



1. Company Details

Name of entity:	Austral Resources Australia Ltd
ABN:	50 142 485 470
Reporting period:	For the year ended 31 December 2025
Previous period:	For the year ended 31 December 2024

2. Results for announcement to the market

				\$'000
Revenues from continuing operations	up	100%	to	3,529
Revenues from discontinued ordinary activities	down	19%	to	66,131
Loss from continuing operations for the year after tax attributable to the owners of Austral Resources Australia Ltd, from a loss of \$0.741 million	down	729%	to	(6,140)
Profit from discontinued operations for the year after tax attributable to the owners of Austral Resources Australia Ltd, from a loss of \$21.879 million million	up	182%	to	18,014
Profit for the year attributable to the owners of Austral Resources Australia Ltd, from a loss of \$22.620 million	up	152%	to	11,874

3. Review of operations

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

Highlights

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

- Copper cathode sales from continuing operations zero tonnes (2024: zero tonnes);
- Copper cathode sales from discontinued operations of 8,224 tonnes (2024: 6,341 tonnes) at an average sale price of US\$9,830 per tonne (2024: \$8,160 per tonne);
- Revenue from continuing operations \$3,529,000 (2024: \$0);
- Revenue from discontinued operations \$66,131,000 (2024: \$82,087,000);
- Net operating cash outflows of \$17,882,000 (2024: inflows of \$9,415,000);
- Cash and cash equivalents of \$19,304,000 (2024: \$79,000)

4. Dividends

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

5. Net tangible assets

	Reporting Period \$	Previous Period \$
Net tangible assets per ordinary security	0.05	(0.05)

6. Control gained over entities

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

7. Details of associates and joint venture entities

No change during the period

8. Audit qualification or review

The Preliminary Financial Report is based on statutory financial statements that are in the process of being audited. The independent audit report is unlikely to contain a modified opinion.

9. Attachments

Attached is the Preliminary Financial Report of Austral Resources Australia Ltd for the year ended 31 December 2025.

10. Signed

Signed: _____



Date: 27 February 2026

David Newling
Non-Executive Chairman
Brisbane

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Austral Resources Australia Ltd

ABN 50 142 485 470

Preliminary Financial Report

31 December 2025

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Austral Resources Australia Ltd
Statement of profit or loss and other comprehensive income
For the year ended 31 December 2025

	Note	Consolidated 2025 \$'000	2024** \$'000
Revenue			
Management Fees		3,529	-
Other income	1	2,263	8,695
Expenses			
Administration expenses		(1,671)	(2,671)
Rocklands care and maintenance	3	(2,560)	-
Depreciation and amortisation expense		(1,683)	(1,288)
Finance expense	2	(864)	(1,629)
Share based payments		396	325
Other operating expenses		(5,909)	(4,739)
Net foreign exchange loss		359	566
(Loss) before income tax expense from continuing operations		(6,140)	(741)
Income tax expense		-	-
Profit / (loss) after income tax expense from discontinued operations	19	18,014	(21,879)
Profit / (loss) after income tax expense for the year		11,874	(22,620)
Other comprehensive income			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive profit / (loss) for the year		11,874	(22,620)
		\$	\$
Earnings per share from continuing operations			
Basic (loss) / profit per share		(0.01)	(0.00)
Diluted (loss) / profit per share		(0.01)	(0.00)
Earnings per share from discontinued operations			
Basic (loss) / profit per share		0.03	(0.04)
Diluted (loss) / profit per share		0.03	(0.04)
Earnings per share for profit attributable to the owners of Austral Resources Australia Ltd			
Basic (loss) / profit per share		0.02	(0.04)
Diluted (loss) / profit per share		0.02	(0.04)

** The figures of the year-ended 31 December 2024 have been restated. For comparative purposes the operations of Athill project are now presented as discontinued operations (please refer to note 19).

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

Austral Resources Australia Ltd
Statement of financial position
As at 31 December 2025

	Note	Consolidated 2025 \$'000	2024 \$'000
Assets			
Current assets			
Cash and cash equivalents	4	19,304	79
Trade and other receivables	5	6,767	1,479
Prepayments		1,236	682
Inventories	6	2,181	50,664
Other assets		578	1,416
Total current assets		<u>30,066</u>	<u>54,320</u>
Non-current assets			
Financial assets	7	50,784	37,211
Property, plant and equipment	8	32,108	52,730
Right-of-Use Assets		67	2,706
Exploration and mining assets	9	1,975	1,668
Total non-current assets		<u>84,934</u>	<u>94,315</u>
Total assets		<u>115,000</u>	<u>148,635</u>
Liabilities			
Current liabilities			
Trade and other payables	10	2,479	57,474
Borrowings	11	10,160	81,396
Employee benefits		1,336	856
Lease Liabilities		68	1,710
Total current liabilities		<u>14,043</u>	<u>141,436</u>
Non-current liabilities			
Provisions	13	52,094	36,913
Borrowings	12	12,492	-
Employee benefits		60	-
Lease Liabilities		-	1,504
Total non-current liabilities		<u>64,646</u>	<u>38,417</u>
Total liabilities		<u>78,689</u>	<u>179,853</u>
Net assets / (liabilities)		<u>36,311</u>	<u>(31,218)</u>
Equity			
Issued capital	14	128,200	71,546
Reserves	15	320	1,923
Accumulated losses	16	(92,209)	(104,687)
Total equity		<u>36,311</u>	<u>(31,218)</u>

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

Austral Resources Australia Ltd
Statement of changes in equity
For the year ended 31 December 2025

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

Consolidated	Issued capital \$'000	Reserves \$'000	Accumulated losses \$'000	Total equity \$'000
Balance at 1 January 2025	71,546	1,923	(104,687)	(31,218)
Profit after income tax expense for the year	-	-	11,874	11,874
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive profit for the year	-	-	11,874	11,874
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs	56,054	-	-	56,054
Exercise of rights	600	(600)	-	-
Share-based payments	-	(1,003)	604	(396)
Balance at 31 December 2025	<u>128,200</u>	<u>320</u>	<u>(92,209)</u>	<u>36,311</u>

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

Austral Resources Australia Ltd
Statement of cash flows
For the year ended 31 December 2025

	Note	Consolidated	
		2025 \$'000	2024 \$'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		67,229	75,269
Payments to suppliers and employees (inclusive of GST)		(90,026)	(76,111)
		<u>(22,797)</u>	<u>(842)</u>
Interest and other costs of finance paid		(699)	(503)
Interest received		2,003	2,386
Other revenue		3,611	8,374
		<u>3,611</u>	<u>8,374</u>
Net cash (used in) / from operating activities		<u>(17,882)</u>	<u>9,415</u>
Cash flows from investing activities			
Payment for entities		(17,919)	-
Payments for property, plant and equipment		(1,171)	(10,560)
Payments for exploration		(363)	(982)
Payments for mining assets		-	(1,559)
Disposal of APA		(116)	-
Proceeds from security deposits		3	596
		<u>3</u>	<u>596</u>
Net cash used in investing activities		<u>(19,566)</u>	<u>(12,505)</u>
Cash flows from financing activities			
Proceeds from issue of shares		40,000	-
Proceeds from borrowings		22,704	4,916
Share issue transaction costs		(2,758)	-
Repayment of borrowings		(2,032)	-
Repayment of lease liabilities		(1,235)	(2,884)
		<u>(1,235)</u>	<u>(2,884)</u>
Net cash from / (used in) financing activities		<u>56,679</u>	<u>2,032</u>
Net increase / (decrease) in cash and cash equivalents		19,229	(1,058)
Cash and cash equivalents at the beginning of the financial year		79	1,145
Effects of exchange rate changes on cash and cash equivalents		(4)	(8)
		<u>(4)</u>	<u>(8)</u>
Cash and cash equivalents at the end of the financial year	4	<u><u>19,304</u></u>	<u><u>79</u></u>

Statement of cash flows includes cash flows from discontinued operations.

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

Basis of preparation

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

Going Concern

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

During the year ended 31 December 2025, the consolidated entity incurred a loss from continuing operations of \$6.1 million and had net operating and investing cash outflows amounting to \$17.9 million and \$19.6 million, respectively (this includes cash outflows from discontinued operations).

The Directors believe that there are reasonable grounds to believe that the consolidated entity will be able to continue as a going concern, after consideration of the following factors:

The Directors have reviewed the cash forecast, for the forthcoming 12 months which indicates the consolidated entity will continue to generate significant net cash inflows from its operating activities;

As disclosed in note 20, on 16 January 2026 the consolidated entity announced the acquisition of the Lady Loretta mining leases and associated EPMs. This acquisition substantially increases the copper pipeline and in addition, the consolidated entity receives US\$40 million in cash on completion of the transaction, of which approximated US\$30.4 million is unrestricted cash.

On 19 February, the consolidated entity announced binding commitments have been received for a A\$65 million capital raise. The raise is split into 2 Tranches. Tranche 1 is for \$38.2 million and was completed on 26 February 2026. Tranche 2 is \$26.8 million and is subject to shareholder approval. On completion the Placement will be applied to fund acceleration in copper production and production capability at both Rocklands and Mt Kelly including infrastructure, equipment, drilling, care and maintenance, and working capital.

Discontinued operations

A discontinued operation is a component of the consolidated entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations or is part of a single co-ordinated plan to dispose of such a line of business or area of operations. The results of discontinued operations are presented separately on the face of the statement of profit or loss and other comprehensive income.

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

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

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

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

Austral Resources Australia Ltd
Notes to the financial statements
31 December 2025

Note 1. Other income

	Consolidated	
	2025	2024
	\$'000	\$'000
Insurance recoveries	156	4,527
Interest income	1,742	1,837
Other income	365	2,331
	<u>2,263</u>	<u>8,695</u>

Note 2. Finance Expenses

	Consolidated	
	2025	2024
	\$'000	\$'000
Interest on interest bearing loans	497	-
Interest on leases	1	6
Unwinding of discount on rehabilitation liability	366	1,623
	<u>864</u>	<u>1,629</u>

Note 3. Care and Maintenance Expenses

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

	Consolidated	
	2025	2024
	\$'000	\$'000
Employee benefits expense	778	-
Consultants and contractor costs	231	-
Licenses, leases and environmental fees	542	-
Insurance	516	-
Other	493	-
	<u>2,560</u>	<u>-</u>

Note 4. Current assets - cash and cash equivalents

	Consolidated	
	2025	2024
	\$'000	\$'000
Cash on hand	1	1
Cash at bank	19,303	78
	<u>19,304</u>	<u>79</u>

Austral Resources Australia Ltd
Notes to the financial statements
31 December 2025

Note 5. Current assets - trade and other receivables

	Consolidated	
	2025	2024
	\$'000	\$'000
Trade receivables	6,029	644
Less: Allowance for credit losses	(295)	-
GST receivable	1,033	835
	<u>6,767</u>	<u>1,479</u>

Note 6. Current assets - inventories

	Consolidated	
	2025	2024
	\$'000	\$'000
Spare parts and consumables	2,181	1,842
Copper in process*	-	47,716
Copper cathode*	-	1,106
	<u>2,181</u>	<u>50,664</u>

See Note 19 for further details on the discontinued operations

Note 7. Non-current assets - financial assets

	Consolidated	
	2025	2024
	\$'000	\$'000
Term deposits as security for bank guarantees (i)	49,113	37,104
Security deposits for Queensland Mines Department (ii)	1,671	107
	<u>50,784</u>	<u>37,211</u>

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

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Austral Resources Australia Ltd
Notes to the financial statements
31 December 2025

Note 8. Non-current assets - property, plant and equipment

	Consolidated	
	2025	2024
	\$'000	\$'000
Land and buildings – at cost	6,984	6,984
Less: Accumulated depreciation	(6,984)	(6,984)
	<u>-</u>	<u>-</u>
Plant and equipment - at cost	69,164	40,691
Less: Accumulated depreciation	(37,385)	(35,878)
	<u>31,779</u>	<u>4,813</u>
Office Equipment, furniture and fittings - at cost	2,121	2,024
Less: Accumulated depreciation	(1,841)	(1,715)
	<u>278</u>	<u>309</u>
Capital works in progress - at cost	49	250
Mine development and Rehabilitation – at cost*	28,503	274,711
Less: Accumulated amortisation*	(28,503)	(271,276)
	<u>-</u>	<u>3,434</u>
Stripping activity asset – at cost *	-	84,612
Less: Accumulated amortisation*	-	(40,691)
	<u>-</u>	<u>43,921</u>
	<u>32,108</u>	<u>52,730</u>

See Note 19 for further details on the discontinued operations

Note 9. Non-current assets - exploration and evaluation

	Consolidated	
	2025	2024
	\$'000	\$'000
Exploration and evaluation - at cost	1,975	1,668
Less: Impairment	-	-
	<u>1,975</u>	<u>1,668</u>

Reconciliations

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

Consolidated	Exploration and evaluation \$'000
Balance at 1 January 2024	685
Additions	<u>983</u>
Balance at 31 December 2024	1,668
Impairment due to permit relinquishment	(56)
Additions	<u>363</u>
Balance at 31 December 2025	<u>1,975</u>

Note 9. Non-current assets - exploration and evaluation (continued)

The recoverability of the carrying amounts of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Note 10. Current liabilities - trade and other payables

	Consolidated	
	2025	2024
	\$'000	\$'000
Trade payables and accruals	2,479	54,089
Interest payable	-	3,385
	<u>2,479</u>	<u>57,474</u>

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

Note 11. Current liabilities - borrowings

	Consolidated	
	2025	2024
	\$'000	\$'000
Glencore Rocklands Facility	10,160	-
Wingate Facility (Assigned to Glencore Australia Holdings Pty Limited)	-	31,063
Glencore Prepayment Facility (Anthill)	-	20,920
Secover Facility (2022)	-	13,980
Secover Facility (2024)	-	15,433
	<u>10,160</u>	<u>81,396</u>

Glencore Rocklands Facility

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

Wingate Facility (Assigned to Glencore Australia Holdings Pty Limited)

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

Following the retirement of the Receivers and Managers appointed by Win Finance, Glencore acquired the facility and assumed the role of senior secured creditor. On 2 September 2025, this facility was sold as part of the Anthill Production Arrangement, refer to note 19 – Discontinued Operations.

Glencore prepayment facility

On 3 February 2022, the company entered into a facility agreement with Glencore International AG for USD \$15 million, primarily to accelerate its exploration program and fund working capital. The facility is interest bearing with an interest rate of LIBOR plus a margin of 8.5% per annum, payable monthly in arrears and for a period of 24 months from the date of initial drawdown. An initial drawdown of USD \$15 million was made on 17 March 2022.

Note 11. Current liabilities – borrowings (continued)

On 2 September 2025, this facility was sold as part of the Anthill Production Arrangement, refer to note 19 – Discontinued Operations.

Secover Facility (2022)

On 22 December 2022, the company entered into a facility agreement with Secover Pty Ltd for \$11 million, to fund working capital. The facility is interest bearing with an interest rate of 15% per annum, payable monthly in arrears and for a period of 12 months from the initial date of drawdown. An initial drawdown of \$11 million was made on 23 December 2022.

On 2 September 2025, this facility was sold as part of the Anthill Production Arrangement, refer to note 19 – Discontinued Operations.

Secover Facility (2024)

On 28 June 2024, the company entered into a facility agreement with Secover Pty Ltd for \$11.7 million, to fund the repayment of the Thiess secured payable. The facility is not interest bearing and payable within 12 months of the facility agreement date. During the second half of 2024, the company requested additional funding from Secover Pty Ltd of circa \$4,900,000 to fund working capital. This amount will be added to the June 2024 facility agreement with Secover Pty Ltd. The facility is not interest bearing, in line with the June 2024 facility.

On 2 September 2025, this facility was sold as part of the Anthill Production Arrangement, refer to note 19 – Discontinued Operations.

Note 12. Non-current liabilities – borrowings

	Consolidated	
	2025	2024
	\$'000	\$'000
Glencore Rocklands Facility (refer to note 10)	12,492	-

Note 13. Non-current liabilities - provisions

	Consolidated	
	2025	2024
	\$'000	\$'000
Mine rehabilitation and closure	52,094	36,913
<i>Environmental</i>		

The rehabilitation provision represents the present value of rehabilitation costs relating to mine sites, which are expected to be incurred over the life of the estimated life of mine, which is when the producing mine properties are expected to cease operations. Assumptions based on the current economic environment have been made, which management believes are a reasonable basis upon which to estimate the future liability. These estimates are reviewed regularly to take into account any material changes to the assumptions. However, actual rehabilitation costs will ultimately depend upon future market prices for the necessary rehabilitation works required that will reflect market conditions at the relevant time.

Bank guarantees have been provided to the Queensland Department of Environment, Tourism, Science and Innovation (DETSI) as financial assurance in respect of the Group's rehabilitation obligations. These guarantees are supported by term deposits held by the consolidated entity (refer note 7).

Austral Resources Australia Ltd
Notes to the financial statements
31 December 2025

Note 13. Non-current liabilities - provisions (continued)

Movements in provisions

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

Consolidated - 2025	Rehabilitation \$'000
Carrying amount at the start of the year	36,913
Additional provision recognised (Rocklands acquisition)	15,237
Reduction due to reassessment of liability and increase in discount rate	(788)
Amounts transferred to current	-
Unwinding of discount	732
	<hr/>
Carrying amount at the end of the year	<u>52,094</u>

Note 14. Equity - issued capital

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

Movements in ordinary share capital

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

Ordinary shares

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

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

Capital risk management

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

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

Austral Resources Australia Ltd
Notes to the financial statements
31 December 2025

Note 14. Equity - issued capital (continued)

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

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment.

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

Note 15. Equity - reserves

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

Share-based payments reserve

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

Movements in reserves

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

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

Note 16. Equity - accumulated losses

	Consolidated	
	2025	2024
	\$'000	\$'000
Accumulated losses at the beginning of the financial year	(104,687)	(82,067)
Profit / loss after income tax expense for the year	11,874	(22,620)
Lapse of options	604	-
Accumulated losses at the end of the financial year	(92,209)	(104,687)

Note 17. Contingent Liabilities

The Anthill Production Agreement (APA), signed on 2 September 2025, directs that proceeds generated during the term of the agreement are applied to the repayment of the outstanding debt associated with the project. If the proceeds generated under the APA are insufficient to fully repay the outstanding debt, the APA partners have the right to access up to \$13.0 million of proceeds from the Group's remine program to satisfy the remaining balance. The obligation to contribute remine program proceeds is contingent on the level of earnings generated under the APA and will only arise if those earnings are insufficient to fully repay the debt.

At the reporting date, the Group has not recognised a liability in respect of this matter, as management currently expects that proceeds from the Anthill Project will be sufficient to repay the outstanding debt. However, the obligation remains contingent on future events that are not wholly within the control of the Group, and the amount and timing of any potential outflow of economic benefits cannot be reliably measured. The Group will continue to monitor the performance of the APA and reassess this position as further information becomes available.

Note 18. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly-owned subsidiaries:

Name	Principal place of business / Country of incorporation	Ownership interest	
		2025 %	2024 %
Austral Resources Operations Pty Ltd	Australia	100%	100%
Austral Resources Exploration Pty Ltd	Australia	100%	100%
Copper Resources Australia Pty Ltd	Australia	100%	0%

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Note 19. Discontinued operations

Description

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

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

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

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

Financial performance information

	Consolidated	
	2025	2024
	\$'000	\$'000
Sale of goods from discontinued operations	66,131	82,087
Cost of goods sold from discontinued operations		
Changes in inventories of finished goods and work in progress	31,558	11,647
Employee benefits expense	(6,304)	(8,147)
Contractor's, materials and consumables	(64,976)	(75,164)
Depreciation and amortisation of mining and stripping assets	(41,266)	(17,021)
Sales expense	(3,023)	(3,599)
Interest on interest bearing loans	(6,878)	(11,285)
Net foreign exchange loss or gain	1,219	(2,454)
Trade payables forgiveness at settlement	12,223	-
Other income	752	2,057
Total expenses	<u>(76,695)</u>	<u>(103,966)</u>
Loss before income tax expense from discontinued operations	(10,564)	(21,879)
Profit on disposal before income tax	28,578	-
Income tax expense	<u>-</u>	<u>-</u>
Profit after income tax expense from discontinued operations	<u>18,014</u>	<u>(21,879)</u>

Austral Resources Australia Ltd
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Note 19. Discontinued Operations (continued)

Balance Sheet on Disposal of Anthill Project

	2025
	\$'000
Current assets	
Cash and cash equivalents	116
Trade and other receivables	1,104
Prepayments	1,368
Inventories	80,570
	<u>83,158</u>
Non-current assets	
Property, plant and equipment	6,716
Right-of-Use Assets	1,727
	<u>8,443</u>
Current liabilities	
Trade and other payables	28,631
Lease Liabilities	2,105
Borrowings	89,444
	<u>120,180</u>
Net liabilities	<u>28,578</u>

Details of the disposal

	2025
	\$'000
Total sale consideration	-
Carrying amount of net liabilities disposed	28,578
Disposal costs	-
Profit on disposal before income tax	<u>28,578</u>
Profit on disposal after income tax	<u><u>28,578</u></u>

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Note 20. Events after the reporting period

On 16 January 2026, Austral announced the acquisition of the Lady Loretta mining leases and associated EPMS and site infrastructure. The acquisition unlocks substantial copper mineralisation and a pathway to supporting Mt Kelly's copper production pipeline. On completion of the transaction, Austral receives US\$40 million (A\$59.9 million) in cash, with approximately US\$9.6 million (A\$14.4 million) to be deducted from the payment to cash-back the current estimated rehabilitation bond for the Lady Loretta mine, increasing unrestricted cash of Austral by approximately US\$30.4 million (A\$45.5 million).

On 19 February 2026, Austral announced binding commitments have been received for a A\$65 million capital raise. The capital raise has been cornerstoned by the QIC Critical Minerals and Battery Technology Fund which has committed to \$15 million. The raise is split into 2 Tranches. Tranche 1 is for \$38.2 million and was completed on 26 February 2026. Tranche 2 is \$26.8 million and is subject to shareholder approval. On completion the Placement will be applied to fund acceleration in copper production and production capability at both Rocklands and Mt Kelly including infrastructure, equipment, drilling, care and maintenance, and working capital.

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

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