



**Southern Hemisphere Mining Limited
and its controlled entities**

ABN 17 140 494 784

**Half-year report
for the half-year ended 31 December 2025**

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Corporate Information

Board of Directors

Mr Mark Stowell (Chairman)
Mr David Frances
Mr Richard Caldwell

Company Secretary

Mr Keith Bowker

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Securities Exchange

Australian Securities Exchange
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ASX Code: SUH

Frankfurt Stock Exchange

Website: www.boerse-frankfurt.de/en

FWB Code: NK4

Half-year report for the half-year ended 31 December 2025

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Cautionary statements

Forward-looking statements

The financial report may contain certain forward-looking statements. Such statements are only predictions, based on certain assumptions and involve known and unknown risks, uncertainties and other factors, many of which are beyond the Company's control. Actual events or results may differ materially from the events or results expected or implied in any forward-looking statement.

The inclusion of such statements should not be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions or that any forward-looking statements will be or are likely to be fulfilled. Southern Hemisphere Mining Limited undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date of these financial statements (subject to continuous disclosure requirements under the ASX Listing Rules).

The information in the financial report does not take into account the objectives, financial situation or particular needs of any person or organisation. Nothing contained in these financial statements constitutes investment, legal, tax or other advice.

Previous Disclosure – 2012 JORC Code

The information in the financial report that relates to specific exploration results, exploration targets and exploration data for the Company's Projects were extracted from previously released ASX announcements.

A copy of such announcements are available to view on the Company's website www.shmining.com.au. The reports were issued in accordance with the 2012 Edition of the JORC Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Resources are reported above a copper equivalent (CuEq) cut-off grade of 0.22% CuEq. The CuEq calculation is based on metal prices of US\$3.50/lb Cu, US\$3,000/oz Au, and US\$20/lb Mo.

Preliminary metallurgical recoveries from closed circuit flotation testwork confirmed no deleterious elements: Cu 84-91%, Au 41-57%, Mo ~%. CuEq formulae: $Cu \% + (Au \text{ g/t} \times 1.25) + (Mo \% \times 5.7)$.

The CuEq values presented in the MRE are based solely on in situ metal grades and relative metal prices only. For comparison purposes 100% recovery has been assumed across all metals in the CuEq calculation. These assumptions are offset by the use of conservative metal prices and appropriately selected cut-off grades.

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Directors' report

The directors submit herewith the financial report of Southern Hemisphere Mining Limited ("Southern Hemisphere Mining" or "the Company") and its controlled entities ("the Group") for the half-year ended 31 December 2025. In order to comply with the provisions of the *Corporations Act 2001*, the directors report as follows:

Directors

The names of the directors of the Company during or since the end of the half-year are:

Mr Mark Stowell
Mr David Frances
Mr Richard Caldwell

The above named directors held office during and since the end of the half-year except for:

Mrs Natalie Dawson - resigned 3 November 2025.

Review of operations

The loss of the Group for the half-year ended 31 December 2025, after accounting for income tax, amounted to \$243,775 (31 December 2024: \$1,812,554).

During the half-year, the Company continued to work on its Copper, Gold, Molybdenum and Manganese exploration assets in Chile. Under the accounting policy, all exploration is expensed.

Llahuin Copper-Gold-Molybdenum Project

During the half-year, the Company reported a JORC Mineral Resource Estimate ("MRE") update for its Llahuin Copper-Gold-Molybdenum Project in central Chile.

The MRE totals **218Mt at an average grade of 0.38% CuEq** (at a 0.22% CuEq cut-off grade) as tabulated below and includes 496,600t of Copper, 654,900oz of Gold and 12,500t of Molybdenum.

Zone	Measured (Mt) (CuEq%)	Indicated (Mt) (CuEq%)	Total Measured & Indicated (Mt) (CuEq%)	Inferred (Mt) (CuEq%)
Central Porphyry	90.9 @ 0.42%	10.2 @ 0.33%	101.1 @ 0.41%	24.5 @ 0.31%
Cerro	41.9 @ 0.40%	4.9 @ 0.32%	46.8 @ 0.39%	13.7 @ 0.32%
Ferro	19.1 @ 0.32%	7.1 @ 0.34%	26.2 @ 0.32%	5.9 @ 0.32%
Total (rounded)	151.9 @ 0.40%	22.2 @ 0.33%	174.1 @ 0.39%	44.1 @ 0.31%
Total Measured, Indicated & Inferred (Mt) (CuEq%)				218.2 @ 0.38%

Resources are reported above a copper equivalent (CuEq) cut-off grade of 0.22% CuEq. The CuEq calculation is based on metal prices of US\$3.50/lb Cu, US\$3,000/oz Au, and US\$20/lb Mo. No recoveries have been used as metallurgical testwork is still to be optimised. Preliminary metallurgical recoveries from closed circuit flotation testwork confirmed no deleterious elements:

Cu 84–91%, Au 41–57%, Mo ~14–56%. CuEq formula: $Cu \% + (Au \text{ g/t} \times 1.25) + (Mo \% \times 5.7)$.

The CuEq grade reported reflects relative metal prices only and assumes 100% in situ recovery across all metals. The Company confirms that it is not relying on this assumption as a basis for economic viability but rather to allow comparative assessment of multi-element mineralisation.

Ferro South Prospect

The Company reported the discovery of high-grade oxide copper exposed at surface during site preparation for the extensional drilling planned at the Ferro South prospect, part of the Company's flagship Llahuin Copper-Gold-Molybdenum Project in central Chile.

Key observations:

- Copper oxide minerals (including chrysocolla and atacamite) exposed in outcrop / sub-crop
- Vanta M series pXRF reading of 15% Copper obtained from crushed/pulverised sample (Geochem mode, 3-beam, 30 seconds each)
- Samples dispatch for laboratory assay
- Planned drilling to test the strike and depth continuity of the oxide zone and structural controls
- Potential connection to the broader Llahuin system and the <50 ohm-m MT anomaly west of Ferro South

Drilling is scheduled for Q2 2026.

Curiosity-Southern Porphyry Target

Joint venture partner FMR Resources Limited (ASX: FMR) continued drilling the maiden deep diamond hole 25LLDD0070 at the Curiosity-Southern Porphyry Target. Drilling progressed from early-stage epithermal mineralisation into progressively more intrusive and altered units consistent with a large porphyry system.

The drillhole advanced from ~800m at the beginning of the quarter to a final depth of 1,469.1m.

Key geological observations reported across the quarter included:

Near-surface epithermal zone:

- **9m** of epithermal veining from **171.6 - 180.6m**, including **1m @ 1.7% Copper**
- Confirmation of a mineralised epithermal vein swarm above the porphyry system

Porphyry-related indicators at depth:

- Remobilised chalcopyrite C-type at ~400m
- Anhydrite-pyrite veining from ~485 – 745m
- Increasing potassic-biotite alteration and copper-bearing quartz-sulphide veining above 1,200m
- Cracked breccia zone from ~1,160m
- Mafic-andesitic dyke between 1,294 – 1,304m, consistent with late intrusive phases in porphyry systems

Deep intrusive and hydrothermal footprint:

From **1,105 – 1,469m**, drilling intersected:

- Quartz-anhydrite veinlet stockworks
- Pyrite-chalcopyrite sulphides
- Magnetite haloes
- Altered diorite, hornfels and andesitic porphyry

Downhole magnetic susceptibility and conductivity measurements indicate the main MT conductive feature has not yet been intersected.

Drilling was temporarily paused at 1,198.9m due to mechanical failure, with replacement equipment mobilised. Ground conditions remained stable throughout.

Whole-rock geochemistry, thin-section petrography and downhole geophysical surveys (IP, EM conductivity, spectral gamma) are underway to refine the geological and geophysical model ahead of prioritising the next drillholes.

Cardawan Copper Project

The Cardawan licence applications (ELA 52/4433 and ELA 52/4434) are located approximately 160km south of Newman, and the Great Northern Highway runs through the project. The tenements are 169 and 8 blocks size respectively. (Approximately 3km² per block).

This large copper prospect was pegged based on an exploration concept for sedimentary hosted copper deposits. The historic Kumarina Group of copper deposits and prospects are along strike and in adjacent to other tenements to the east of Cardawan. The Abra lead silver mine is 70km west of the Cardawan Copper Project and the DeGrussa VMS copper gold silver mine is approximately 100km south.

Preliminary exploration work is in progress and as an early-stage low-cost high impact copper prospect in an excellent location both geologically and strategically. Sedimentary hosted copper deposits are common in the Zambian copper belt.

Los Pumas Manganese Project

The Los Pumas Project is an advanced manganese deposit for which Southern Hemisphere is seeking offtake/JV funding/sale for a long life mine to produce:

- Agriculture products for soil improvement;
- Electrolytic Manganese for steel making; and/or
- High-Purity Manganese Sulphate Monohydrate ("HPMSM") to supply the Electric Vehicle ("EV") and energy storage markets.

Southern Hemisphere is actively marketing this project.

Colina2 Project

The Colina2 Project is located 8km to the northwest of Llahuin.

There remains a non JORC compliant copper resource on the project which could be exploited in conjunction with Llahuin.

Material business risks

The Company's financial prospects are influenced by several key uncertainties, including the inherent risk of exploration and development at its Chilean copper-gold-molybdenum and manganese projects, exposure to volatile commodity prices, reliance on external funding, regulatory and permitting requirements in Chile, operational and logistical challenges in remote project areas, ESG and climate-related considerations affecting approvals and stakeholder support, and foreign exchange or broader macroeconomic conditions that may impact project costs and capital availability.

Subsequent events

There have been no events subsequent to the reporting date that are expected to have a material impact on the financial position or performance of the Group

Auditor's independence declaration

The auditor's independence declaration is included on page 6 of the half-year report.

Rounding off of amounts

The Company is a company of the kind referred to in *ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191*, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in this directors' report are rounded off to the nearest dollar, unless otherwise indicated.

Signed in accordance with a resolution of directors made pursuant to s.306(3) of the *Corporations Act 2001*.

On behalf of the Directors



Mr Mark Stowell

Chairman

9 March 2026

Perth, Western Australia

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Auditor's Independence Declaration

To those charged with the governance of Southern Hemisphere Mining Limited

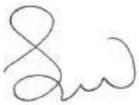
As the lead auditor of Southern Hemisphere Mining Limited for the half-year ended 31 December 2025, I hereby declare, to the best of my knowledge and belief, that:

- i) There have been no contraventions of the independence requirements of the *Corporations Act 2001* in relation to this review; and
- ii) There have been no contraventions of any applicable code of professional conduct in relation to this review.

This declaration applies to Southern Hemisphere Mining Limited and its controlled entities for the reporting period.

Elderton Audit Pty Ltd.

Elderton Audit Pty Ltd



Sajjad Cheema
Director

09 March 2026
Perth

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Southern Hemisphere Mining Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Southern Hemisphere Mining Limited (the 'Company') and its subsidiaries ("the Group"), which comprises the condensed consolidated statement of financial position as of 31 December 2025, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity, and the condensed consolidated statement of cash flows for the half-year ended on that date. It also includes a summary of significant accounting policies, other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Southern Hemisphere Mining Limited is not under the Corporations Act 2001, including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

Basis for Conclusion

We conducted our review under ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report.

Emphasis of Matter – Going Concern

We draw attention to Note 2, Basis of Preparation, of the half-year financial report, which indicates that the Group's operations are dependent on obtaining further funding from its shareholders and joint venture partner. These conditions indicate a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. Our review conclusion is not modified in respect of this matter.

Independence

We are independent of the Group by the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code), which are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities following 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 review report.

Director's Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not by the Corporations Act 2001, including giving a true and fair view of the Group's financial position as of 31 December 2025 and its performance for the half-year ended on that date and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

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

Elderton Audit Pty Ltd.

Elderton Audit Pty Ltd



Sajjad Cheema

Director

09 March 2026

Perth

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Directors' declaration

The directors declare that, in the directors' opinion:

- (a) the attached consolidated financial statements and notes are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2025 and its performance for the half-year ended on that date; and
 - (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the *Corporations Act 2001*.

On behalf of the Directors



Mr Mark Stowell

Chairman

9 March 2026

Perth, Western Australia

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Condensed consolidated statement of profit or loss and other comprehensive income

for the half-year ended 31 December 2025

		Consolidated	
		Half-year ended	
		31 December 2025	31 December 2024
Note		\$	\$
	Continuing operations		
	Interest income	33,751	17,241
8	Other income	150,000	11,062
	Administration expenses	(118,640)	(181,487)
	Professional fees	(38,941)	(38,560)
	Employee benefit expenses	(159,245)	(396,292)
6	Share-based payments	(31,197)	(31,358)
	Exploration and evaluation expenditure	(79,503)	(1,193,160)
	Loss before income tax	(243,775)	(1,812,554)
	Income tax	-	-
	Loss after income tax for the half-year	(243,775)	(1,812,554)
	Other comprehensive income for the half-year		
	<i>Items that may be reclassified subsequently to profit or loss</i>		
	Foreign currency movement	29,577	79,680
	Other comprehensive profit for the half-year	29,577	79,680
	Total comprehensive loss for the half-year	(214,198)	(1,732,874)
	Loss for the half-year attributable to:		
	Owners of the Company	(243,775)	(1,812,554)
	Total comprehensive loss for the half-year attributable to:		
	Owners of the Company	(214,198)	(1,732,874)
	Earnings per share		
	Basic and diluted loss per share	(0.03)	(0.25)

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

Condensed consolidated statement of financial position as at 31 December 2025

		Consolidated	
		31 December 2025	30 June 2025
		\$	\$
ASSETS			
Current assets			
Cash and cash equivalents		940,334	1,256,247
Receivables and other assets		488,647	32,057
Total current assets		1,428,981	1,288,304
Non-current assets			
Other financial assets	8	239,063	-
Property, plant and equipment		15,737	15,919
Total non-current assets		254,800	15,919
Total assets		1,683,781	1,304,223
LIABILITIES			
Current liabilities			
Trade and other payables		574,020	100,524
Total current liabilities		574,020	100,524
Total liabilities		574,020	100,524
Net assets		1,109,761	1,203,699
Equity			
Share capital	5	65,070,970	65,070,970
Share-based payment reserve	6	528,367	497,170
Other reserves	7	1,539,096	1,420,456
Accumulated losses		(66,028,672)	(65,784,897)
Total equity		1,109,761	1,203,699

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

Condensed consolidated statement of changes in equity for the half-year ended 31 December 2025

<i>Consolidated</i>	Share capital	Share-based payment reserve	Foreign currency translation reserve	Investment revaluation reserve	Accumulated losses	Total equity
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2024	65,097,580	435,123	1,436,136	-	(62,958,913)	4,009,926
Loss for the half-year	-	-	-	-	(1,812,554)	(1,812,554)
Foreign currency translation	-	-	79,680	-	-	79,680
Other comprehensive profit for the half-year	-	-	79,680	-	-	79,680
Total comprehensive loss for the half-year	-	-	79,680	-	(1,812,554)	(1,732,874)
Share-issue costs	(26,610)	-	-	-	-	(26,610)
Share-based payments	-	31,358	-	-	-	31,358
Balance at 31 December 2024	65,070,970	466,481	1,515,816	-	(64,771,467)	2,281,800
Balance at 1 July 2025	65,070,970	497,170	1,420,456	-	(65,784,897)	1,203,699
Loss for the half-year	-	-	-	-	(243,775)	(243,775)
Foreign currency translation	-	-	29,577	-	-	29,577
Other comprehensive profit for the half-year	-	-	29,577	-	-	29,577
Total comprehensive loss for the half-year	-	-	29,577	-	(243,775)	(214,198)
Share-based payments	-	31,197	-	-	-	31,197
Revalue of other investments	-	-	-	89,063	-	89,063
Balance at 31 December 2025	65,070,970	528,367	1,450,033	89,063	(66,028,672)	1,109,761

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

Condensed consolidated statement of cash flows for the half-year ended 31 December 2025

	Consolidated	
	Half-year ended	
	31 December 2025	31 December 2024
	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees	(119,688)	(808,078)
Payments for exploration and evaluation expenditure	(1,530,510)	(1,006,242)
Interest received	33,751	17,241
Net cash used in operating activities	(1,616,447)	(1,797,079)
Cash flows from financing activities		
Share issue costs	-	(34,124)
Proceeds from sale of concessions	-	11,062
Proceeds from JV partner	1,273,251	-
Net cash provided by/(used in) financing activities	1,273,251	(23,062)
Net decrease in cash and cash equivalents	(343,196)	(1,820,141)
Cash and cash equivalents at the beginning of the half-year	1,256,247	4,662,668
Effect of exchange rates on cash and cash equivalents	27,283	106,808
Cash and cash equivalents at the end of the half-year	940,334	2,949,335

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

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Notes to the consolidated financial statements for the half-year ended 31 December 2025

1. General information

Southern Hemisphere Mining Limited (“Southern Hemisphere Mining” or “the Company”) and its controlled entities (“the Group”) is a Company limited by shares incorporated and domiciled in Australia whose ordinary shares are publicly traded on the Australian Securities Exchange (“ASX”) and the Frankfurt Stock Exchange (“FWB”). The address of the principal place of business and registered office is Suite 2, 20 Howard Street, Perth, Western Australia, 6000. The Group also maintains an office in Santiago, Chile.

2. Basis of preparation and significant accounting policies

Statement of compliance

The half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

The half-year report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report and any public announcements made by the Company during the half-year in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and the ASX Listing Rules.

The financial report of the Group for the half-year ended 31 December 2025 was authorised for issue in accordance with a resolution of the directors on 9 March 2026.

Basis of preparation

The condensed consolidated financial statements have been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the presentation of the half-year financial report are consistent with those adopted and disclosed in the Company’s 2025 annual financial report for the financial year ended 30 June 2025. The accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Rounding off of amounts

The Company is a company of the kind referred to in *ASIC Corporations (Rounding in Financials/Directors’ Reports) Instrument 2016/191*, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in this directors’ report are rounded off to the nearest dollar, unless otherwise indicated.

Going concern

The condensed consolidated financial statements have been prepared on the going concern basis which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

As disclosed in the financial statements for the half-year ended 31 December 2025, the Group incurred a loss of \$243,775 (2024: \$1,812,554) and had net cash outflows from operating activities of \$1,616,447 (2024: \$1,797,079) and cash inflows/(outflows) from financing activities of \$1,273,251 (2024: (\$23,062)). As at 31 December 2025, the Group has net assets of \$1,109,761 (30 June 2025: \$1,203,699).

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Going concern (continued)

As such, the directors believe that there are reasonable grounds to believe that the Group will be able to continue as a going concern, after consideration of the following factors:

- The Company holds 937,500 fully paid ordinary shares in FMR Resources Limited (ASX: FMR) which can be realised at any time. As at the date of this report valued at \$248,438.
- The Company's VAT tax consultant in Chile has filed a VAT refund. Accumulated IVA (VAT) returns are subject to approval of government taxation authorities, and are indicatively \$4.2m, recoupable from VAT sales of product or assets. Subject to certain circumstances and government approvals part or all of the amount can be refunded to pay for capital expenditure for operations which can earn VAT to recoup the amounts within an approved period of time.
- The directors are confident based on historical raisings that the Group has the ability to raise further funds through capital raisings as and when required to satisfy its operational expenditure commitments.
- The directors are seeking potential joint venture partners which will expedite exploration activities whilst retaining cash reserves. This will result in the Company decreasing its ownership interest in the projects however will increase shareholder value.
- The directors are also seeking new assets and opportunities in thriving sectors which will attract capital to the Company.

Accordingly, the directors believe that the Group will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial statements.

In the event that the Group is unsuccessful in the matters set out above in relation to obtaining future funds through capital raisings, there is a material uncertainty whether the Group will continue as a going concern, and therefore whether it will realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the financial statements.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded assets or to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

The directors are not aware of any material uncertainties related to events or conditions that may cast significant doubts upon the Group's ability to continue as a going concern.

New and amended Accounting Standards that are effective for the current period

The Group has adopted all the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 July 2024.

3. Dividends

No dividends were paid or declared for the half-year ended 31 December 2025 and the directors have not recommended the payment of a dividend.

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4. Operating segments

Identification of reportable segments

The Group operates predominantly in the mining industry. This comprises exploration and evaluation of copper, gold, molybdenum and manganese projects. Inter-segment transactions are priced at cost to the Group.

The Group has identified its operating segments based on the internal reports that are provided to the Board of Directors on a monthly basis and in determining the allocation of resources. Management has identified the operating segments based on the two principal locations based on geographical areas and therefore different regulatory environments – Australia and Chile.

Segment assets include the costs to acquire tenements and the capitalised exploration costs of those tenements.

Basis of accounting for purposes of reporting by operating segments

Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors, being the chief decision makers with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the half-year financial statements of the Group.

Segment assets

Where an asset is used across multiple segments, the asset is allocated to that segment that receives majority economic value from that asset. In the majority of instances segment assets are clearly identifiable on the basis of their nature and physical location.

Segment liabilities

Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

For the half-year ended	Australia	Chile	Total
31 December 2025	\$	\$	\$
Segment revenue and other income	183,751	-	183,751
Segment exploration expenditures	(225,649)	146,145	(79,504)
Segment other expenses	(321,865)	(26,157)	(348,022)
Segment profit/(loss) after income tax	(363,763)	119,988	(243,775)
As at 31 December 2024			
Segment current assets	780,310	648,671	1,428,981
Segment non-current assets	239,063	15,737	254,800
Segment total assets	1,019,373	664,408	1,683,781
Segment current liabilities	(154,993)	(419,027)	(574,020)
Segment total liabilities	(154,993)	(419,027)	(574,020)
Segment net assets	864,380	245,381	1,106,761

4. Operating segments (continued)

For the half-year ended 31 December 2024	Australia \$	Chile \$	Total \$
Segment revenue and other income	17,241	11,062	28,303
Segment exploration expenditures	(298,051)	(895,109)	(1,193,160)
Segment other expenses	(393,430)	(254,267)	(647,697)
Segment loss after income tax	(674,240)	(1,138,314)	(1,812,554)
As at 31 December 2024			
Segment current assets	2,951,559	31,983	2,983,542
Segment non-current assets	-	16,795	16,795
Segment total assets	2,951,559	48,778	3,000,337
Segment current liabilities	(446,528)	(272,009)	(718,537)
Segment total liabilities	(446,528)	(272,009)	(718,537)
Segment net assets/(deficiency)	2,505,031	(223,231)	2,281,800

5. Share capital

	31 Dec 2025 No.	30 June 2025 No.	31 Dec 2025 \$	30 June 2025 \$
Fully paid ordinary shares	736,240,044	736,240,044	65,070,970	65,070,970
Fully paid ordinary shares				
Opening balance	736,240,044	736,240,044	65,070,970	65,097,580
Costs of share issues ¹	-	-	-	(26,610)
	736,240,044	736,240,044	65,070,970	65,070,970

¹ The Company incurred capital raising costs of \$26,610 in relation to a share placement to institutional investors completed in June 2024.

Terms of fully paid ordinary shares

Voting rights

The Company has one class of fully paid ordinary shares which participates in dividends and any proceeds on the winding up of the Company in proportion to the number of shares held. At shareholder meetings, each fully paid ordinary share is entitled to one vote.

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6. Share-based payment reserve

31 December 2025

Options series	Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/forfeited/other	Balance at the end of the year
5	17/06/2024	17/06/2027	\$0.10	1,000,000	-	-	-	1,000,000
4	07/07/2022	30/07/2026	Nil	3,800,000	-	-	-	3,800,000
3	13/01/2022	30/07/2026	Nil	300,000	-	-	-	300,000
2	30/07/2021	30/07/2026	Nil	6,000,000	-	-	-	6,000,000
1	30/07/2021	30/07/2026	Nil	3,650,000	-	-	-	3,650,000
				14,750,000	-	-	-	14,750,000

30 June 2025

Options series	Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/forfeited/other	Balance at the end of the year
5	17/06/2024	17/06/2027	\$0.10	1,000,000	-	-	-	1,000,000
4	07/07/2022	30/07/2026	Nil	3,800,000	-	-	-	3,800,000
3	13/01/2022	30/07/2026	Nil	300,000	-	-	-	300,000
2	30/07/2021	30/07/2026	Nil	6,000,000	-	-	-	6,000,000
1	30/07/2021	30/07/2026	Nil	3,650,000	-	-	-	3,650,000
				14,750,000	-	-	-	14,750,000

Option series 5

On 17 June 2024, 1,000,000 unlisted options expiring 17 June 2027 were issued to the lead manager as part payment of the capital raising fee for the institutional placement. The unlisted options vested immediately. These options have been fully expensed.

Option series 4

On 7 July 2022, 3,800,000 unlisted options expiring 30 July 2026 were granted to employees under the EIOP. The unlisted options have fully vested, subject to continued employment. These options have been fully expensed.

Options series 3

On 13 January 2022, 600,000 unlisted options expiring 30 July 2026 were granted to employees under the EIOP. The unlisted options have fully vested. 300,000 unlisted options lapsed as a result of the continued employment conditions. These options have been fully expensed.

Options series 2

6,000,000 unlisted options expiring 30 July 2026 issued to directors were approved at a General Meeting of shareholders held on 30 July 2021. The unlisted options vest on 30 July 2026 and are subject to the performance criteria mentioned below. The current expense vested to date is \$273,825.

Options series 1

On 30 July 2021, 3,800,000 unlisted options expiring 30 July 2026 were granted to employees under the EIOP. The unlisted options have fully vested. 150,000 unlisted options lapsed as a result of the continued employment conditions. These options have been fully expensed.

Southern Hemisphere Mining Limited operates an ownership-based Employee Incentive Option Plan ('EIOP') for executives and senior employees of the Group.

In accordance with the terms and conditions of the EIOP, as approved by shareholders at the 2024 Annual General Meeting, each unlisted option converts to fully paid ordinary shares on a one-for-one basis, subject to the following conditions:

- The Company announcing a 30% increase in the Measured and Indicated copper equivalent resource for the Company's Llahuin Copper-Gold Project from the current 149mt at 0.41% copper equivalent (611,000t CuEq) to ~800,000t CuEq; or
- A 20 day VWAP (trading days) of 20 cents or above; or
- A change of control event occurs.

6. Share-based payment reserve (continued)

The share-based payment reserve is used to recognise the fair value of unlisted options issued to directors, employees, contractors and stockbrokers.

	31 Dec 2025	30 June 2025
	\$	\$
Opening balance	497,170	435,123
Share-based payment expense	31,197	62,047
	528,367	497,170

For the options granted, the valuation model inputs used to determine the total fair value of \$578,015 at the various grant dates using the Hoadley Barrier 1 & the Black-Scholes Models are as follows:

Options series	Grant date	Expiry date	Share price at grant date	Exercise Price	Barrier Price	Expected volatility	Risk-free interest rate	Fair value at grant date	Total fair value
5	17/06/2024	17/06/2027	\$0.047	\$0.10	N/A	93.83%	3.96%	\$0.0210	\$21,021
4	07/07/2022	30/07/2026	\$0.02	Nil	\$0.20	85.00%	3.15%	\$0.00883	\$33,554
3	13/01/2022	30/07/2026	\$0.0387	Nil	\$0.20	100.00%	1.47%	\$0.0296	\$17,760
2	30/07/2021	30/07/2026	\$0.06	Nil	\$0.20	100.00%	0.56%	\$0.0516	\$309,600
1	30/07/2021	30/07/2026	\$0.06	Nil	\$0.20	100.00%	0.56%	\$0.0516	\$196,080

The total fair value of the unlisted options is expensed over the estimated vesting period. The share-based payments expense of \$31,197 (2024: \$31,358) was recognised in the condensed consolidated statement of profit or loss and other comprehensive income for the half-year.

7. Other reserves

	31 Dec 2025	30 June 2025
	\$	\$
Foreign currency translation reserve	1,450,033	1,420,456
Investment revaluation reserve	89,063	-
	1,539,096	1,420,456

The foreign currency translation reserve records exchange differences arising on translation of foreign controlled subsidiaries.

The investment revaluation reserve records unrealised fair value movements in investments.

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8. Joint operations

On 16 June 2025, the Company announced that it had executed a conditional, binding terms sheet (“Terms Sheet”) with FMR Resources Limited (ASX: FMR) under which FMR has the right to earn up to a 60% interest in 4 concessions that form the southern portion of the Group’s Llahuin Copper-Gold-Molybdenum Project in Chile, including the large Curiosity Southern Copper-Gold Target.

The Group will retain 100% of the northern concessions, which includes the upgraded mineral resources set out in the Directors’ report and the review of operations section on page 2.

* Also excluded from the Terms Sheet is an area which comprises the Ferro deposit, Ferro South and the Ferro West Target and any extensions thereof which is to the north of AMAPOLA I, 1 AL 300 – RED 1/228.

The material terms of the Terms Sheet are as follows:

1. The Company grants to FMR the right to earn up to a 60% legal and beneficial interest in AMAPOLA I, 1 AL 300 – RED 1/228*, AMAPOLA II, 1 AL 300 – RED 1/256, AMAPOLA 7, AL 80 (“Concessions”).
2. The earn-in rights and obligations do not come into effect and are not binding on either party until FMR completes to its sole satisfaction legal and technical due diligence on the Concessions (“Condition”). FMR has satisfied the Condition.
3. In consideration for the grant of exclusivity and entitlement to conduct due diligence FMR must pay the Company \$20,000 cash. This was received in the prior reporting period.
4. Upon satisfaction of the Condition, FMR shall issue 937,500 fully paid ordinary shares to the Company. These shares shall be subject to a voluntary 6-month escrow. The shares were issued on 5 August 2025 at a deemed issue price of \$0.16 per share, being a gain of \$150,000. As at 31 December 2025, the shares were valued at \$239,063 being \$0.255 per share. The shares were released from voluntary escrow on 5 February 2026.
5. FMR has the right to earn a 50% legal and beneficial interest in the Concessions by expending \$3,000,000, including by drilling not less than 6,000m (“Stage 1 Earn-in”) over a 2-year period. As at 31 December, FMR has contributed \$2,226,980. \$1,731,729 paid through the Group (\$458,479 receivable) and expenditure of \$495,251 paid by FMR directly.
6. The Stage 1 Earn-in includes a mandatory minimum expenditure requirement whereby FMR must expend a minimum of \$1,000,000 on the Concessions including drilling at least one drill hole of not less than 1,400m within a 1-year period. This requirement has been satisfied.
7. During the Stage 1 Earn-in, the parties will collaboratively work towards the exploration and mining of minerals in relation to the Concessions, including by FMR engaging, on standard commercial terms, as required and subject to availability, the Group’s Llahuin exploration manager, site and expatriate contract geological team and site compliance team for technical work specific to those skill sets required. This is currently being achieved and working well.
8. FMR may elect within 30 days after completing the Stage 1 Earn-in (“Stage 1 Completion”) to earn an additional 10% legal and beneficial interest (60% interest in aggregate) in the Concessions by:
 - (a) paying the Company \$2,500,000 in cash/or script (calculated on a 20-day VWAP) at FMR’s election within 60 days; and
 - (b) sole funding a further \$10,000,000 of expenditure over a 3-year period.
9. With effect from Stage 1 Completion Date, the parties will establish a joint venture for the exploration and mining of all minerals in relation to the Concessions.
10. Within 90 days after the satisfaction of the Condition, the parties will use best endeavours to draft and execute a formal agreement to govern the earn-in and joint venture to replace and expand upon the terms in the Terms Sheet. A formal Earn-In Agreement and Option Agreement were executed on 26 February 2026.

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9. Related party transactions

Please refer to note 17 of the 30 June 2025 annual financial report of the Company for further details of related party transactions with key management personnel.

There are currently no outstanding loans with key management personnel.

During the half-year, the rent and outgoings paid for the Howard Street premises was \$15,880 and hire fees paid for the specialised XRF equipment was \$10,930.

Other than the above there has been no other significant related party transactions since the last annual reporting date.

10. Contingent liabilities and contingent assets

There has been no significant change in contingent liabilities and/or contingent assets since the last annual report. Please refer to the 30 June 2025 annual financial report.

11. Commitments

There have been no significant change in the Group's exploration commitments since the last annual report. Please refer to the 30 June 2025 annual financial report.

12. Subsequent events

There have been no events subsequent to the reporting date that are expected to have a material impact on the financial position or performance of the Group.

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