alligator Energy Ltd (ASX:AGE) and was appointed non-executive chair in 2018, where he oversaw the development of the Samphire Uranium Project's Blackbush Deposit and has progressed to scoping study. He is also currently independent non-executive Chair of Axel REE Limited (ASX:AXL).

Mr Dickson was a founder/director of Paradigm Capital Pty Ltd and DDM Capital Pty Ltd, which provided a range of services including capital raising and general corporate advice for small-cap companies and Proserpine Capital Partners Pty Ltd, a private equity business based in Melbourne. Mr Dickson currently consults to the equity markets area for Henslow Pty Ltd.

Former directorships in last 3 years: Cobold Metals Limited

Ian Kiers (Non-Executive Director, resigned 21 November 2024)

LB, BComm

Ian Kiers is an experienced private equity and mergers and acquisition specialist. He is currently Non-Executive Chairman of SI6 Metals Ltd (ASX:SI6) and has been the Chief Executive Officer of a private family office (GBM Group) for 19 years having previously held positions as Head of Mergers and Acquisitions and Head of Group Strategy.

Prior to GBM Group, Mr Kiers was employed at National Australia Bank Limited in its structured finance and project finance division in Melbourne. While at the NAB he worked on numerous financing projects in the resources sector.

Mr Kiers holds a Bachelor of Laws and Bachelor of Commerce from Melbourne University and was admitted to the Supreme Court of Victoria as a Barrister and Solicitor in 1989.

Former directorships in last 3 years: Nil.

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Meetings of Directors

The number of meetings of the Company's Directors held during the year ended 30 June 2025, and the number of meetings attended by each Director are as follows:

	Board of Directors Meetings	
Director	**Eligible to attend**	**Attended**
P Volpe	1	1
P Dickson	-	-
E Mosweu	1	1
P Woolrich	1	1
I Kiers	-	-

Directors regularly communicate by telephone, email or other electronic means, and where necessary, circular resolutions are executed to effect decisions.

Due to the size and scale of the Group, there is no Remuneration & Nomination Committee or Audit & Risk Committee at present. Matters typically dealt with by these Committees are, for the time being, managed by the Board. For details of the function of the Board, refer to the Corporate Governance Statement.

Principal Activities

The Group's principal activities during the year are exploration at the Monument Gold Project (Western Australia), the Nickel-Copper, Copper-Silver and Copper Projects (Botswana), and lithium, rare earth elements and other critical metals exploration projects in Brazil acquired through a joint venture with Foxfire Metals Pty Ltd ("Foxfire Metals").

There were no significant changes in these activities during the financial year.

Review of activities

Corporate activities

During the year the following significant corporate events occurred:

- On 21 October September 2024, the Company completed a non-renounceable rights issue of one (1) fully paid ordinary share in the capital of the Company for every two (2) shares held by eligible shareholders at an issue price of $0.001 per shares (pre-consolidation) or $0.02 (post consolidation), raising $398,432.92 (before costs).
- On 21 November 2024, Mr Elvis Mosweu was appointed Non-Executive Director and Mr Ian Kiers resigned as Non-Executive Director and Chairman
- The Company held its Annual General Meeting of Shareholders on 22 November 2024. All resolutions were passed on a poll.
- On 11 December 2024, the Company changed its name from SI6 Metals Limited to Verity Resources Limited (ASX:VRL)
- On 11 December 2024 the Company completed a twenty (20) to one (1) capital consolidation.
- On 31 January 2025, the Company appointed Mr Patrick Volpe as dual Non-Executive Director and Company Secretary and Mr Johnathon Busing resigned as Company Secretary

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- On 13 March 2025, the Company raised $307,500 through a placement to sophisticated and professional investors, issuing 25,625,000 ordinary shares at $0.012 per share. Each share came with one free attaching unlisted option (exercisable at $0.022, expiring 19 March 2028).
- On 2 May 2025, the Company completed a fully subscribed renounceable pro-rata Entitlement Offer raising $1.1 million (before costs), inviting shareholders to subscribe for one (1) new share for every two (2) shares held at an issue price of $0.012 per share. Each new share under the offer came with one free attaching new option, exercisable at $0.022, expiring 19 March 2028.
- On 30 June 2025, 54,123,334 Listed options (ASX: VRLOF). These options had an exercise price of $0.20, well above the Company's prevailing share price during the quarter, and the vast majority expired unexercised.

Financial position

At the end of the financial year the Group had $891,616 (2024: $271,116) in cash on hand.

Operating result

The consolidated net loss after income tax for the financial year was $1,554,703 (2024:$4,487,500 loss).

Significant changes in the state of affairs

Other than stated in this report, there have been no significant changes in the state of affairs of the Company and Group during or since the end of the financial year.

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Material business risks

Exploration and development in the mineral sector inherently involve high levels of risk, with various uncertainties that can often fall outside the Group's reasonable control. These uncertainties stem from numerous factors, such as the inherent characteristics of the mineral exploration industry and fluctuations in economic conditions. The business risks identified as potentially having a significant impact on the Group's operations, financial performance, and overall results include:

Exploration and Operations	The mineral exploration permits comprising the Projects are at various stages of exploration, and prospective investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that future exploration of these exploration permits, or any other mineral licences that may be acquired in the future, will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited. The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, changing government regulations and many other factors beyond the control of the Company.
Sovereign Risk	The Company holds legal and beneficial interest in the Projects which are located in Botswana and Brazil. There are numerous risk factors associated with operating in foreign jurisdictions, such as Brazil and Botswana. Possible sovereign risks associated with operating in Botswana and Brazil include, economic, social or political instability or change, hyperinflation, changes of law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, mine safety, labour relations as well as government control over mineral properties or government regulations that require the employment of local staff or contractors or require other benefits to be provided to local residents. Any future material adverse changes in government policies or legislation in Botswana or Brazil that affect foreign ownership, mineral exploration, development or mining activities, may affect the viability and profitability of the Company. Further, it is possible that the current system of exploration and mine permitting in Botswana or Brazil may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation. The Company has made investment and strategic decisions based on information currently available to the Board. Should there be any material change in the political, economic, legal and social environments in Botswana or Brazil, the Company may reassess investment decisions and commitments to assets in Botswnaa or Brazil and the region. No assurance can be given regarding future stability in Botswana or Brazil or any other country in which the Company may, in the future, have an interest.
Renewal of Tenure	Mining and exploration permits are subject to periodic renewal. The renewal of the term of granted tenements is subject to compliance with the applicable mining legislation and regulations, including relevant reporting requirements, and such renewal is at the discretion of the relevant mining authority. Additional conditions on the Tenements may be imposed following renewal. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or

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	performance of the Company. Generally, the holder of an exploration permit will have the ability to request a single renewal of the exploration permit which will be granted provided that the holder complies with the regulatory requirements (including submission of a report describing the exploration activities conducted and the technical justification for the continuation of exploration and payment of the required fee). The granted exploration permits have not yet been subject to any renewal requests. Accordingly, there is a risk that the granted exploration permits will not be renewed. Accordingly, the Company may, subject to compliance with the regulatory requirements, seek to apply for renewal of the exploration permits at the relevant time or lodge the necessary documentation to apply for conversion to a mining permit. There is a risk that the Company will not be able to comply with the relevant requirements to renew its tenure or convert the tenure into mining permits. The Company considers the likelihood of tenure forfeiture to be low given the laws and regulations governing exploration in Brazil and the ongoing expenditure budgeted for by the Company. However, the consequence of forfeiture or involuntary surrender of a granted Tenement for reasons beyond the control of the Company could be significant. Please refer to the Solicitor's Tenement Report in Annexure B for further details.
Grant of future authorisations to explore and mine	If the Company discovers an economically viable mineral deposit that it then intends to develop, it will, among other things, require various approvals, licences and permits before it will be able to mine the deposit. There is no guarantee that the Company will be able to obtain all required approvals, licenses and permits. To the extent that required authorisations are not obtained or are delayed, the Company's operational and financial performance may be materially adversely affected.
Resource and Reserves	Whilst the Company intends to undertake additional exploration works with the aim of defining or expanding a resource across its projects, no assurances can be given that additional exploration will result in the determination of a resource. Even if a resource is identified no assurance can be provided that this can be economically extracted. Reserve and resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when initially calculated may alter significantly when new information or techniques become available. In addition, by their very nature resource and reserve estimates are imprecise and depend to some extent on interpretations which may prove to be inaccurate.
Future funding requirements and the ability to access debt and equity markets	The Company considers it has sufficient funding to meet the exploration and evaluation objectives of the Company for the next twelve months. Additional funding may be required in the event exploration costs exceed the Company's estimates, to effectively implement its business and operations plans in the future, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur. In addition, should the Company consider that its exploration results justify commencement of production on any of its Projects, additional funding will be required to implement the Company's development plans, the quantum of which remains unknown at the date of this Prospectus. The Company may seek to raise further funds through equity or debt financing, joint ventures, production sharing arrangements or other means. Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of exploration, development or production on the Company's Tenements or even loss of a Tenement interest. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.
Currency volatility	Some of the Company's business operations are, or will be, conducted in currencies other

	than the Australian dollar, primarily the Botswana Pula. Additionally, most of the supplies and inputs for the Company's projects are priced in currencies other than the Australian dollar. Consequently, fluctuations in these foreign currencies relative to the Australian dollar could significantly impact the Company's financial results, which are denominated and reported in Australian dollars. The Company may occasionally implement hedging strategies to mitigate the risk of losses if the Australian dollar depreciates against foreign currencies. However, if the Company fails to effectively manage these risks, or if the hedging arrangements do not fully protect against currency fluctuations, the Company's financial performance could be adversely affected.
Commodity prices	Commodity prices are driven by both physical and investment demand, and fluctuations in these prices can significantly influence the Company's exploration and development activities. Should the Company achieve success in exploration that leads to mineral production, its revenue from commodity sales would expose the Company's potential income to risks associated with commodity prices and exchange rates. Commodity prices are inherently volatile and are affected by numerous factors outside the Company's control, including global demand, production costs in major commodity-producing regions, China's policies regarding its domestic rare earths industry, and the emergence of new technologies that may either create new demand or reduce demand for specific rare earth elements. Such fluctuations in commodity prices could impact the Company's project development, plans, and activities, including its capacity to finance these endeavors. The Company cannot guarantee the prices it will achieve for any mineral commodities it produces. A significant decline in commodity prices or an increase in transport or distribution costs could have a materially adverse effect on the Company and the value of its shares.
Climate risk	There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include: • the emergence of new or expanded regulations associated with the transition to a lower-carbon economy and market changes related to climate change mitigation. While the Company endeavours to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and • climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns, extreme weather events and longer-term physical risks such as sifting climate patterns. These risks may significantly change the industry in which the Company operates.

Interests in securities

As at the date of this report, the interests of the directors in the securities of Verity were:

	Number of ordinary shares*	Number of unlisted options over ordinary shares*
Patrick Volpe	55,291,666	24,414,665
Paul Dickson	2,250,000	750,000
Elvis Mosweu	-	-

**Includes securities in which the Director has an indirect interest through associated entities.*

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Shares under option

Unissued ordinary shares of Verity under option at the date of this report are as follows:

	Exercise price	Grant date	Expiry date	Number of shares under option
Unlisted Options (ex. $0.022)	$0.022	19 March 2025	19 March 2028	114,242,526

Options do not entitle the holder to participate in any share issue of the Company or any other body corporate. The holders of unlisted options are not entitled to any voting rights until the options are exercised into ordinary shares.

Dividends

No dividend has been paid since the end of the previous financial year and no dividend is recommended for the current year (2024: nil).

Events occurring after balance sheet date

Other than the matters noted below, there have been no subsequent events that require adjustment to, or disclosure in, the Financial Statements of the Group for the year ended 30 June 2025.

On 17 July 2025, Verity Resources Limited completed a dual listing and started trading on the Frankfurt Stock Exchange (**FSE**) under the ticker code FSE.48B0.

On 4 September 2024, the Company announced it had received firm commitments for a private placement to raise $3 million (before costs), with one free attaching option for every three shares subscribed exercisable at $0.048 per share expiring 2 years from the issue date. On 11 September 2025, 69,973,867 ordinary shares were issued under Tranche 1 of the placement. Tranche 2 (55,026,133 shares and approximately 41,666,667 options) is to be issued subject to shareholder approval at a general meeting.

Other than as already stated in this report, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company to affect substantially the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

Indemnification and insurance of officers

To the extent permitted by law, the Company has indemnified each director and the secretary of the Company. The liabilities indemnified include costs and expenses that may be incurred in defending civil or criminal proceedings (that may be brought) against the officers in their capacity as officers of the Company or a related body, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company.

Indemnification and insurance of auditor

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

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

Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 20 to the financial statements. The directors are satisfied that the provision of non-audit services during

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the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 19 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

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

Likely developments and expected results of operations

The Company expects to maintain exploration programs at across its projects in Western Australia, Botswana and Brazil with the objective of identifying and advancing commercial resources.

Environmental regulation

The Group's activities are subject to environmental regulations under Brazil federal and state legislation.

The Board believes that the Group has adequate systems in place for the management of its environmental requirements and is not aware of any breach to those requirements as they apply to the Group.

Proceedings on behalf of the Group

The Group is not aware that any person has applied to the court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Group, or to intervene in any proceedings in which the Group is a party, for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Group with leave of the court under section 237 of the Corporations Act 2001.

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Remuneration Report

Remuneration paid to Directors and Officers of the Company is set by reference to such payments made by other ASX listed companies of a similar size and operating in the mineral exploration industry. In addition, reference is made to the financial position of the Company and the specific skills and experience of the Directors and Officers.
Details of the nature and amount of remuneration of each Director, and other Key Management Personnel if applicable, are disclosed annually in the Company's Annual Report.

1. Key Management Personnel

Verity's KMP consists of the Board and Executives who have authority and responsibility for planning, directing and controlling the activities of the Company, either directly or indirectly. The table below lists the Group's KMP for FY25.

Name	Position	Term as KMP
Non-Executive Directors		
Patrick Volpe	No Independent, Non-Executive Director	Full year 2025
Paul Dickson	Independent, Non-Executive Director	Part year – Commenced 18 March 2025
Elvis Mosweu	Independent, Non-Executive Director	Part year – Commenced 21 November 2024
Ian Kiers	Independent, Non-Executive Director	Part year – Ceased 21 November 2024
Dr. Paul Woolrich	Independent, Non-Executive Director	Part year – Ceased 18 March 2025
Other KMP		
Patrick Volpe	Company Secretary	Part year – Commenced 31 January 2025

2. Principals used to determine the nature and amount of remuneration

The remuneration strategy at Verity Resources is designed to align the Group's key goals with both shareholder interests and the broader business objectives, focusing on critical performance areas that impact the Group's financial outcomes. The Verity Board considers this remuneration strategy to be well-suited to its purpose.

Periodically, the Board may authorise incentives, bonuses, and options for executives. The remuneration strategy is structured to attract top-tier executives and compensate them for performance that drives long-term shareholder value. The expenses associated with remuneration are calculated at their cost to the Group. The Board is responsible for determining and overseeing the remuneration of the Managing Director.

For non-executive directors, the Board's policy is to offer compensation at market-competitive rates, reflective of their time, commitment, and responsibilities. When necessary, independent external advice may be sought. The maximum total fees payable to non-executive directors must receive shareholder approval at the Annual General Meeting, with the current cap set at $250,000.

2.1 Remuneration Committee

The Company does not have a separate remuneration committee and as such all remuneration matters are considered by the Board as a whole, with no member deliberating or considering such matter in respect of their own remuneration.

In the absence of a separate Remuneration Committee, the Board is responsible for:

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(a) Setting remuneration packages for Executive Directors, Non-Executive Directors and other Key Management Personnel, and

(b) Implementing employee incentive and equity-based plans and making awards pursuant to those plans.

2.2 Remuneration Structure

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

2.3 Non-Executive Director Remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Board. The Board may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market.

The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration.

2.4 Executive Remuneration

Remuneration consists of fixed remuneration and variable remuneration (comprising short-term and long-term incentive schemes).

2.5 Fixed Remuneration

Fixed remuneration is reviewed annually by the Board. The process consists of a review of relevant comparative remuneration in the market and internally and, where appropriate, external advice on policies and practices. The Board has access to external, independent advice where necessary.

2.6 Variable Remuneration

The objective of the short-term incentive program is to link the achievement of the Group's operational targets with the remuneration received by the executives charged with meeting those targets. The total potential short-term incentive available is set at a level so as to provide sufficient incentive to the senior manager to achieve the operational targets and such that the cost to the Group is reasonable in the circumstances.

2.7 Remuneration Plans

The Company provides long term incentives to Directors and Employees pursuant to the Verity Resources Employee Securities Incentive Plan, which was adopted in 2022.
The Board, acting in remuneration matters:

(a) Ensures that incentive plans are designed around appropriate and realistic performance targets and provide rewards when those targets are achieved;

(b) Reviews and approves existing incentive plans established for employees; and

(c) Approves the administration of the incentive plans, including receiving recommendations for, and the consideration and approval of grants pursuant to such incentive plans.

2.8 Use of Remuneration Consultants

The Company has not engaged any remuneration consultants and the Board is satisfied that the recommendations were made free from undue influence from any members of key management personnel.

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3. Executive Employment Agreements

There were no executive employment agreements entered into by the Company during the year.

4. Non-Executive Director Remuneration Agreements

The following table outlines the Company's NED fee policy and terms.

Fee Policy	Description
Aggregate NED fee pool	In accordance with the Constitution, a Shareholder resolution has been passed providing that the maximum total amount of directors' fees that may be paid to the Company's NEDs is up to A$250,000 per annum.
Board and Committee fees	NED fees reflect the obligations, responsibilities and demands of the Director role. The fees outlined in the table below are exclusive of statutory superannuation.

Board fees	FY25 fees (excluding superannuation) $
Non-Executive Director	48,000

Board Committee Fees	FY25 fees (excluding superannuation) $
There were no Board committee established during the year and no fees paid. The Board may consider establishing committees as its operations grow and will review committee fees at such time.	

The Company reimburses NEDs for reasonable expenses incurred in performing their duties (including in relation to any authorised independent professional advice sought by the NEDs to assist them in carrying out their duties as Directors).

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5. Details of Remuneration

The table below provides the statutory remuneration disclosures for KMP in FY25. Amounts are prepared in accordance with Australian Accounting Standards.

Role	Contract term	Fees (accrued for year)	Fees (paid in cash) $	Professional fees (paid in cash) $	Cash Bonus $	Non-monetary $	Superannuation $	Performance Rights $	Options $	Total $
Non-Executive Directors										
Patrick Volpe	FY25	40,000	8,000	-	-	-	-	-	-	**48,000**
Paul Dickson (appointed 6 March 2024)	FY25	15,394	-		-	-	-	-	-	**15,394**
Elvis Mosweu[1]	FY25	-	-	56,095	-	-	-	-	-	**56,095**
Paul Woolrich (resigned 18 March 2025)	FY25	-	12,000	-	-	-	-	-	-	**12,000**
Ian Kiers (resigned 21 November 2024)	FY25	-	34,533	-	-	-	-	-	-	**34,533**
Company Secretary										
Patrick Volpe[2]	FY25	24,000	-	16,000	-	-	-	-	-	**40,000**
Total KMP	**FY25**	**78,533**	**54,533**	**72,095**	**-**	**-**	**-**	**-**	**-**	**206,023**

[1] Elvis Mosweu is paid a salary as exploration manager for BWP45,000 per month.

[2]Patrick Volpe provides Company Secretarial and financial controller services to the Company via Archikan Holdings Pty Ltd <JAP A/C> , and entity which Patrick is a beneficial owner, for a monthly services fee of $8,000 per month plus GST.

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The table below provides the statutory remuneration disclosures for KMP in FY24. Amounts are prepared in accordance with Australian Accounting Standards.

Role	Contract term	Directors Fees (accrued for year)	Directors Fees (paid in cash) $	Professional fees (paid in cash) $	Cash Bonus $	Non-monetary $	Superannuation $	Performance Rights $	Options $	Total $
Non-Executive Directors										
Patrick Volpe[1]	FY24	-	16,000	-	-	-	-	-	-	**16,000**
Ian Kiers (resigned 21 November 2024)	FY24	-	29,600		-	-	-	-	-	**29,600**
Paul Woolrich (resigned 18 March 2025)	FY24	-	4,000	18,112	-	-	-	-	-	**22,112**
Jim Malone (resigned 30 May 2024)	FY24	-	283,160	-	-	-	29,333	-	-	**312,493**
Dave Sanders (resigned 29 February 2024)	FY24	-	40,000	-	-	-	4,400	-	-	**44,400**
Joshua Letcher (resigned 1 September 2023)	FY24	-	24,000	-	-	-	-	-	-	**24,000**
Cain Fogarty (resigned 13 May 2024)	FY24	-	82,156	-	-	-	9,037	-	-	**91,193**
Total KMP	**FY24**	**-**	**478,916**	**18,112**	**-**	**-**	**42,770**	**-**	**-**	**539,798**

The following table shows the relative proportions of remuneration that are linked to performance and those that are fixed, based on the amounts disclosed as statutory remuneration expense in the tables above.

	Fixed Remuneration		Variable Remuneration		At Risk – STI (%)		At Risk – LTI (%)	
Key Management Personnel	2025	2024	2025	2024	2025	2024	2025	2024
Patrick Volpe	**100%**	100%	**-**	-	**-**	-	**-**	-
Paul Dickson	**100%**	100%	**-**	-	**-**	-	**-**	-
Elvis Mosweu	**100%**	100%	**-**	-	**-**	-	**-**	-
Ian Kiers	**100%**	100%	**-**	-	**-**	-	**-**	-
Jim Malone	**-**	100%	**-**	-	**-**	-	**-**	-
David Sanders	**-**	100%	**-**	-	**-**	-	**-**	-
Joshua Letcher	**-**	100%	**-**	-	**-**	-	**-**	-
Cain Fogarty	**-**	100%	**-**	-	**-**	-	**-**	-

6. Share-Based Remuneration

(a) Issue of Shares

There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2025 (2024: Nil).

(b) Options Awarded, Vested and Lapsed During the Year

There were no options issued to directors and other key management personnel as part of compensation during the year ended 30 June 2025 (2024: Nil).

(c) Performance Rights

There were no Performance Rights or securities issued to directors and other key management personnel as part of compensation during the year ended 30 June 2025 (2024: 40,000,000 pre-consolidation performance securities were issued and cancelled due to forfeiture during the year, effectively nil).

7. Additional Disclosures Relating to Key Managemt Personnel

(a) Shareholdings

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, directly or indirectly, is set out below:

	Balance 1-Jul-2024	Received as compensation	Issued on exercise of Options	Share consolidation (20 to 1)[1]	Other net changes[2]	Balance 30-Jun-2025
Patrick Volpe	411,666,668	-	-	(586,625,001)	230,249,999	55,291,666
Paul Dickson[3]	-	-	-		2,250,000	2,250,000
Elvis Mosweu		-	-	-	-	-
Ian Kiers	31,472,370	-	-	(37,121,461)	5,649,091	-
Paul Woolrich	364,200	-	-	(345,989)	-	18,211
Total	**443,503,238**	**-**	**-**	**(549,157,551)**	**238,149,090**	**57,559,877**

[1] On 12 December 2024, the Company completed a 1 for 20 share consolidation. Opening balances represented on a pre-consolidation basis.

(b) Options

The number of Listed options in the Company held during the financial year by each director and other members of key management personnel of the Group, directly or indirectly, is set out below:

	Balance 1-Jul-2024	Granted as compensation	Exercised	Share consolidation (20 to 1)[1]	Lapsed/ Expired[2]	Balance 30-Jun-2025
Patrick Volpe	50,666,667	-	-	(48,133,333)	(2,533,334)	-
Paul Dickson[3]	-	-	-		2,250,000	-
Elvis Mosweu	-	-	-	-	-	-
Ian Kiers	-	-	-	-	-	-
Paul Woolrich	91,051	-	-	(86,498)	(4,553)	-
Total	**50,757,718**	**-**	**-**	**(48,219,831)**	**(2,537,887)**	**-**

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[1] On 12 December 2024, the Company completed a 1 for 20 share consolidation. Opening balances represented on a pre-consolidation basis.
[2] On 30 June 2025, 54,123,334 Listed options (ASX: VRLOF) exercisable at $0.020 expired largely unexercised.

The number of unlisted options in the Company held during the financial year by each director and other members of key management personnel of the Group, directly or indirectly, is set out below:

	Balance 1-Jul-2024[1]	Granted as compensation	Exercised	Share consolidation (20 to 1)	Lapsed/ Expired[2]	Other net changes[3]	Balance 30-Jun-2025
Patrick Volpe	209,000,000	-	-	(198,550,000)	(10,450,000)	24,416,665	24,416,665
Paul Dickson	-	-	-		-	750,000	750,000
Elvis Mosweu	-	-	-	-	-	-	-
Ian Kiers	-	-	-	-	-	-	-
Paul Woolrich	-	-	-	-	-	-	-
Total	**209,000,000**	**-**	**-**	**(198,550,000)**	**(10,450,000)**	**25,166,665**	**25,166,665**

[1] 209,000,000 VRLOF options (10,450,000 post-consolidatoin) held in escrow were released on 8 February 2025 and expired unexercised on 30 June 2025

[2] On 30 June 2025, 54,123,334 Listed options (ASX: VRLOF) exercisable at $0.020 expired largely unexercised.

[3] unlisted options exercisable at $0.022 expiring 19 March 2028 issued as a one-for-one attaching option under the pro rata entitlement issue completed on 2 May 2025.

Other related party transactions during the year

(i) *Accrued fees – Patrick Volpe*

Patrick Volpe has accrued Company Secretary and Finanical Controller fees during the year for an amount of $24,000 (excluding GST). Mr Volpe has agreed not to call upon the accrued fees until the Company has sufficient capital to pay the amount in full. As at the date of this report, Mr Volpe has continued to accrued Company Secretary and Financial Controller fees at a rate of $8,000 (excluding GST) per month.

(ii) *Working Capital Facility – CAP Holdings Pty Ltd As Trustee for the CAP Trust (**CAP Trust**)*

On 7 August 2024, CAP Trust advanced an unsecured short term working capital loan amount of $200,000 on commercial terms at an interest rate of 10% per annum. The working capital loan was to be repaid when the Company has raised sufficient capital to settle the full amount. The working capital amount was repaid on 13 May 2025 with $16,932 in interest paid for the period 7 August 2024 to 13 May 2025. Mr Patrick Volpe is a director of the trustee and beneficiary of the trust.

(iii) *Foxfire Metals Pty Ltd*

$82,380 in Joint Venture exploration expenditure was paid to Foxfire Metals Pty Ltd. $173,989 in exploration fees were accrued during the year.

In addition, pursuant to the executed acquisition and joint venture agreement, Foxfire Metals has accrued joint venture management fees of $10,000 per month (excluding GST) since May 2025 for a total of $130,000 as at the date of this report. Foxfire Metals will not call upon the accrued fees until the Company has sufficient capital to pay the amount in full. Mr Patrick Volpe is a director and substantial shareholder of Foxfire Metals Pty Ltd.

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

Voting and comments made at the Company's Annual General Meeting

At the 2024 Annual General Meeting, the resolution to adopt the Remuneration Report for the year ended 30 June 2024 was passed without amendment by 84.72% of the vote on the resolution to adopt the Remuneration Report.

The Company did not receive any specific feedback at the Annual General Meeting regarding its remuneration practices.

This concludes the remuneration report, which has been audited.

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Directors' Report

The Directors' report is signed in accordance with a resolution of Directors made pursuant to section 298(2) of the *Corporations Act 2001*.

On behalf of the Directors.



Patrick Volpe
Director
Melbourne
Dated this 30th day of September 2025

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Australia

DECLARATION OF INDEPENDENCE BY PHILLIP MURDOCH TO THE DIRECTORS OF VERITY RESOURCES LIMITED

As lead auditor Verity Resources Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Verity Resources Limited and the entities it controlled during the period.



Phillip Murdoch

Director

BDO Audit Pty Ltd

Perth

30 September 2025

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BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of A.C.N. 050 110 275 Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit Pty Ltd and A.C.N. 050 110 275 Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2025

	Note	2025 $	2024 $
Other income	3	31,023	70,074
Administrative and corporate expenses		(363,152)	(419,640)
Other expenses		-	(134,284)
Directors' remuneration and fees		(109,928)	(516,796)
Professional fees	4(a)	(137,548)	(368,482)
Marketing		(16,030)	(135,777)
Depreciation		(22,639)	(24,739)
Fair value loss		-	(80,001)
Exploration expenses	4(b)	(936,429)	(2,877,855)
Operating loss before tax		**(1,585,726)**	**(4,487,500)**
Income tax expense	**5**	**-**	**-**
Loss for the year		**(1,554,703)**	**(4,487,500)**
Other comprehensive income/(loss)			
Exchange differences on translation of foreign operations		**(12,477)**	**(38,448)**
Comprehensive loss for the year		**(1,567,180)**	**(4,525,948)**

Earnings per share for loss attributable to the ordinary equity holders of the Group	Note	Cents	Cents
Basic and Diluted earnings per share	18	(0.92)	(3.48)[1]

[1] earnings per share restated following a twenty (20) to one (1) capital consolidation that occurred on 11 December 2024.

The accompanying notes form part of these financial statements.

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Consolidated Statement of Financial Position

As at 30 June 2025

	Note	2025 $	2024 $
CURRENT ASSETS			
Cash and cash equivalents	6	891,616	271,116
Trade and other receivables		45,013	71,299
TOTAL CURRENT ASSETS		**936,629**	**342,415**
NON-CURRENT ASSETS			
Property, plant and equipment		73,616	94,504
Exploration and evaluation expenditure	8	1,198,714	1,314,504
TOTAL NON-CURRENT ASSETS		**1,272,330**	**1,409,008**
TOTAL ASSETS		**2,208,959**	**1,751,423**
CURRENT LIABILITIES			
Trade, other payables and accruals	9	418,473	266,310
Provisions		-	23,254
TOTAL CURRENT LIABILITIES		**418,473**	289,564
TOTAL LIABILITIES		**418,473**	**289,564**
NET ASSETS		**1,790,486**	**1,461,859**
EQUITY			
Issued Capital	**10**	35,648,568	33,752,761
Reserves	**11**	734,839	981,888
Accumulated losses		(34,592,921)	(33,272,790)
TOTAL EQUITY		**1,790,486**	**1,461,859**

The accompanying notes form part of these financial statements.

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Consolidated Statement of Changes in Equity

For the year ended 30 June 2025

2025	Share capital $	Share based payment reserve $	Foreign Exchange Translation Reserve $	Accumulated losses $	Total $
Balance at 1 July 2024	33,752,761	1,273,964	(292,076)	(33,272,790)	1,461,859
Comprehensive income:					
Loss for the year	-	-	-	(1,554,703)	(1,554,703)
Foreign currency translation difference	-	-	(12,477)	-	(12,477)
Total comprehensive loss for the year	-	-	(12,477)	(1,554,703)	(1,567,180)
Transactions with owners in their capacity as owners:					
Issue of equity securities	2,074,895	-	-	-	2,074,895
Share issue costs	(179,088)	-	-	-	(179,088)
Share based payments	-		-	-	-
Transfer of expired options	-	(234,572)	-	234,572	-
Total transactions with owners	1,895,807	(234,572)	-	234,572	1,895,807
Balance at 30 June 2025	**35,648,568**	**1,039,392**	**(304,552)**	**(34,592,921)**	**1,790,486**

2024	Share capital $	Share based payment reserve $	Foreign Exchange Translation Reserve $	Accumulated losses $	Total $
Balance at 1 July 2023	28,659,812	1,039,392	(253,628)	(28,785,290)	660,286
Comprehensive income:	-	-	-	-	-
Loss for the year	-	-	-	(4,487,500)	(4,487,500)
Other comprehensive income	-	-	(38,448)	-	(38,448)
Total comprehensive loss for the year	-	-	(38,448)	(4,487,500)	(4,525,948)
Transactions with owners in their capacity as owners:					
Issue of equity securities	5,431,289	-	-	-	5,431,289
Share issue costs	(338,340)	-	-	-	(338,340)
Share based payments	-	234,572	-	-	234,572
Total transactions with owners	5,092,949	234,572	-	-	5,327,521
Balance at 30 June 2024	**33,752,761**	**1,273,964**	**(292,076)**	**(33,272,790)**	**1,461,859**

The accompanying notes form part of these financial statements.

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Consolidated Statement of Cash Flows

For the year ended 30 June 2025

	Note	2025 $	2024 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(456,245)	(1,469,320)
Payment for exploration expenditure		(820,539)	(2,877,855)
Interest received		15,705	20,468
Net cash used in operating activities	7(b)	**(1,261,079)**	**(4,326,707)**
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of listed investment		-	54,825
Payments for exploration expenditure		-	(142,532)
Payment for purchase of plant and equipment		(1,751)	(124,638)
Net cash used in investing activities		**(1,751)**	**(212,345)**
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from the issue of shares		2,074,895	4,477,802
Payments of share capital issue costs		(179,088	(262,579)
Proceeds from borrowings		-	31,197
Repayment of borrowings		-	(12,479)
Net cash provided by financing activities		**1,895,807**	**4,233,941**
Net increase in cash held		632,977	(305,111)
Cash and cash equivalents at beginning of year		271,116	614,675
Effects of exchange rate fluctuations on cash and cash equivalents		(12,477)	(38,448)
Cash and cash equivalents at end of year	7	**891,616**	**271,116**

The accompanying notes form part of these financial statements.

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Notes to the financial statements

For the financial year ended 30 June 2025

1. General Information

The consolidated financial statements of the Group, being Verity Resources Limited (**the Company** or **Parent**) and its subsidiaries (collectively, **the Group**), for the year ended 30 June 2025 were authorised for issue in accordance with a resolution of the directors on 30 September 2025.

Verity Resources Limited is a company limited by shares incorporated in Australia whose shares trade on the Australian Securities Exchange (**ASX**) and Frankfurt Stock Exchange (**FSE**). Verity Resources Limited is a for-profit entity for the purpose of preparing the consolidation financial statements.

The nature of the operations and principal activities of the Group are described in the directors' report. Information on the Group's structure and other related party relationships is provided in Note 16(b).

2. Statement of material accounting policy information

(a) Basis of preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report has also been prepared on a historical cost basis.

The financial report is presented in Australian dollars and all values are rounded to the nearest dollar unless otherwise stated.

(b) Statement of compliance

The consolidated financial report of Verity Resources Limited complies with Australian Accounting Standards, which include AIFRS, in their entirety. Compliance with AIFRS ensures that the financial report also complies with International Financial Reporting Standards ("IFRS") in their entirety.

(c) Adoption of new and revised Accounting Standards

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current year. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group during the financial year.

(d) New standards and interpretations not yet adopted

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application date for future reporting periods and which the Group has decided not to early adopt.

(e) Reporting basis and conventions

These financial statements have been prepared under the historical cost convention, and on an accrual basis.

(f) Critical accounting estimates

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

(g) Basis of consolidation

The consolidated financial statements comprise the financial statements of Verity Resources Limited and its subsidiaries as at the end of each reporting period.

Subsidiaries are all those entities over which the Group has the power to govern the financial and operating policies so as to obtain benefits from their activities. Information regarding subsidiaries is disclosed in Note 16(a).

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The financial statements of subsidiaries are prepared for the same reporting period as the Parent company, using consistent accounting policies or adjustments are made to the financial statements of subsidiaries to bring their accounting policies in to line with those used by other members of the Group.

In preparing the consolidated financial statements, all inter-company balances and transactions, income and expenses and profits and losses resulting from inter-group transactions, have been eliminated in full.

Subsidiaries are fully consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date on which control is transferred out of the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. The acquisition method of accounting involves recognising at acquisition date, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree. The identifiable assets acquired and the liabilities assumed are measured at their acquisition date fair values.

The difference between the above items and the fair value of the consideration (including the fair value of any pre-existing investment in the acquiree) is goodwill or a discount on acquisition.

(h) Going concern

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

The Group incurred a loss for the year of $1,554,703 (2024: $4,487,500) and net operating cash outflow of $1,261,079 (2024: $2,662,597). As at 30 June 2025, the Group's cash and cash equivalents increased to $891,616 (2024: $271,116) and had a working capital surplus of $518,156 (2024: surplus $51,851).

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

- the ability of the Company to successfully raise capital, as and when necessary; and
- the ability to complete the successful development and commercialisation of its projects.

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

The Directors believe that the going concern basis of preparation is appropriate due to the following reasons:

- Directors anticipate the support of its major shareholders and believe that the Company has the ability to raise an appropriate level of funding to execute its plans and continue its activities.
- Directors have a proven track record in the capital markets and are confident in the ability to successfullyt obtain debt/equity funding if required.
- The directors have prepared a cash flow forecast, which indicates that the Consolidated Group will have sufficient cash flows to meet all commitments and working capital requirements for the 12-month period from the date of signing this report.
- On 4 September 2025, the Company received firm commitments for a two tranche private placement totalling $3 million (before costs). The Company received $1,747,164 (before costs) under Tranche 1, the remaining placement funds unfder Tranche 2 are subject to receipt of shareholder approval at a general meeting.

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

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(i) Segment reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

Operating segments have been identified based on the information provided to the chief operating decision makers being the Board.

Operating segments that meet the quantitative criteria as prescribed by AASB 8 are reported separately. However, an operating segment that does not meet the quantitative criteria is still reported separately where information about the segment would be useful to users of the financial statements.

The Group determines and presents operating segments based on the information internally provided to the Board.

(j) Exploration and evaluation expenditure

The Group expenses exploration and evaluation expenditure as incurred in respect of each identifiable area of interest until a time where an asset is in development.

Exploration for and evaluation of mineral resources is the search for mineral resources after the entity has obtained legal rights to explore in a specific area as well as the determination of the technical feasibility and commercial viability of extracting mineral resource. Exploration and evaluation expenditure are expensed to the profit or loss as incurred except when existence of a commercially viable mineral reserves has been established and it is anticipated that future economic benefits are more likely than not to be generated as a result of the expenditure.

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgement in determining whether it is likely that future economic benefits are likely, which may be based on assumptions about future events or circumstances. Estimates and assumptions may change if new information becomes available. Exploration and evaluation costs, including the costs of acquiring licences, are expensed as incurred.

(k) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements of the Group are presented in Australian dollars, which is Verity Resources Limited's functional and presentation currency.

Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Currency translation gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except for currency translation differences on net investment in foreign operations and borrowings and other currency instruments qualifying as net investment hedges for foreign operations, which are included in the currency translation reserve within equity in the consolidated financial statements.

Translation of group entities' financial statements

The results and financial position of all group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from Verity Resources Limited's presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rates at the date of the Statement of Financial Position.
- Income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

- All resulting exchange differences are recognised in the currency translation reserve within equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are taken to the foreign currency translation reserve. On disposal of a foreign group entity, the cumulative amount of the currency translation reserve relating to that foreign entity is reclassified from equity and recognised in profit or loss when the gain or loss on disposal is recognised.

(l) Share based payment transactions

Equity-settled share-based payments are measured at the fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Statement of Profit and Loss and Other Comprehensive Income such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to reserves.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

For cash-settled share-based payments, a liability equal to the portion of the goods or services received is recognised at the current fair value determined at each reporting date.

(m) Fair value of Assets and Liabilities

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either In the principal market for the asset or liability or In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

3. Other Income

	2025 $	2024 $
Interest revenue	15,705	20,468
Sundry income	3,133	9,780
Unrealised gain on foreign currencies	12,185	39,826
Total revenue and other income	**31,023**	**70,074**

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4. Expenditure

	2025 $	2024 $
(a) Professional fees comprises		
Legal fees	61,559	151,062
Corporate advisory	-	15,000
Accounting and audit fees	70,214	62,916
Consulting fees	5,775	139,504
Total professional fees	**137,548**	**368,482**
(b) Exploration expenses comprises:		
Exploration expenditure	820,539	**2,877,855**
Fair value loss on relinquishment of acquired tenement	115,890	-
Total exploration expenditure	**936,429**	**2,877,855**

5. Income Tax Expense

	2025 $	2024 $
Current tax	-	-
Under/(over) provision in prior years (current tax)	-	-
Total income tax benefit/(expense)	**-**	**-**

	2025 $	2024 $
Loss before income tax from continuing operations	(1,554,703)	(4,487,500)
Tax at the Australian tax rate of 30% (2024:30%)	(431,644)	(1,346,250)
Add tax effect of:		
Accrued expenses	23,599	(1,612)
Non-deductible expenses	62,417	498,867
Foreign tax rate differential	11,522	177,354
Less tax effect of:		
Other deductible items	(52,385)	(44,712)
Non-assessable income	-	20,700
Prepayments	7,565	23,043
Tax losses for the year	**(413,694)**	**(672,610)**
Transfer to/(utilisation of) tax losses available not brought to account	5,270,459	4,597,849

	2025 $	2024 $
Deferred tax benefits not brought to account	5,684,151	5,270,459
Deferred tax assets not recognised for year	(5,684,151)	(5,270,459)
Income tax expense for the year	**-**	**-**

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Deferred tax assets

The Group expects to have carried forward tax losses, which have not been recognised as deferred tax assets, as it is not considered sufficiently probable that these losses will be recouped by means of future profits taxable in the relevant jurisdictions. The utilisation of the tax losses is subject to the Group passing the required Continuity of Ownership and Same Business Test rules at the time the losses are utilised. Net deferred tax assets have not been brought to account as it is not probable within the immediate future that tax profits will be available against which deductible temporary difference can be utilised.

6. Cash and cash equivalents

	2025 $	2024 $
Cash at bank	891,616	260,569
Term deposits held	-	10,547
Total cash and cash equivalents	**891,616**	**271,116**

7. Cash flow information

	2025 $	2024 $
(a) Reconciliation of cash		
Cash at end of the year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:		
Cash and cash equivalents	**891,616**	**271,116**
(b) Reconciliation of cash flow from operations with loss after income tax		
Profit/(loss) before income tax expense	(1,554,703)	(4,487,500)
Non-cash flows in loss from ordinary activities		
Depreciation	22,639	24,739
Exploration expenditure (non-cash)	115,890	-
Fair value loss/(gain) on investment in listed shares	-	80,001
Other income	(15,318)	(39,826)
Changes in operating assets and liabilities		
(increase)/decrease in receivables and payments	26,286	30,168
Increase/(decrease) in payables	180,663	53,584
Increase/(decrease) in provisions	(36,536)	12,127
Net cash (outflow)/inflow from operating activities	**(1,261,079)**	**(4,326,707)**

8. Exploration and evaluation expenditure

	2025 $	2024 $
Investment in Brazilian Ventures Pty Ltd[1]	1,198,714	1,314,504
Total trade and other receivables	**1,198,714**	**1,314,504**

[1] The Company impaired an amount of $115,890 following the relinquishment of tenement 880.112/2020. No exploration work was conducted on this tenement.

9. Trade and other payables

	2025 $	2024 $
Trade payables	121,766	177,237
Accrued remuneration owing to directors	91,394	18,800
Accrued professional fees and operating expenses	205,313	35,968
Other trade payables	-	34,305
Total trade and other payables	**418,473**	**266,310**

10. Issued Capital

	2025 $	2024 $
279,423,468 Ordinary Shares fully paid (2024: 1,495,394,592 pre-consolidation)	35,648,568	33,752,761

(a) Movements in ordinary shares

2024 Ordinary shares fully paid	Date	$ per share	No.	$
Opening balance	1-Jul-23		1,495,394,592	28,659,812
Issue of shares	24-Jul-23	$0.0060(1)	158,613,701	951,682
Issue of shares	3-Aug-23	$0.0060(2)	339,851,132	2,039,107
Issue of shares	8-Feb-24	$0.0045(3)	209,000,000	940,500
Issue of share	15-Mar-24	$0.0040(4)	375,000,000	1,500,000
Share issue costs			-	(338,340)
Closing balance	**30-Jun-24**		**2,577,859,425**	**33,752,761**

2025 Ordinary shares fully paid	Date	$ per share	No.	$
Opening balance	1-Jul-24	-	2,577,859,425	33,752,761
Issue of shares	28-Oct-24	$0.001(1)	398,432,581	398,433
Issue of shares	19-Nov-24	$0.001(2)	162,000,000	162,000
Share consolidation (20:1)	11-Dec-24		(2,981,376,440)	
Issue of shares	23-Dec-24	$0.02(3)	1,800,000	36,000
Issue of shares	19-Mar-25	0.012(4)	25,624,995	307,500
Issue of shares	5-May-25	0.012(5)	62,860,392	754,325
Issue of shares	9-May-25	0.012(6)	29,225,827	350,710
Issue of shares	22-May-25	0.022 (7)	83,332	1,833
Issue of shares	2-Jun-25	0.022 (7)	117,856	2,593
Issue of shares	10-Jun-25	0.022 (7)	1,525,500	33,561
Issue of shares	11-Jun-25	0.022 (7)	270,000	5,940
Issue of shares	12-Jun-25	0.022 (7)	1,000,000	22,000
Share issue costs			-	(179,088)
Closing balance	**30-Jun-25**		**279,423,468**	**35,648,568**

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(1) On 28 October 2024, the Company issued 398,432,581shares at $0.001 per share (pre consolidation) to shareholders, following a Non-renounceable Pro-rata Entitlement Offer.

(2) On 11 December 2024, the Company issued 162,000,000 additional shares at $0.001 under the Shortfall Offer pursuant to the Non-renounceable Pro-rata Entitlement Offer.

(3) On 23 December 2024, the Company issued 1,800,000 additional shares at $0.02 (post consolidation) under the Shortfall Offer pursuant to the Non-renounceable Pro-rata Entitlement Offer.

(4) On 19 March 2025, the Company issued 25,624,995 shares at $0.012 per share with one free attaching options for every two shares subscribed pursuant to Tranche 1 of a share placement.

(5) On 5 May 2025, the Company issued 62,680,392 shares at $0.012 per share with one free attaching options for every two shares subscribed pursuant to a pro rate entitlemetn offer or one new share for every two shares held at the record date

(6) On 9 May 2025, the Company issued 29,225,827 shares at $0.012 per share with one free attaching options for every two shares subscribed pursuant to a shortfall offer under the entitlement offer.

(7) The company issued 2,996,688 shares at $0.022 per share upon various exercises of unlisted options.

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Group in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

11. Reserves

The share based payments reserve is used to recognise the fair value of share options and share rights granted.

	2025 $	2024 $
Share based payments reserve (a)	1,039,392	1,273,964
Foreign currency translation reserve (b)	(304,553)	(292,076)
	734,839	**981,888**

(a) Share based payments reserve

The share-based payment reserve is used to record the value of share-based payments provided to outside parties, and share-based remuneration provided to employees and directors.

Movements in share based payments	2025 $	2024 $
Balance at beginning of reporting year	1,273,964	1,039,392
Issuance of VRLOF Options[1]	-	234,572
Expiry of VRLOF Options[2]	(234,572)	
Number of options on issue at 30 June 2023	**1,039,392**	**1,273,964**

[1] On 08 February 2024, the Company issued 10,450,000 options (post-consolidation) as part of consideration for the acquisition of the Brazilian assets.

[2] On 30 June 2025, 10,450,000 options (post-consolidation) expired unexercised.

(b) Foreign currency translation reserve

The foreign exchange translation reserve records exchange differences arising on translation of foreign subsidiaries. Movements in the foreign exchange translation reserve during the 2025 and 2024 financial years were:

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	2025 $	2024 $
Balance at beginning of year	(292,076)	(253,628)
Movement during the year	(12,477)	(38,448)
Balance at end of year	**(304,553)**	**(292,076)**

12. Capital Management

Capital consists of the Group's shareholders' equity and any potential debt issuance. The Group's primary objectives in managing capital are to maintain financial stability, safeguard its capacity to meet ongoing liabilities, ensure its continued operation as a going concern, preserve creditworthiness, and maximize long-term shareholder returns.

The Group's assets are currently in the exploration and evaluation stage and do not yet generate revenue. Consequently, the Board and management place significant emphasis on cash flow forecasting and management to ensure the Group has adequate funds to support its planned activities and fulfill any ongoing obligations.

13. Commitments for expenditures

Commitments for minimum exploration expenditure required to retain tenure on the Group's exploration tenements are:

	2025 $	2024 $
Less than one year	975,582	2,112,623
Greater than one year and less than five years	945,255	829,195
	1,920,837	**2,941,818**

The commitments relate to the Prospecting licences issued to African Metals (Pty) Ltd by the Department of Mines in Botswana, the licences issued to Monument Exploration Project Pty Ltd (an asset acquisition of the Company and its licences occurred during the financial year), and the Joint Venture commitment of Brazilian Ventures Pty Ltd for the Foxfire Brazilian Joint Venture. Expenditures are required to maintain the right of tenure to exploration until the expiry of the licences or joint venture contract. These obligations are subject to renegotiation upon expiry of the tenements and are not provided for in the financial statements.

The Group anticipates future expenditure on its current rights of tenure to exploration and mining tenements up until their expiry. In the event the Group does not meet the minimum exploration expenditure the licences or joint venture may be cancelled or not renewed.

14. Contingent Liabilities

The directors are not aware of any other contingent assets or any contingent liabilities that are likely to have a material effect on the results of the Group as disclosed in these financial statements other than the following:

(a) Upon entering the Foxfire-Brazil joint venture, the Company agreed to assume the 50% share (1.5%) of total 3% gross sales royalties equally payable to Patrick John Volpe and Carlos Alberto Teles in respect to the sale of any minerals from the area within the boundaries of the 10 licences acquired on 8 January 2024. On 29 April 2024, the Company increased its interest to 70% share of the joint venture and agreed to assume 70% share (2.1%) of the total 3% gross sales royalties payable in respect to the sale of any minerals from the area within the boundaries of the Pimenta Project licences and any future licences acquired on or after 29 April 2024.

(b) On acquisition of the Monument Gold Project in Western Australia, the Company agreed to assume a royalty for tenements E39/1846 and E39/1866 consisting of 0.5% of the gross value of fine gold (not less than 95% Au) contained in saleable product. The royalty applies to the first 100,000 ounces of fine gold saleable product mined by the tenement holder.

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(c) The Company has proposed to issue 1,500,000 fully paid ordinary shares to Mr Paul Dickson, Non-Executive Director as a sign-on award, subject to shareholder approval at a general meeting. Until shareholder approval is obtained, there is no present obligation and no provision is recognised (AASB 137). No amount has been recognised as at the reporting date as timing of any approval remains uncertain. If approval is not obtained, the proposed issue will be cancelled for no alternative consideration.

15. Related Parties

The consolidated financial statements incorporate the assets, liabilities, and results of the following subsidiaries in accordance with the accounting policy described in Note 2(d).

16. Subsidiaries

		Equity holding (%)	
	Country of incorporation	2025	2024
African Metals (Pty) Ltd	**Botswana**	**100%**	100%
Monument Exploration Pty Ltd	**Australia**	**100%**	100%
Brazilian Ventures Pty Ltd	**Australia**	**100%**	100%

(a) Ultimate parent

Verity Resources Limited is the ultimate parent entity of the Group.

(b) Key management personnel

The aggregate compensation paid and accrued to Key Management Personnel of the Group is set out below:

	2025 $	2024 $
Short-term benefits[1]	206,023	539,798
Related Party Transactions		
Foxfire Metals Pty Ltd[2]	256,320	545,490

[1] Mr Patrick Volpe and Mr Paul Dickson agreed to accrued director and company secretary fees until the Company has raised sufficient capital to settle the accrued amounts.

[2] Mr Patrick Volpe is a current director of Verity Resources Limited and a current director and substantial shareholder of Foxfire Metals Pty Ltd.

All amounts above are exclusive of GST.

Expenses paid by, or for, Directors and related entity were, or will be, reimbursed at cost.

The Company has provided at call interest free unsecured loans to its wholly owned subsidiary African Metals (Pty) Ltd, Monument Exploration Pty Ltd and Brazilian Ventures Pty Ltd to pay operational and exploration costs.

(c) Other transactions with related parties

(iv) *Accrued fees – Patrick Volpe*

Patrick Volpe has accrued Company Secretary and Finanical Controller fees during the year for an amount of $24,000 (excluding GST). Mr Volpe has agreed not to call upon the accrued fees until the Company has sufficient capital to pay the amount in full. As at the date of this report, Mr Volpe has continued to accrued Company Secretary and Financial Controller fees at a rate of $8,000 (excluding GST) per month.

(v) *Working Capital Facility – CAP Holdings Pty Ltd As Trustee for the CAP Trust (**CAP Trust**)*

On 7 August 2024, CAP Trust advanced an unsecured short term working capital loan amount of $200,000 on commercial terms at an interest rate of 10% per annum. The working capital loan was to be repaid when the Company has raised sufficient capital to settle the full amount. The working capital amount was repaid on 13 May 2025 with $16,932 in

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interest paid for the period 7 August 2024 to 13 May 2025. Mr Patrick Volpe is a director of the trustee and beneficiary of the trust.

(vi) *Foxfire Metals Pty Ltd*

$82,380 in Joint Venture exploration expenditure was paid to Foxfire Metals Pty Ltd. $173,989 in exploration fees were accrued during the year.

In addition, pursuant to the executed acquisition and joint venture agreement, Foxfire Metals has accrued joint venture management fees of $10,000 per month (excluding GST) since May 2025 for a total of $130,000 as at the date of this report. Foxfire Metals will not call upon the accrued fees until the Company has sufficient capital to pay the amount in full. Mr Patrick Volpe is a director and substantial shareholder of Foxfire Metals Pty Ltd.

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

There have been no other changes to related party arrangements since the financial year ended 30 June 2025.

(d) Financial risk management

Financial risk management objectives

The overall risk management strategy seeks to assist the Group in meeting its financial targets, while minimizing potential adverse effects on financial performance. Its functions include the review of liquidity, foreign exchange and interest rate risk policies and future cash flow requirements.

Market risk

Foreign currency risk

The Group has foreign operations and is exposed to foreign currency risk arising from various currency exposures, primarily with respect to the Botswana Pula (BWP).

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in the currency that is not the entity's functional currency. The following table details the Group's sensitivity to a 10% increase and decrease in the Australian dollar against the BWP. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. This analysis assumes that all other variables remain constant.

	Profit or loss		Equity	
30 June 2025	+10% A$	-10% A$	+10% A$	-10% A$
BWP	**14,402**	**(14,402)**	**1,514,270**	**(1,514,270)**

Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Group is exposed to interest rate risk from funds held on deposit. The effect of a +/- 2% change in interest rates would not be material.

Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Board's approach to managing liquidity is to ensure, as far as possible, that the Group will always have sufficient liquidity to meet its liabilities when due. At 30 June 2025, the Group had sufficient liquid assets to meet its financial obligations.

The Group manages this risk through the following mechanisms:

- preparing forward looking cash flow analysis in relation to its operational, investing and financing activities.
- monitoring undrawn credit facilities.
- obtaining funding from a variety of sources; and
- managing credit risk related to financial assets.

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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.

30 June 2025	<1 year $	1-5 years $	>5 years $	Total contractual cash flows $	Carrying amount of liabilities $
Trade, other payables and accruals	418,473	-	-	418,473	418,473
	418,473	**-**	**-**	**418,473**	**418,473**

30 June 2024	<1 year $	1-5 years $	>5 years $	Total contractual cash flows $	Carrying amount of liabilities $
Trade, other payables and accruals	266,310	-	-	266,310	266,310
	266,310	**-**	**-**	**266,310**	**266,310**

Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The Company obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Company does not hold any collateral.

The Company has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the Company based on recent sales experience, historical collection rates and forward-looking information that is available.

Fair value of financial instruments

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

17. Operating segments

The Group has identified its operating segments based on internal reports that are reviewed by the Board and management. The Group operated in one business segment during the year, being mineral exploration and in three geographical areas, being Australia, Botswana and Brazil.

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Operating segment information

30 June 2025	Australia A$	Botswana A$	Brazil A$	Total A$
Segment revenue	18,838	5	12,180	31,023
Loss before income tax expense	**(1,165,356)**	**(144,020)**	**(245,327)**	**(1,554,703)**
Income tax expense	-		-	-
Loss after income tax expense	**(1,165,356)**	**(144,020)**	**(245,327)**	**(1,554,703)**
Assets				
Segment assets	2,133,106	37,242	38,611	2,208,959
Total Assets	**2,133,106**	**37,242**	**38,611**	**2,208,959**
Liabilities				
Segment liabilities	419,131	(658)	-	418,473
Total Liabilities	**419,131**	**(658)**	**-**	**418,473**

30 June 2024	Australia A$	Botswana A$	Brazil A$	Total A$
Segment revenue	70,074	-	-	70,074
Loss before income tax expense	(1,738,417)	(2,216,925)	(532,158)	(4,487,500)
Income tax expense	-		-	-
Loss after income tax expense	**(1,738,417)**	**(2,216,925)**	**(532,158)**	**(4,487,500)**
Assets				
Segment assets	1,686,479	64,944	100	1,751,423
Total Assets	**1,686,479**	**64,944**	**100**	**1,751,423**
Liabilities				
Segment liabilities	(244,209)	(22,314)	(23,041)	(289,564)
Total Liabilities	**(244,209)**	**(22,314)**	**(23,041)**	**(289,564)**

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18. Earnings per share

	2025 $	2024 $
Loss after income tax benefit attributable to the Group	(1,544,703)	(4,487,500)

	2025 $	2024 $
Weighted average number of ordinary shares outstanding during the year used in calculation of Basic EPS[1]	169,349,926	128,892,972
Weighted average number of options outstanding which are considered potentially dilutive[2]	-	-
Weighted average number of potential ordinary shares outstanding during the year used in calculation of Diluted EPS	**169,349,926**	**128,892,972**

[1] 2024 weighted average ordinary shares restated on a post-20 to 1 consolidation basis (2024: 2,149,048,992 pre-consolidation).

[2] Options on issue at the end of the year have not been included in the determination of diluted earnings per share as the Group has incurred a loss for the year and they are therefore not dilutive in nature.

	2025 $	2024 $
Basic and diluted earnings per share (cents)	(0.92)	(3.48)

19. Remuneration of Auditors

	2025 $	2024 $
Audit services	53,319	61,478
Non-audit services	-	-

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20. Parent entity disclosures

The individual financial statements for the parent entity show the following aggregations.

	2025 $	2024 $
Results		
(Loss)/profit for the year	(1,273,530)	(5,999,595)
Other comprehensive loss	-	-
Total comprehensive (loss)/profit for the year	**(1,273,530)**	**(5,999,595)**
Financial Position		
Current assets	933,789	326,640
Non-current assets	614	45,235
	934,391	**371,875**
Current Liabilities	419,131	244,209
Non-current liabilities	-	-
	419,131	**244,209**
Net assets	**515,261**	**127,666**

	2025 $	2024 $
Issued capital	35,648,458	33,752,761
Reserves	1,039,392	1,273,964
Accumulated losses	(36,172,589)	(34,899,059)
	515,261	**127,666**

21. Events subsequent to the reporting date

Other than the matters noted below, there have been no subsequent events that required adjustment to or disclosure in the or the Financial Statements of the Group for the year ended 30 June 2024:

On 4 September 2024, the Company announced it had received firm commitments for a private placement to raise $3 million (before costs), with one free attaching option for every three shares subscribed exercisable at $0.048 per share expiring 2 years from the issue date. On 11 September 2025, 69,973,867 ordinary shares were issued under Tranche 1 of the placement. Tranche 2 (55,026,133 shares and approximately 41,666,667 options) is to be issued subject to shareholder approval at a general meeting.

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Consolidated Entity Disclosure Statement

As at 30 June 2025

Entity name	Entity type	Place formed/country of incorporation	Ownership interest %	Tax residency	Foreign tax jurisdiction(s) of foreign residents
Verity Resources Limited	Body corporate	Australia	N/A	Australian	N/A
Monument Exploration Pty Ltd	Body corporate	Australia	100	Australian	N/A
African Metals (Pty) Ltd	Body corporate	Botswana	100	Australian	N/A
Brazilian Ventures Pty Ltd	Body corporate	Australia	100	Australian	N/A
Brazilian Mining Ventures Pty Ltda	Body corporate	Brazil	100[1]	Australian	N/A
Foxfire Brazilian Joint Venture	Body Corporate	Brazil	70[2]	Australian	N/A

1 Brazilian Mining Ventures Pty Ltda is a subsidiary of Brazilian Ventures Pty Ltd which holds 100% of the share capital

2 Foxfire Brazilian Joint Venture is the joint venture in Brazil in which Brazilian Ventures Pty Ltd holds 70% interest

Basis of preparation

This Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the *Corporations Act 2001,* reflecting the amendments to section 295(3A)(vi) and (vii) which clarify the definition of foreign resident as being an entity that is treated as a resident of a foreign country under the tax laws of that foreign country. These amendments apply for financial years beginning on or after 1 July 2024. The CEDS includes certain information for each entity that was part of the consolidated entity at the end of the financial year in accordance with AASB 10 *Consolidated Financial Statements*.

Key assumptions and judgements

Determination of tax residency

Section 295(3B)(a) of the *Corporation Acts 2001* defines Australian resident as having the meaning in the *Income Tax Assessment Act 1997.* The determination of tax residency involves judgement as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency. Section 295 (3A)(a)(vii) requires the determination of tax residency in a foreign jurisdiction to be based on the law of the foreign jurisdiction relating to foreign income tax.In determining tax residency, the Group has applied the following interpretations:

Australian tax residency

The Group has applied current legislation and judicial precedent, including having regard to the Commissioner of Taxation's public guidance in Tax Ruling TR 2018/5.

Foreign tax residency

The Group has applied current legislation and where available judicial precedent in the determination of foreign tax residency. Where necessary, the Group has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with.

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Directors' Declaration

In the opinion of the Directors:

- the financial statements and notes of the Group are in accordance with the *Corporations Act 2001*, including:
    - giving a true and fair view of Verity Resources Limited's financial position as at 30 June 2025 and of its performance for the financial year ended on that date; and
    - complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
- the financial statements and notes also comply with International Financial Reporting Standards; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct; and
- there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the *Corporations Act 2001* and as recommended under ASX Corporate Governance Council's Corporate Governance Principles for the financial year ended 30 June 2025.



Patrick Volpe
Director
Melbourne,
30 September 2025

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INDEPENDENT AUDITOR'S REPORT

To the members of Verity Resources Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Verity Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

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

i) Giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year ended on that date; and

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

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with 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.

Material uncertainty related to going concern

We draw attention to Note 2(h) in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

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Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Accounting for exploration & evaluation expenditure

Key audit matter	How the matter was addressed in our audit
As disclosed in Note 8 to the Financial Report, the carrying value of the exploration and evaluation asset represents a significant asset of the Group. The Group's accounting policies and significant judgements applied to exploration and evaluation expenditure are detailed in Note 2(j) of the Financial Report. In accordance with AASB 6 Exploration for and Evaluation of Mineral Resources ('AASB 6'), the recoverability of exploration and evaluation expenditure requires significant judgement by management in determining whether there are any facts and circumstances that exist to suggest the carrying amount of this asset may exceed its recoverable amount. As a result, this is considered a key audit matter.	Our procedures included, but were not limited to: • Assessing whether rights to tenure of the Group's area of interest remained current at balance date; • Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group's exploration budgets, ASX announcements and director's minutes; • Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Considering whether any facts or circumstances existed to suggest impairment testing was required; and • Assessing the adequacy of the related disclosures in Note 8 to the Financial Report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2025, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and 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 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 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 group 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 Group 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf

This description forms part of our auditor's report.

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Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 23 to 29 of the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Verity 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 section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd



Phillip Murdoch

Director

Perth, 30 September 2025

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Supplementary Information

The information set out below was applicable as at 22 September 2025.

Distribution of equity securities – ordinary shares

Analysis of number of equitable security holders by size of holding:

	No. of holders	No. of shares	Percentage
1 to 1,000	468	269,811	0.08%
1,001 to 5,000	1,414	3,849,782	1.10%
5,001 to 10,000	508	3,842,950	1.10%
10,001 to 100,000	1,048	36,196,819	10.35%
101,000 and over	396	305,709,973	87.38%
Total	**3,834**	**349,869,335**	**100.00%**
Unmarketable parcels	2,858	15,279,732	4.37%

Voting rights

Shareholders in Verity Resources Limited have a right to attend and vote at General Meetings. At a General Meeting, individual shareholder may vote in person or by proxy. On a show of hands every member present in person or by proxy shall have one vote. Upon a poll each share shall have one vote.

All unquoted share options and performance rights have no voting rights.

Share buy-back

There is no current or planned buy-back of the Company's shares.

Twenty largest shareholders – quoted ordinary shares

Rank	Name	No. of shares	%
1	PATRICK VOLPE & ASSOCIATED ENTITIES	31,779,166	9.08%
2	FOXFIRE METALS PTY LTD	23,512,500	6.72%
3	NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	13,845,607	3.96%
4	MR ARTHUR IOANNOU & MS OLIVIA KEENE <IMAX SUPERFUND A/C>	7,927,501	2.27%
5	MS CHUNYAN NIU	5,550,000	1.59%
6	MR GAVIN JEREMY DUNHILL	5,000,000	1.43%
7	MR PETER ROBERT JUSTIN CLARKE	4,755,554	1.36%
8	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	4,426,977	1.27%
9	MGL CORP PTY LTD	4,200,000	1.20%
10	MR GEOFF KLOPROGGE	4,000,000	1.14%
11	ALLEKIAN EXCHANGE PTY LTD	3,350,000	0.96%
12	MR GREGORY STEPHEN COHEN	3,343,749	0.96%
13	MR BIN LIU	3,250,000	0.93%
14	TPC CONSULTING PTY LTD	3,140,571	0.90%
15	MR CHRISTOPHER IAN SWITZER	2,952,500	0.84%

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Rank	Name	No. of shares	%
16	GEOFFCO PTY LTD	2,666,667	0.76%
17	CITICORP NOMINEES PTY LIMITED	2,418,148	0.69%
18	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED <EQUITY FINANCE A/C>	2,415,248	0.69%
19	MRS XUEJIN CHAO <EDEN A/C>	2,296,940	0.66%
20	MR PAUL ANDREW GEORGE DICKSON	2,250,000	0.64%
	TOTAL	**133,081,128**	**38.04%**

Substantial shareholders

The Company has received the following substantial shareholder notices as at 22 September 2025:

	Interest	% of total shares
Patrick John Volpe & associated entites	55,291,666	15.80%

Twenty largest shareholders – quoted share options

No share options are quoted.

Unquoted options

As at 22 September 2025, the Company had the following unquoted options on issue:

	No. of options	No. of holders
Unlisted options exercisable $0.022 expiring 19 April 2028	114,242,526	193

[1] On 4 September 2025 the Company proposed to issue up to 41,666,667 unlisted options exercisable at $0.048 expiring two years from the date of issue, subject to shareholder approval at a general meeting.

[2] On 4 September 2025 the Company proposed to issue 7,500,000 unlisted Lead Manager options exercisable at $0.036 expiring three years from the date of issue, subject to shareholder approval at a general meeting.

Restricted securities

The were no securities subject to ASX restrictions at the time of this report.

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Schedule of exploration tenements at 30 June 2025

Tenement Number	Area	Holder	Location	Interest	Expiry Date
Western Australia					
E39/1846	1 Blocks	Monument Exploration Pty Ltd	Laverton, Western Australia	100%	16/06/2025
E39/1866	41 Blocks	Monument Exploration Pty Ltd	Laverton, Western Australia	100%	1/02/2027
E39/2024	1 Blocks	Monument Exploration Pty Ltd	Laverton, Western Australia	100%	2/07/2028
E39/2035	10 Blocks	Monument Exploration Pty Ltd	Laverton, Western Australia	100%	2/07/2028
E39/2139	1 Blocks	Monument Exploration Pty Ltd	Laverton, Western Australia	100%	21/07/2025
P39/5837	155 Hectares	Monument Exploration Pty Ltd	Laverton, Western Australia	100%	30/10/2026
P39/5855	72 Hectares	Monument Exploration Pty Ltd	Laverton, Western Australia	100%	3/07/2027
P39/6051	120.029 Hectares	Monument Exploration Pty Ltd	Laverton, Western Australia	100%	6/04/2028
P39/6052	138 Hectares	Monument Exploration Pty Ltd	Laverton, Western Australia	100%	6/04/2028
P39/6053	200.357 Hectares	Monument Exploration Pty Ltd	Laverton, Western Australia	100%	6/04/2028
P39/6054	146 Hectares	Monument Exploration Pty Ltd	Laverton, Western Australia	100%	5/08/2028
P39/6055	158.049 Hectares	Monument Exploration Pty Ltd	Laverton, Western Australia	100%	1/12/2028
P39/6056	160.674 Hectares	Monument Exploration Pty Ltd	Laverton, Western Australia	100%	1/12/2028
P39/6057	182.477 Hectares	Monument Exploration Pty Ltd	Laverton, Western Australia	100%	2/12/2028
P39/6058	183 Hectares	Monument Exploration Pty Ltd	Laverton, Western Australia	100%	2/12/2028
E39/2558	70 Blocks	Monument Exploration Pty Ltd	Laverton, Western Australia	100%	Application
E39/2562	3 Blocks	Monument Exploration Pty Ltd	Laverton, Western Australia	100%	Application
M39/1189	1,200 Hectares	Monument Exploration Pty Ltd	Laverton, Western Australia	100%	Application
Brazil					
830379/2024	1894.39	Brazilian Mining Ventures Ltda	Minas Gerais, Brazil	70%	9-May-2027
830381/2024	1905.35	Brazilian Mining Ventures Ltda	Minas Gerais, Brazil	70%	24-May-2027
830382/2024	1902.57	Brazilian Mining Ventures Ltda	Minas Gerais, Brazil	70%	24-May-2027
830385/2024	1893.77	Brazilian Mining Ventures Ltda	Minas Gerais, Brazil	70%	28-May-2027
830386/2024	1873.81	Brazilian Mining Ventures Ltda	Minas Gerais, Brazil	70%	28-May-2027
830387/2024	1841.34	Brazilian Mining Ventures Ltda	Minas Gerais, Brazil	70%	7-Jun-27
830388/2024	1897.2	Brazilian Mining Ventures Ltda	Minas Gerais, Brazil	70%	28-May-2027
830389/2024	1860.03	Brazilian Mining Ventures Ltda	Minas Gerais, Brazil	70%	5-Jun-27
830391/2024	1855.1	Brazilian Mining Ventures Ltda	Minas Gerais, Brazil	70%	28-May-2027
830392/2024	1858.34	Brazilian Mining Ventures Ltda	Minas Gerais, Brazil	70%	24-May-2027
830393/2024	1,860.54	Brazilian Mining Ventures Ltda	Minas Gerais, Brazil	70%	5-Jun-27
830394/2024	1,889.61	Brazilian Mining Ventures Ltda	Minas Gerais, Brazil	70%	7-Jun-27

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Tenement Number	Area	Holder	Location	Interest	Expiry Date
830395/2024	1,917.82	Brazilian Mining Ventures Ltda	Minas Gerais, Brazil	70%	28-May-2027
830396/2024	1,898.10	Brazilian Mining Ventures Ltda	Minas Gerais, Brazil	70%	7-Jun-27
830397/2024	1,876.44	Brazilian Mining Ventures Ltda	Minas Gerais, Brazil	70%	9-May-2027
870268/2024	1,850.93	Brazilian Mining Ventures Ltda	Minas Gerais, Brazil	70%	19-Mar-27
800848/2022	1999.68	Brazilian Mining Ventures Ltda	Ceara, Brazil	50%	22-Feb-2026
800849/2022	1,997.49	Foxfire Metals Ltda	Ceara, Brazil	50%	19-Mar-27
830390/2023	1,948.85	Foxfire Metals Ltda	Minas Gerais, Brazil	50%	31-May-2026
830494/2023	1,994.07	Foxfire Metals Ltda	Minas Gerais, Brazil	50%	3-Apr-2026
830504/2023	1,647.08	Foxfire Metals Ltda	Minas Gerais, Brazil	50%	3-Apr-2026
830892/2023	21.51	Foxfire Metals Ltda	Minas Gerais, Brazil	50%	28-Feb-2027
831091/2023	1,031.70	Foxfire Metals Ltda	Minas Gerais, Brazil	50%	31-May-2026
832540/2022	1,151.25	Foxfire Metals Ltda	Minas Gerais, Brazil	50%	7-Feb-2026
831074/2023	1,951.40	Foxfire Metals Ltda	Minas Gerais, Brazil	50%	28-Jul-26
Botswana					
PL2477/2023	27.4	African Metals Pty Ltd	Botswana	66%	31/03/2026
PL2478/2023	35.8	African Metals Pty Ltd	Botswana	66%	31/03/2026
PL2479/2023	79.4	African Metals Pty Ltd	Botswana	66%	31/03/2026
PL136/2021	96.5	African Metals Pty Ltd	Botswana	100%	30/04/2027
PL183/2021	652.0	African Metals Pty Ltd	Botswana	100%	30/04/2027
PL186/2020	100.5	African Metals Pty Ltd	Botswana	100%	30/04/2027
PL188/2020	210.7	African Metals Pty Ltd	Botswana	100%	30/04/2027
PL006/2021	159.6	African Metals Pty Ltd	Botswana	100%	30/09/2026
PL007/2021	114.8	African Metals Pty Ltd	Botswana	100%	30/09/2026
PL222/2022	45.6	African Metals Pty Ltd	Botswana	100%	30/09/2025
PL123/2024	903.1	African Metals Pty Ltd	Botswana	100%	31/03/2026

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Corporate Governance Statement

The Company's Corporate Governance Statement for the year ended 30 June 2025 is available on the Company's website at www.verityresources.com.au.

Corporate Directory

Directors

Mr Patrick Volpe - Non-Executive Director
Mr Paul Dickson – Non-Executive Director
Mr Elvis Mosweu – Non-Executive Director

Company Secretary

Mr Patrick Volpe

Registered Office & Principal Place of Business

832 High Street
Kew East VIC 3102
Ph: +61 3 9249 9589
Email: info@verityresources.com.au

Auditor

BDO Audit Pty Ltd
Level 9 Mia Yellagonga Tower 2
5 Spring Street
Perth WA 6000

Share Registry

Automic Pty Ltd
Level 5
126 Phillip Street
Sydney NSW 2000
Ph: 1300 288 664 (Australia) or
+61 2 9698 5414 (Overseas)
Email: hello@automic.com.au

Stock Exchange

Australian Securities Exchange (**ASX**)
ASX Code: **VRL**
Frankfirst Stock Exchange
FSE Code: **48B0**

Company Website

www.verityresources.com.au

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