



Yugo Metals Limited

ABN 65 650 011 644

Interim Financial Report
For the half year ended 31 December 2025

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The directors present the financial statements for the half year ended 31 December 2025 for the Consolidated Entity ("Group") consisting of Yugo Metals Limited and the entities it controlled at the end of, or during the reporting period.

Directors

The following persons were directors of the Company throughout the half year period and up to the date of this report, unless otherwise stated:

David Wheeler	Non-Executive Chair
Petar Tomasevic	Executive Director & CEO
Mihajlo Matkovic	Non-Executive Director

Principal Activity

The principal activity of the Group is to explore for base and precious metals on tenement interests it holds in Bosnia and Herzegovina.

Operating Results

The total consolidated loss for the half year was a loss of \$1,199,962 (31 December 2024: loss of \$1,052,978).

Review of Operations

The Company is the 100% owner of three base and precious metals projects in Bosnia-Herzegovina:

- Sinjakovo (comprising Sinjakovo and Jezero tenements) – approximately 80.8km²
- Sockovac – approximately 49km² at Doboje tenement (not including the area under current application at Petrovo tenement)
- Cajnice - approximately 49.5km²

All tenements host mineralisation identified historically, and The Company's exploration strategy is to achieve a meaningful discovery through the application of modern mining and exploration techniques to historic mining areas.

Sinjakovo Project

Sinjakovo Project is prospective for gold, silver, antimony, copper, zinc and lead. It comprises two granted tenements: "Sinjakovo" and "Jezero", for a total 80.8km² area.

Previous Activities:

The historical activities consist of small-scale mining (mostly during in late-1800s and early-1900s) targeted copper, iron and barite occurrences. The reported copper grades were high (3-25%) and barite was deemed to be low-quality due to common presence of antimony-zinc-lead-copper sulphides. There were no significant field activities over Sinjakovo Project since 1910.

In 2021 and 2022, The Company systematically collected surface samples (stream, soil, rock-chip sampling) over the Project area. In 2022, an airborne EM and MAG survey was flown. This work has delineated significant potential for discovery of economic resources over a few areas of interest. Encouraging surface geochemistry and airborne geophysics have led to discovery of gold and polymetallic (silver-copper-antimony-lead-zinc-gold) mineralisation at localities Kovacevac, Erak and Zekil, as well as confirmation of presence of high-grade polymetallic mineralisation (silver-zinc-lead with sporadic encouraging antimony and copper) in barites whose spatial distribution still remains to be finalised before commencing with a vigorous follow-up exploration. Trenching at Erak and Zekil prospects in late-2022 and in 2023 has returned numerous significant results, with best result being

61m @ 1.5g/t gold¹. A follow up in form of Induced Polarisation survey has returned strong shallow chargeability anomalies², further strengthening the quality of gold-antimony exploration targets at Sinjakovo.

Recent Activities:

During the reporting period, the Company has commenced with diamond drilling at previously identified exploration targets. The initiated drilling program is the first-ever drilling over gold prospects at Sinjakovo. Drilling has commenced in November and is expected to finish by the end of Q1-2026 with a 1,000m of diamond drilling planned. An epithermal silver-gold-antimony-lead-zinc-copper system is with strong structural controls (early thrust-faults and late diatreme breccias) and favourable geology (quartz-porphyry intrusives within the carbonate rocks). The program comprises drilling 8 initial shallow (50-150m depth each) from three drillpads and up to several additional follow-up drillholes to further test the potential along strike and depth. During the reporting period, three drillholes have been completed at Kovacevac Prospect for 230m total drilling length. Results from these drillholes have been received post the reporting period, with best intercept being 1.2m drilling width @ 129g/t Ag + 11.7% Pb + 0.9% Zn from 28.2m depth (including 0.7m @ 218g/t Ag + 20.0% Pb and 1.4% Zn), comprising disseminations and bands of galena and sphalerite. Drilling is performed relatively orthogonal to barite veining³.

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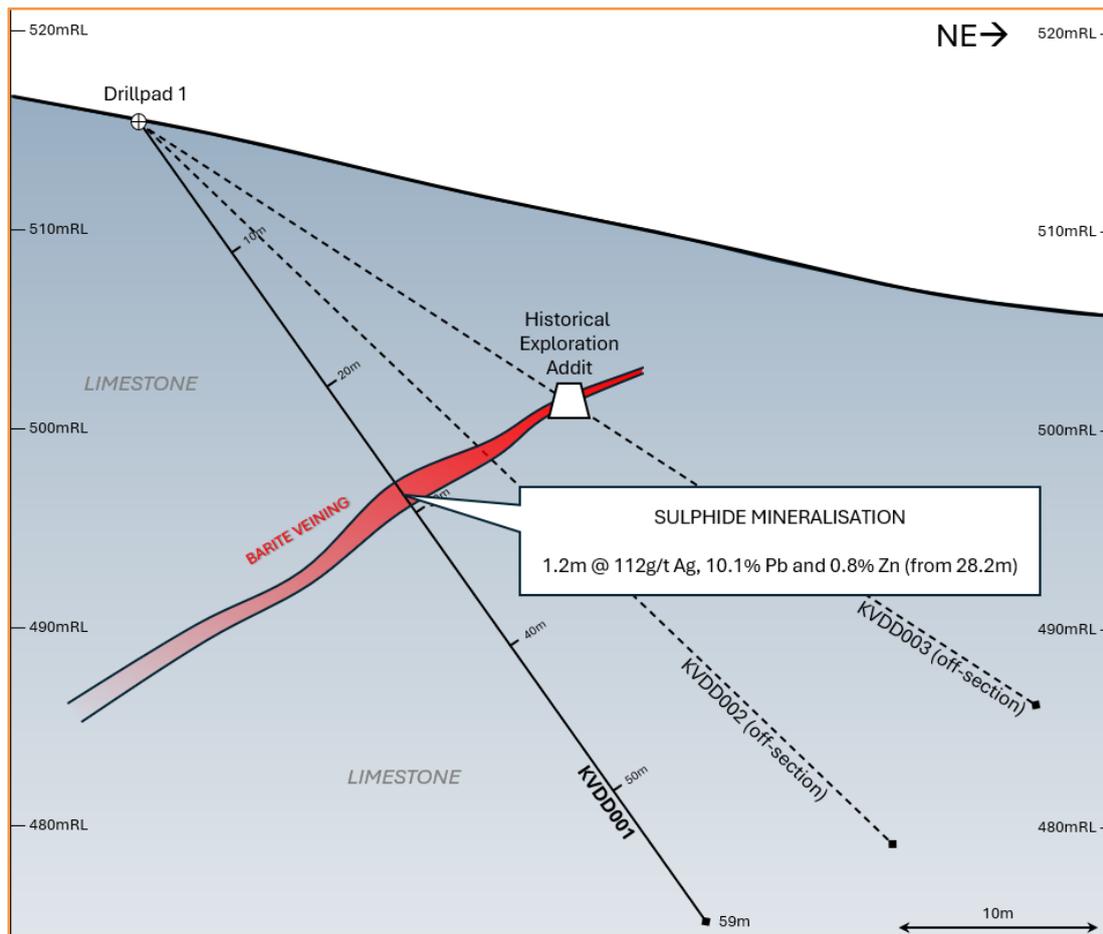


Figure 1: Drillhole KVDD001 cross section

¹ Refer to the Company's ASX announcement dated 22 November 2022

² Refer to the Company's ASX announcement dated 25 January 2023

³ Refer to the Company's ASX announcement dated 12 February 2026

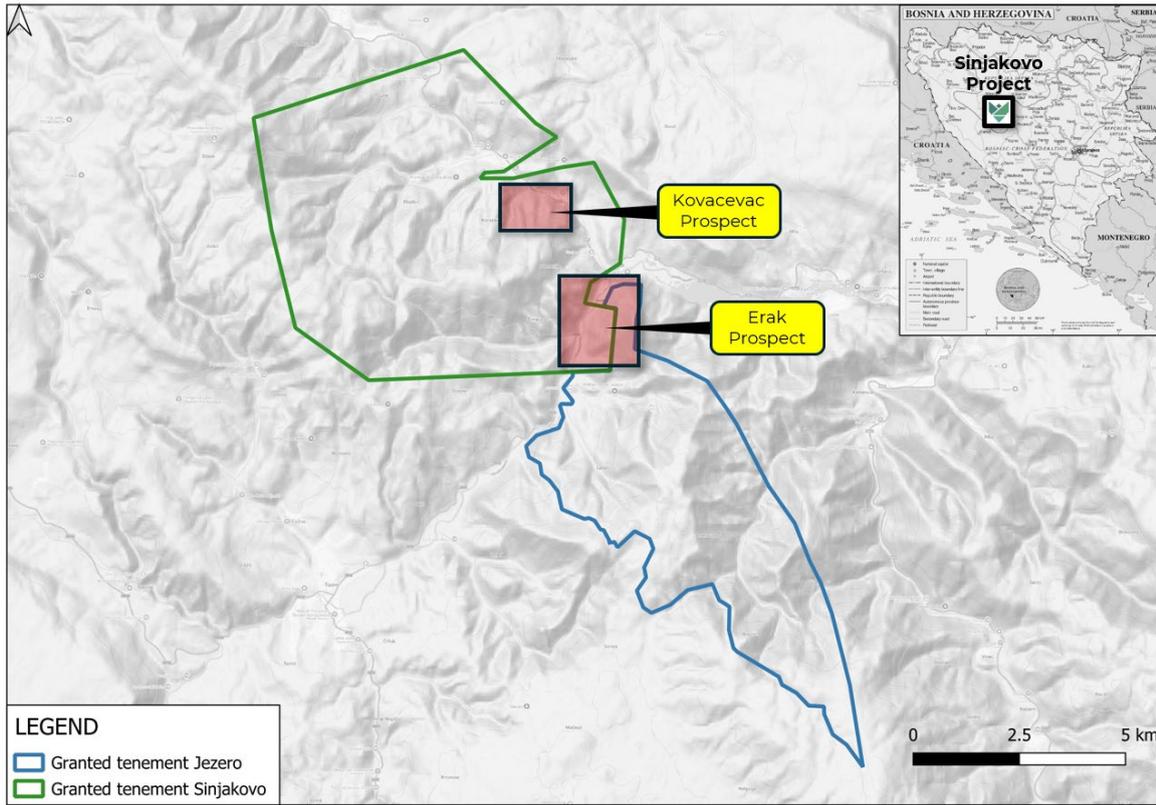


Figure 2: Sinjakovo Project, showing prospects of interest

Sockovac Project

Sockovac Project is prospective for nickel, cobalt, gold, silver, copper, zinc and lead. It comprises a granted tenement “Doboj” tenement (49km² area) and a pending application for “Petrovo” tenement (10km² area).

Previous Activities:

The exploration activities in 1968-1970 were carried out over a relatively small area (2x1km). The ground geophysical (Self Potential) survey was completed, and diamond drilling commenced in 50x50m spacing; after three initial drillholes targeting clay mineralisation for local brick manufacturing industry, sulphidic mineralisation was noted and the remaining 17 short drillholes (106m average depth) were drilled with purpose of delineating base metal mineralisation. A mineral zone returned excellent drilling results (such as 5.1m @ 6.63% nickel from 57.9m depth and 14.6m @ 2.78% nickel from 39.55m depth), and significant zinc-lead mineralisation in drilling (such as 9.35m @ 8.25% zinc+lead from 41.8m depth and 15m @ 5.97% zinc+lead from 34m depth)⁴. Cobalt was not analysed at the time of the historical drilling. There were no noteworthy base-metals exploration activities over Sockovac Project since 1970.

The Company has completed initial systematic surface sampling over the Project area in 2021 and 2022, which has identified a large (14km²) nickel-cobalt anomaly in the central area, which remains open to east and west. This work has also identified strong gold and silver mineralisation (up to 5.5g/t gold and 1,330/t silver in outcrops)⁵. In mid-2022, the Government revoked both Sockovac exploration tenements until more community consultation has been completed; the first tenement has been re-awarded in late-2023 and the second tenement is expected to be awarded during 2025.

⁴ Refer to the Company’s ASX announcement dated 19 October 2021

⁵ Refer to the Company’s ASX announcement dated 21 December 2021

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Recent Activities:

During the reporting period, the Company has been largely active in community engagement and administration associated with the tenement application. The exploration plan for Sockovac Project going forward may consist of: Petrovo tenement grant, drilling at nickel target, follow-up on gold-silver occurrences and target generation, expansion of previous soil sampling grids.

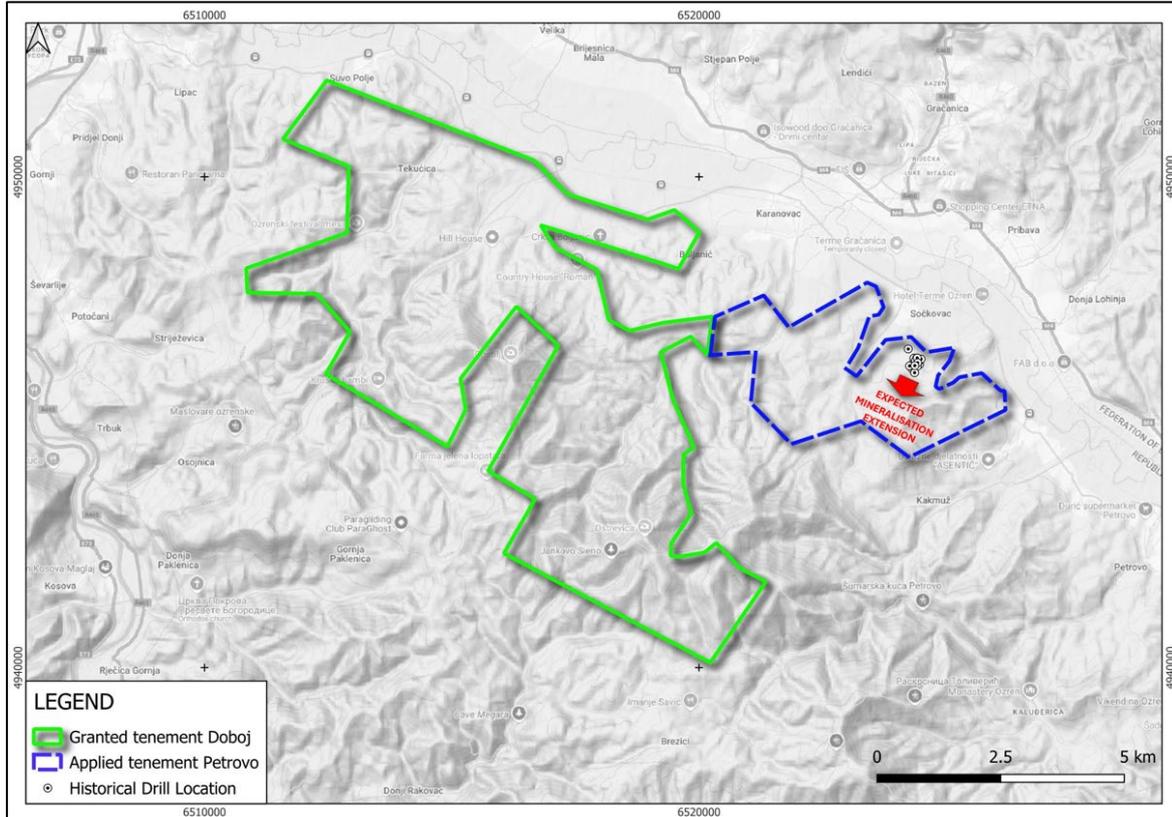


Figure 3: Sockovac Project, showing tenement status

Cajnice Project

Cajnice Project is prospective for copper, gold, silver, zinc and lead. It comprises a granted tenement “Cajnice” covering 50km² area.

Previous Activities:

The Project area hosts numerous historical smaller precious and base metals workings, and it was a subject of intermittent exploration between 1950s and 1970s.

The Company conducted extensive surface sampling in 2022 and 2023. Limited drilling has identified porphyry system associated to gently dipping intermediate and felsic volcanic dykes, and further work is warranted in testing the extensions of the high-sulphidation system. Surface sampling has identified several outcrops with high-grade gold (up to 2g/t), silver (up to 220g/t) and lead (up to 3%) mineralisation, and these results justify further investigation in form of mapping, trenching and drilling.

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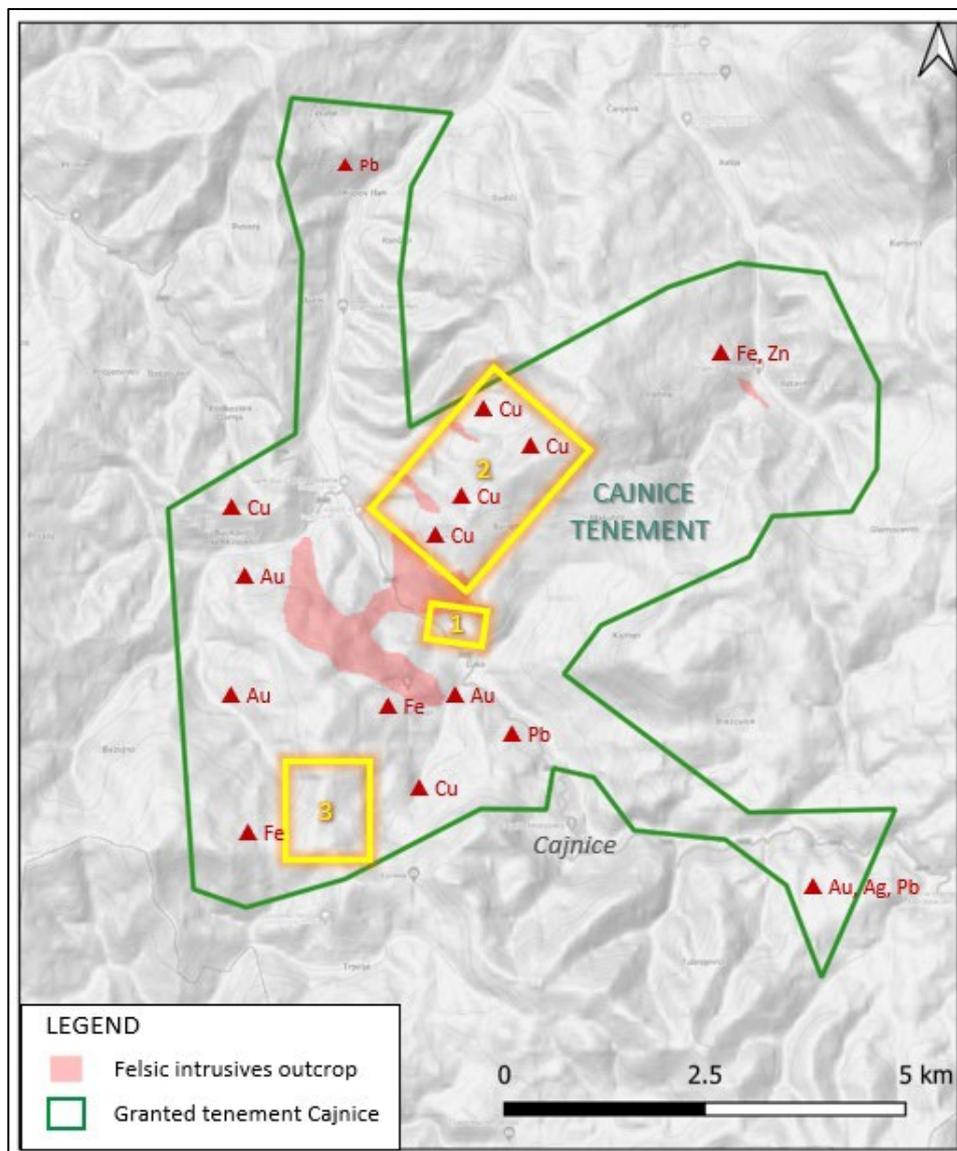


Figure 4 – Overview of the Cajnice Project area; marked in yellow are the current exploration priority areas: 1 – gold and silver in outcrop, 2 – copper in soil and drilling a porphyry system, 3 – lead and silver in outcrop

Corporate

On 2 July 2025, the Company issued 22,211,740 unlisted options, exercisable at \$0.02 expiring 2 July 2028, to participants for the placement announced 27 March 2025 ("Placement"), being one free attaching for every two shares subscribed for and issued under the Placement ("Placement Options").

On 2 July 2025, the Company also issued 20,000,000 unlisted options, exercisable at \$0.02 expiring 2 July 2028, to CPS Capital (or its nominee/s) as partial consideration for services provided as lead manager to the Placement ("Lead Manager Options").

On 7 July 2025, the Company announced that in accordance with a resolution passed by its shareholders on 27 June 2025, the change of Company name to Yugo Metals Limited (ASX: YUG), effective 9 July 2025.

On 11 July 2025, the Company issued 14,000,000 performance rights to the directors of the Company as part of the Directors' remuneration and to incentivise the Directors in their performance of future services ("Director Performance Rights") and 2,000,000 performance rights to Mr Mladen Stevanovic in recognition of his performance and contribution to the Company as a Director and to incentivise his continued performance in his new advisory capacity ("Related Party Performance Rights"). Refer to Note 4 for further details.

On 18 July 2025, the Company announced an Option Prospectus offering up to 100,000,000 listed options exercisable at \$0.02 expiring three years from the date of issue ("New Options") to holders of the 50,000,000 listed LYKOA Options expired 11 June 2025 at an issue price of \$0.001 on the basis of two New Options for every one LYKOA Option. The New Options were fully subscribed and issued on 15 August 2025.

The issue of the Placement Options, Lead Manager Options, Director Performance Rights, Related Party Performance Rights and New Options were approved by shareholders at the general meeting on 27 June 2025.

On 1 August 2025, 277,778 unlisted options expiring 2 July 2028 were exercised at \$0.02 and converted to 277,778 fully paid ordinary shares.

On 18 August 2025, 1,666,667 unlisted options expiring 2 July 2028 were exercised at \$0.02 and converted to 277,778 fully paid ordinary shares.

On 14 October 2025, The Company announced that it has received firm commitments to raise \$3,500,000 (before costs) via a two-tranche placement (Placement) of 77,777,778 fully paid ordinary shares at \$0.045 per share (Placement Shares).

On 6 November 2025, The Company is pleased to advise that its subsidiaries in Bosnia-Herzegovina, have received a \$0.4 million VAT refund from the Bosnia-Herzegovina indirect taxation authority (UIO BiH).

Significant Changes in State of Affairs

There were no significant changes to the Company's state of affairs during the half year.

Events After the Reporting Date

There are no events subsequent to the end of the period that would have had a material effect on the Group's financial statements at 31 December 2025.

Future Developments

The Company expects to continue with the exploration program on its mineral properties in Bosnia and Herzegovina.

Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires our auditors, Hall Chadwick WA Audit Pty Ltd to provide the Directors of the Company with an Independence Declaration in relation to the audit of this financial report. The Directors have received the Independence Declaration which has been included within this interim financial report.

Signed in accordance with a resolution of the Directors.

A handwritten signature in black ink, appearing to read 'Petar Tomasevic', written over a faint, illegible background.

Petar Tomasevic
Executive Director

13 March 2026

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To the Board of Directors,

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead audit director for the review of the financial statements of Yugo Metals Limited and Controlled Entities for the half year ended 31 December 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours Faithfully,



HALL CHADWICK WA AUDIT PTY LTD



D M BELL FCA
Director

Dated this 13th day of 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



	Note	31 December 2025 \$	31 December 2024 \$
Interest Income		16,499	21,394
Other income		329,274	35,477
Employee benefit expenses		(211,516)	(419,128)
Share-based payment expense		(63,156)	(3,501)
Exploration and evaluation expenditure	2	(543,671)	(179,697)
Travel expenses		(73,701)	(31,710)
Premise expenses		(23,946)	(25,109)
Finance expenses		(2,888)	(3,981)
Depreciation		(32,789)	(63,310)
General and administration		(180,967)	(118,200)
Other professional services		(189,073)	(259,918)
Foreign exchange gain/(loss)		1,079	(963)
Marketing, investor relations & dual listing expenses		(214,299)	-
Other expenses		(10,808)	(4,332)
Loss before income tax		(1,199,962)	(1,052,978)
Income tax expense		-	-
Net loss after income tax for the period		(1,199,962)	(1,052,978)
Other comprehensive income			
<i>Other comprehensive income for the period, net of tax</i>			
Translation of subsidiary foreign operations		27,959	36,450
Other comprehensive income for the period, net of tax		27,959	36,450
Total comprehensive loss for the period		(1,172,003)	(1,016,528)
Basic and diluted loss per share		(0.46)	(0.54)

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

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	Note	31 December 2025	30 June 2025
		\$	\$
Current assets			
Cash and cash equivalents		3,228,153	901,362
Other receivables		2,216	7,097
Other assets		179,722	67,744
Total current assets		3,410,091	976,203
Non-current assets			
Plant and equipment		268,448	244,164
Right-of-use assets		50,696	69,403
Total non-current assets		319,144	313,567
Total assets		3,729,235	1,289,770
Current liabilities			
Trade and other payables		148,884	157,459
Lease liabilities		38,907	39,134
Employee benefits provision		31,590	22,872
Total current liabilities		219,381	219,465
Non-current liabilities			
Lease liabilities		19,112	38,749
Total current liabilities		19,112	38,749
Total liabilities		238,493	258,214
Net assets		3,490,742	1,031,556
Equity			
Issued Capital	3	17,491,733	15,004,426
Foreign currency translation reserve		313,047	285,088
Share-based payments reserve	4	1,647,126	819,517
Options reserve	5	99,870	-
Accumulated losses		(16,061,034)	(15,077,475)
Total equity		3,490,742	1,031,556

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

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Condensed Consolidated Statement of Changes in Equity
for the half year ended 31 December 2025



	Issued capital	Foreign currency translation reserve	Share-based payments reserve	Options Reserve	Accumulated losses	Total
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2024	14,945,437	248,832	486,545	-	(13,258,186)	2,422,628
Loss after income tax for the period	-	-	-	-	(1,052,978)	(1,052,978)
Other comprehensive loss for the period	-	36,450	-	-	-	36,450
Total comprehensive loss for the period	-	36,450	-	-	(1,052,978)	(1,016,528)
Shares issued	-	-	-	-	-	-
Transaction costs on issue of securities	-	-	-	-	-	-
Share based payment	-	-	3,501	-	-	3,501
Balance at 31 December 2024	14,945,437	285,282	490,046	-	(14,311,164)	1,409,601
Balance at 1 July 2025	15,004,426	285,088	819,517	-	(15,077,475)	1,031,556
Loss after income tax for the period	-	-	-	-	(1,199,962)	(1,199,962)
Other comprehensive loss for the period	-	27,959	-	-	-	27,959
Total comprehensive loss for the period	-	27,959	-	-	(1,199,962)	(1,172,003)
Shares issued	3,710,000	-	-	-	-	3,710,000
Options issued for cash consideration	-	-	-	100,000	-	100,000
Share based payment	-	-	63,156	-	-	63,156
Transaction costs on issue of securities	(1,459,012)	-	1,170,000	-	-	(289,012)
Exercise of options	47,175	-	-	(130)	-	47,045
Transfer on lapsed / expired options	189,144	-	(405,547)	-	216,403	-
Balance at 31 December 2025	17,491,733	313,047	1,647,126	99,870	(16,061,034)	3,490,742

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

Condensed Consolidated Statement of Cash Flows
for the half year ended 31 December 2025



	31 December 2025	31 December 2024
	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees	(628,937)	(724,951)
Payments for exploration expenditure	(564,415)	(176,357)
Interest received	16,499	26,259
Interest and other finance costs paid	(2,888)	(3,981)
Net cash used in operating activities	(1,179,741)	(879,030)
Cash flows from investing activities		
Payments for plant and equipment	(42,187)	(7,512)
Proceeds from sale of plant and equipment	-	79,292
Net cash (used in)/provided by investing activities	(42,187)	71,780
Cash flows from financing activities		
Repayment of lease liabilities	(19,314)	(15,880)
Proceeds from capital raising	3,600,000	-
Proceeds from exercise of options	47,045	-
Transactions costs related to issue of equity securities	(79,012)	-
Net cash provided by/(used in) financing activities	3,548,719	(15,880)
Net increase/(decrease) in cash held	2,326,791	(823,130)
Cash at the beginning of financial year	901,362	1,995,066
Cash at the end of the financial year	3,228,153	1,171,936

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

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Note 1. Material accounting policy information

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 announcements made by the Group. The Group is a for profit entity for financial reporting purposes under Australian Accounting Standards.

Basis of Preparation

The consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, which is the functional and presentational currency of the Group.

Other than as stated below, the accounting policies and methods of computation adopted in the preparation of the half-year financial report, are consistent with those adopted and disclosed in the Group's most recent annual financial report.

These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Going Concern

The financial statements have been prepared on the going concern basis which assumes the Company and Group will have sufficient cash to pay its debts, as and when they become payable, for a period of at least 12 months from the date the financial report was authorised for issue.

As at 31 December 2025, the Group has net assets of \$3,490,742 (30 June 2025: \$1,031,556). During the six-month period to 31 December 2025 the Group incurred a loss of \$1,199,962 (31 Dec 2024: loss of \$1,052,978) and had cash outflows from operating activities of \$1,179,741 (31 December 2024: \$879,030) and cash outflows from investing activities of \$42,187 (31 December 2024: inflows of \$71,780).

The ability of the Group to continue as a going concern is principally dependent on raising capital and managing costs in line with available funds. These conditions indicate a material uncertainty that may cast significant doubt about the ability of the Group to continue as a going concern.

The Directors have prepared a cash flow forecast, which indicates that the 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 financial report. The Directors believe it is appropriate to prepare these accounts on going concern basis as the Company has a history of raising capital and has the ability to reduce discretionary expenditure in line with available funds.

The directors have therefore determined that it is appropriate to prepare the financial statements on the going concern basis. Should the Group be unable to continue as a going concern it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Group be unable to continue as a going concern and meet its debts as and when they fall due.

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Note 1. Material accounting policy information (continued)

New or amended Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Note 2. Exploration and evaluation expenditure

	31 December 2025	31 December 2024
	\$	\$
Exploration and evaluation expenditure	543,671	179,697

As at 31 December 2025, the Company's application concerning the Petrovo license area were still pending approval of the Government of Bosnia and Herzegovina ("Government"). The Company announced on 29 January 2025 that it has agreed to the Government's proposal to reduce the tenement application size from 44km² to 10km². This revised application area covers the Company's primary drill targets and will still allow the Company to focus its activities on the most prospective areas of the ground moving forward. The Company is optimistic about a favorable outcome and are in ongoing discussions with our advisors at the Ministry of Energy & Mining.

Note 3. Issued capital

	31 December 2025	30 June 2025
	\$	\$
Share capital	17,491,733	15,004,426

Movement in ordinary shares on issue	31 December 2025		30 June 2025	
	Number	\$	Number	\$
Opening Balance	235,444,447	15,004,426	188,355,559	14,945,437
Share placement	77,777,778	3,500,000	44,423,480	399,811
Exercise of options	2,352,223	47,175	-	-
Share issue costs – share-based payments	4,666,667	210,000	2,665,408	23,989
Share issue costs	-	(1,269,868)	-	(364,811)
Closing Balance	320,241,115	17,491,733	235,444,447	15,004,426

Note 4. Share based payments reserve

	31 December 2025 \$	30 June 2025 \$
Share based payments reserve	1,647,126	819,517

<i>Movement in Share based payments reserve</i>	Number of Unlisted Options	Number of Perf. Rights	\$
Opening Balance at 30 June 2024	52,475,000	-	486,545
Expense recognised relating to Director Options	-	-	3,501
Expiry of 50,000,000 quoted Options (ASX: LYKOA)	(50,000,000)	-	(20,000)
Issue of 18,835,000 ESIP Performance Rights	-	18,835,000	15,712
Grant of 14,000,000 Director Performance Rights & 2,000,000 Related Party Performance Rights	-	-	717
Grant of 20,000,000 Lead Manager Options	-	-	333,042
Closing Balance at 30 June 2025	2,475,000	18,835,000	819,517

Expense recognised relating to Performance Rights issued in previous period	-	-	29,820
Issue of free attaching options – March 2025 Placement ¹	22,211,740	-	-
Issue of free attaching options – Oct 2025 Placement ¹	38,888,889	-	-
Issue of Lead Manager options – March 2025 Placement ²	20,000,000	-	-
Issue of Lead Manager options– Oct 2025 Placement ²	45,000,000	-	1,170,000
Issue of Director & Related Party Performance Rights ³	-	16,000,000	33,336
Exercise of unlisted free attaching options	(2,222,223)	-	-
Expiry of unlisted options	(1,725,000)	-	(405,547)
Closing Balance at 31 December 2025	124,628,406	34,835,000	1,647,126

¹ Issue of free attaching options

On 2 July 2025, the Company issued 22,211,740 unlisted options, exercisable at \$0.02 expiring 2 July 2028, to the placement participants announced 27 March 2025, being one free attaching for every two shares subscribed for and issued under the Placement.

On 5 December 2025, the Company issued 38,888,889 unlisted options, exercisable at \$0.10 expiring 5 December 2028, to the placement participants announced 14 October 2025, being one free attaching for every two shares subscribed for and issued under the Placement.

² Issue of Lead Manager options

On 2 July 2025 the Company issued 20,000,000 unlisted options to the Lead Manager of the share placement completed on 27 March 2025, as part consideration for the service provided. The Lead Manager options were approved by the Company's shareholders on 27 June 2025 and recorded at that date being the grant date.

Note 4. Share based payments reserve (continued)

The fair value of the Lead Manager Options was calculated by using the Black Scholes Option Pricing Model by applying the following inputs:

Lead Manager Options – March 2025 Placement

Number of securities	20,000,000
Grant date	27 June 2025
Share price at grant date	\$0.025
Volatility factor	95%
Risk free rate	3.19%
Life of the securities (Years)	3
Exercise price	\$0.020
Valuation per security	\$0.016
Total Fair Value	\$333,042

Volatility was determined by calculating the historical volatility of the Company's share price over the previous three years. The total fair value of \$333,042 was recognised as a capital raising cost within issued capital in the statement of financial position for the year ended 30 June 2025.

On 5 December 2025 the Company issued 45,000,000 unlisted options to the Lead Manager of the share placement announced on 14 October 2025, as part consideration for the service provided. The Lead Manager options were approved by the Company's shareholders on 28 November 2025.

The fair value of the Lead Manager Options was calculated by using the Black Scholes Option Pricing Model by applying the following inputs:

Lead Manager Options – October 2025 Placement

Number of securities	45,000,000
Grant date	28 November 2025
Share price at grant date	\$0.052
Volatility factor	100%
Risk free rate	3.80%
Life of the securities (Years)	3
Exercise price	\$0.10
Valuation per security	\$0.026
Total Fair Value	\$1,170,000

Volatility was determined by calculating the historical volatility of the Company's share price over the previous three years. The total fair value of \$1,170,000 was recognised as a capital raising cost within issued capital in the statement of financial position for the half year ended 31 December 2025.

Note 4. Share based payments reserve (continued)

³ Issue of Performance Rights

(1) On 27 June 2025, the shareholders of the Company approved the issue of 14,000,000 Director Performance Rights and 2,000,000 Related Party Performance Rights. The Director Performance Rights and Related Party Performance Rights were issued on 2 July 2025. A quarter (25%) of these Rights will be deemed vested and be eligible to be converted upon satisfaction of any of the following milestones:

- The Government of Bosnia and Herzegovina issuing the Sockovac Project licence.
- The Government of Bosnia and Herzegovina granting an extension to the Sockovac Project of an additional area of at least 10km².
- The Company completing drilling of at least 1000m at the Sockovac Project.
- The Company receiving a mining permit for the Sockovac Project.
- The Company completing drilling of at least 1000m in aggregate at the Sinjakovo Project and the Cajnice Project.
- The Company's share price achieving a VWAP of \$0.04 per share (or more) for no less than 10 consecutive ASX trading days (where trading in the Company's shares actually occurs).
- The Company's share price achieving a VWAP of \$0.08 per share (or more) for no less than 10 consecutive ASX trading days (where trading in the Company's shares actually occurs).
- The Company announcing to ASX a maiden JORC-compliant resource at either the Sockovac Project, Sinjakovo Project or Cajnice Project in the inferred category (or greater) of 10kt Ni metal.
- The Company reporting a drilling intercept of >20% meters (i.e. 10m @ 2% Ni, 4m @ 5% Ni) at either the Sockovac Project, Sinjakovo Project or Cajnice Project in accordance with the JORC Code.

Given the vesting conditions are with respect to any of the above milestones it was deemed that the achievement of the non-market conditions are most likely and hence the valuation approach was adapted accordingly.

The fair value of the Performance Rights was calculated by using the Black Scholes Option Pricing Model by applying the following inputs:

Performance Rights	Directors	Related Party
Number of securities	14,000,000	2,000,000
Grant date	27 June 2025	27 June 2025
Share price at grant date	\$0.025	\$0.025
Volatility factor	95%	95%
Risk free rate	3.19%	3.19%
Life of the securities (Years)	3	3
Exercise price	-	-
Valuation per security	\$0.025	\$0.025
Total Fair Value	\$350,000	\$50,000

Volatility was determined by calculating the historical volatility of the Company's share price over the previous three years. The probability of performance hurdles being met was assessed at 50%. The total fair value of the Director Performance Rights and Related Party Performance Rights will be periodically recognised as share-based payment expense over the vesting period. For the half year ended 31 December 2025, a share-based payment expense of \$33,336 has been recognised in the statement of profit and loss.

Note 5. Options reserve

	31 December 2025 \$	30 June 2025 \$
Options reserve	99,870	-

<i>Movement in Options reserve</i>	Number of Listed Options	\$
Opening Balance at 30 June 2025	-	-
Issue of listed options (ASX: YUGOB)	100,000,000	100,000
Exercise of listed options (ASX: YUGOB)	(130,000)	(130)
Closing Balance at 31 December 2025	99,870,000	99,870

On 18 July 2025, the Company announced an Option Prospectus offering up to 100,000,000 listed options exercisable at \$0.02 expiring three years from the date of issue (“New Options”) to holders of the 50,000,000 listed LYKOA Options that expired 11 June 2025 at an issue price of \$0.001 on the basis of two New Options for every one LYKOA Option. The New Options were fully subscribed and issued on 15 August 2025 (ASX: YUGOB).

Note 6. Contingencies and Commitments

The Company’s Bosnian subsidiaries were party to a dispute with the Indirect Taxation Authority of Bosnia and Herzegovina regarding the recoverability of VAT incurred on its exploration expenditure and also VAT previously recovered. However, this was resolved during the period resulting in the Company receiving a refund of approximately AUD \$385,000.

Refer to note 2 for details regarding the Petrovo licence area which remains the subject of an unresolved action by the Ministry of Energy and Mining for the Republic of Srpska, Bosnia-Herzegovina.

There has been no other material change to contingencies or commitments since the Group’s last annual financial report.

Note 7. Subsequent Events

There are no events subsequent to the end of the period that would have had a material effect on the Group’s financial statements at 31 December 2025.

Note 8. Segment information

The Group’s sole activity is mineral exploration and resource development wholly within Bosnia & Herzegovina; therefore it has aggregated all operating segments into the one reportable segment being mineral exploration.

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.

A handwritten signature in black ink, appearing to read 'Petar Tomasevic', written over a horizontal line.

Petar Tomasevic
Executive Director

13 March 2026

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF YUGO METALS LIMITED

Conclusion

We have reviewed the accompanying half-year financial report of Yugo Metals Limited ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the condensed consolidated statement of financial position as at 31 December 2025, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a summary of material accounting policies and other selected explanatory notes, 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 half-year financial report of Yugo Metals Limited and Controlled Entities does not comply with the *Corporations Act 2001* including:

- a. Giving a true and fair view of the Consolidated Entity'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 *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report, which indicates that the Consolidated Entity incurred a net loss of \$1,199,962 during the half year ended 31 December 2025. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

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Responsibility of the Directors for the Financial Report

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

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Consolidated Entity's financial position as at 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 enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



HALL CHADWICK WA AUDIT PTY LTD



D M BELL FCA
Director

Dated this 13th day of March 2026
Perth, Western Australia