QMINES Sustainable Australian Copper

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2026 Annual Report

For the year ended 30 June 2026

ASX:QML

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QMINES Sustainable Australian Copper

CORPORATE DIRECTORY

QMines Limited

ASX:QML

Directors

Andrew Sparke
Executive Chairman & Managing Director
Peter Caristo
Executive Director (Technical)
Elissa Hansen
Non-Executive Director & Company Secretary

Management

James Anderson (resigned 1 January 2026)
General Manager Operations

Registered Office

Suite J, 34 Suakin Drive,
Mosman NSW 2088

Principal Place of Business

Suite J, 34 Suakin Drive,
Mosman NSW 2088

Share Registry

Boardroom Pty Limited
Level 8, 210 George Street
Sydney, NSW 2000

Auditor

RSM Australia Partners
Level 7, 1 Martin Place
Sydney, NSW 2000

Legal Advisor

Steinpreis Paganin
Level 4, 50 Market Street
Melbourne VIC 3000

Website

www.qmines.com.au

Corporate Governance Statement

https://qmines.com.au/corporate-governance

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DIRECTORS' REPORT

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of QMines Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2026.

Directors

The following persons were Directors of QMines Limited during the whole of the financial year and up to the date of this report, unless otherwise stated.

- Mr. Andrew Sparke - Executive Chairman & Managing Director
- Mr. Peter Caristo - Executive Director
- Ms. Elissa Hansen - Non-Executive Director & Company Secretary

Principal Activities

During the year the continuing activities of the Group comprised copper and gold exploration and development.

Dividends

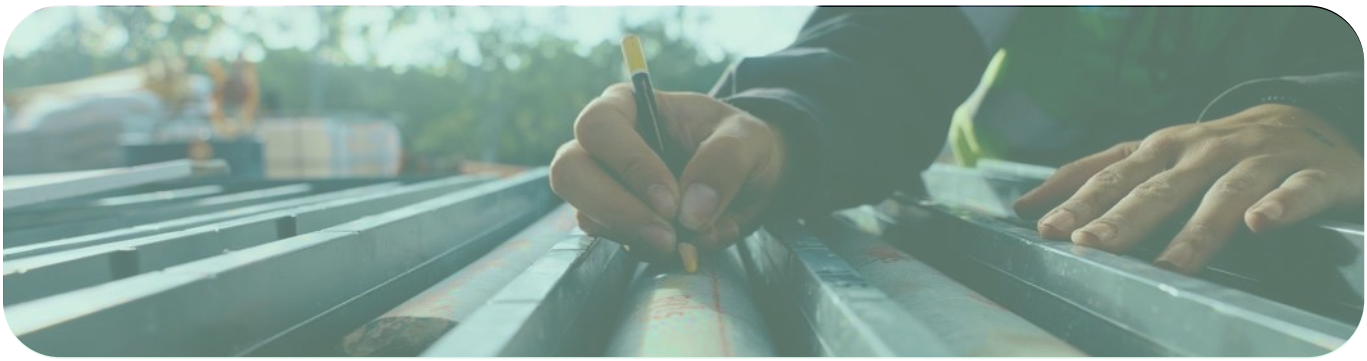
There were no dividends paid, recommended or declared during the current or previous financial year.

Review of Operations

The loss for the Group after providing for income tax amounted to $4,425,287 (30 June 2025: $2,939,360).

During the period, QMines' primary focus was the redevelopment of its flagship Mt Chalmers Copper-Gold Project, a high-grade, past-producing mine located within 20km of Rockhampton in Central Queensland. Mt Chalmers is supported by two nearby, 100%-owned, satellite projects; the Develin Creek copper-zinc project and the Mount Mackenzie gold-silver project, acquired in July 2025, which underpin the Company's regional strategy of establishing a multi-deposit, long-life processing hub centred on Mt Chalmers (Figure 1).

During FY2026, QMines sharpened its strategy to prioritise a single-asset, expandable 1Mtpa development at Mt Chalmers and commenced a Definitive Feasibility Study (**DFS**), supported by a $15.0 million strategic funding package from the Queensland Investment Corporation (**QIC**). In parallel, the Company completed its maiden 73-hole, 9,798-metre drilling program at Mount Mackenzie and finalised resource development drilling at Develin Creek with 33 holes drilled for 6,071 metres, positioning the Company to progress toward becoming Queensland's next copper and gold producer.



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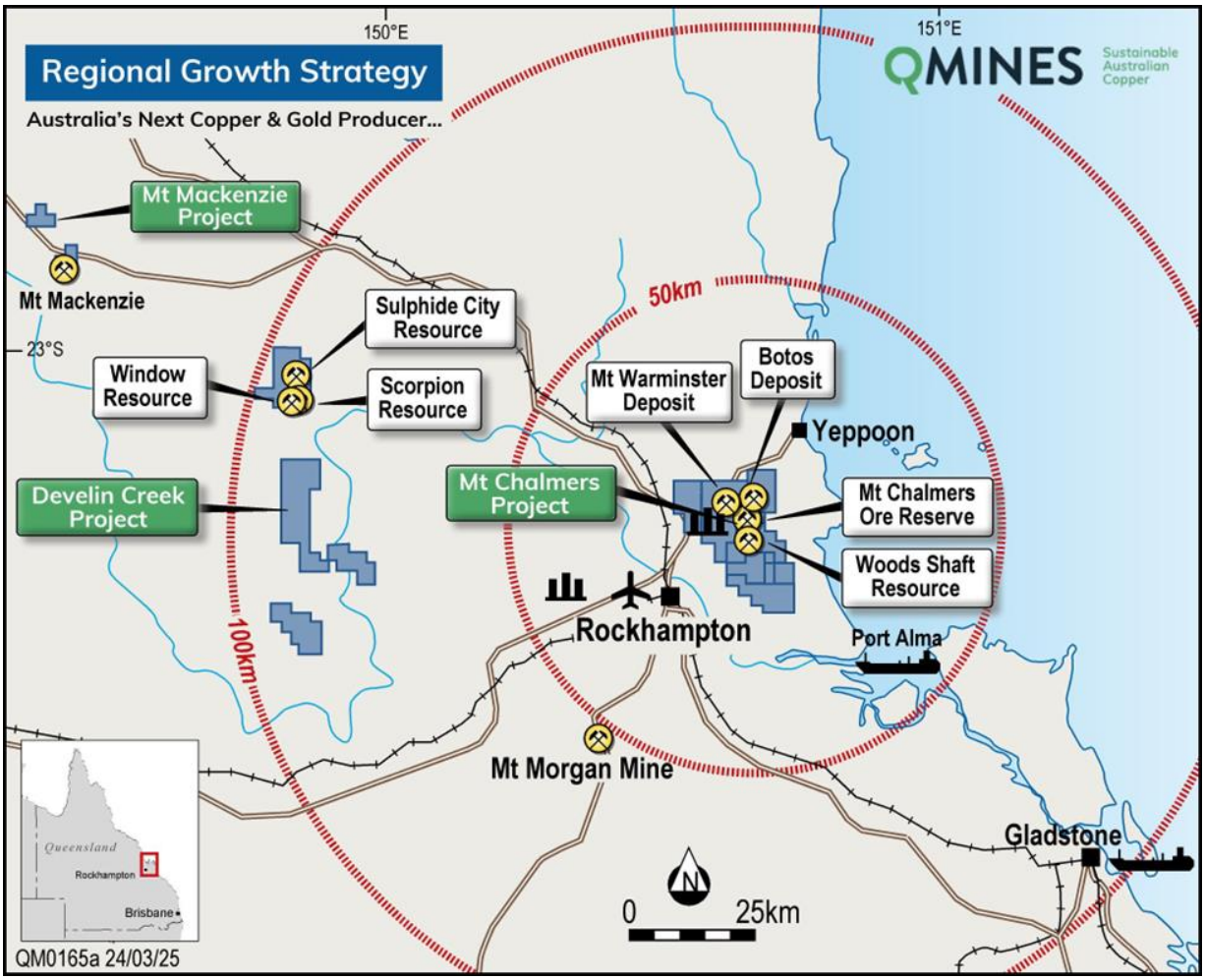

Figure 1: *Location of QMines' projects and infrastructure at Mt Chalmers, Develin Creek and Mount Mackenzie, Central Queensland.*

Mt Chalmers Copper-Gold Project - Definitive Feasibility Study

Mt Chalmers is QMines' flagship asset and the intended site of the Company's proposed regional processing hub. A high-grade, past-producing copper-gold mine, Mt Chalmers produced 1.2Mt @ 2.0% Cu, 3.6g/t Au and 19g/t Ag between 1898 and 1982. The project is underpinned by an April 2024 Pre-Feasibility Study (**PFS**), which demonstrated a maiden Ore Reserve of 9.6Mt (Proved and Probable), a pre-tax NPV (8%) of $373 million and a 54% IRR over an initial 10.4-year mine life, generating life-of-mine revenue of approximately A$1.64 billion and life-of-mine free cashflow of approximately A$636 million[1] .

Since the PFS was announced, metal prices and treatment terms have moved materially in QMines' favour, potentially further strengthening the Project's economics without any change to the underlying mine design or process flowsheet (Table 1).

Item	PFS Assumption	Current Prices[2]	Change
Copper Price	US$9,850/t	~US$14,627/t	~48% uplift
Gold Price	US$2,350/oz	~US$4,172/oz	~78% uplift
Silver Price	US$28/oz	~US$61/oz	~118% uplift
Copper TCs	$40/t	$0/t (benchmark)	100% decrease
Zinc TCs	$159/t	$80/t (benchmark)	50% decrease

[1] *ASX Announcement - Mt Chalmers PFS Supports Viable Copper & Gold Mine, 30 April 2024. Rounding errors may occur.*
[2] *Prices taken from Kitco as at 30th September 2026.*

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In January 2026, following a strategic review, QMines adopted a single-asset, expandable 1Mtpa phased development as the base case for the DFS, prioritising the fastest, lowest-risk pathway to first production and cashflow while preserving long-term growth optionality. The Board's decision was guided by five core strategic drivers:

- **Copper-led development focus** - prioritising copper assets with strong secondary gold credits.
- **Fastest path to cashflow** - minimising time to first production and improving financing flexibility.
- **Low-complexity execution** - a single-asset case to reduce technical, permitting and delivery risk.
- **Streamlined approvals pathway** - aligning the development footprint with a clearly defined Environmental Authority pathway for the Mt Chalmers brownfield restart.
- **Phased development with growth optionality** - commencing at a manageable initial scale with a defined pathway to future expansion.

To support delivery, QMines strengthened its development team with the appointments of Richard Wittig as Development Manager and Thomas Bartschi as Exploration Manager and Site Senior Executive. The DFS formally commenced in February 2026, with workstreams progressing across geotechnical, environmental, hydrological, metallurgical and geological disciplines throughout the remainder of the financial year.

During the June 2026 quarter, QMines completed its 2026 geotechnical drilling program (six holes for 538.3m), together with four groundwater monitoring bores. DFS consultants were engaged and mobilised across all major workstreams, including mine planning, waste management, hydrogeology, mineral resource estimation and audit, metallurgy, logistics and port studies, environmental approvals, and stakeholder and cultural heritage engagement.

Subsequent to year end, QMines commenced its largest ever drilling campaign at Mt Chalmers, more than 10,000 metres across five concurrent programs, including a planned 39-hole, 7,000m Woods Shaft resource drilling program (the largest program ever drilled at that deposit), metallurgical diamond drilling, slag and waste characterisation drilling, and in-pit pontoon drilling beneath the flooded historic pit (Figure 2). Drilling has continued to deliver high-grade results confirming two distinct styles of mineralisation at Mt Chalmers: a copper-gold-dominant stringer and stockwork system at depth, transitioning upward into zinc-lead-silver-gold-rich massive sulphide lenses closer to surface.

In August 2026, hole 26MCRD006 returned 32m @ 1.99% Cu, 0.39g/t Au and 2.6g/t Ag from 138m, including a high-grade core of 7m @ 4.18% Cu and a peak 1m @ 11.3% Cu (Figure 3), while hole 26MCDD008 intersected a shallow, high-grade polymetallic lens from just 56m depth, returning 25m @ 2.08g/t Au, 92g/t Ag, 2.56% Zn and 0.19% Cu, with individual one-metre samples of up to 12.6g/t Au and 260g/t Ag, the highest gold and silver grades returned from the current program to date (Figure 4). Mineralisation remains open in both positions, with a strong pipeline of results expected through the remainder of calendar 2026[3].

[3] *ASX Announcement - High-grade Copper & Gold Intersected At Mt Chalmers, 18 August 2026*

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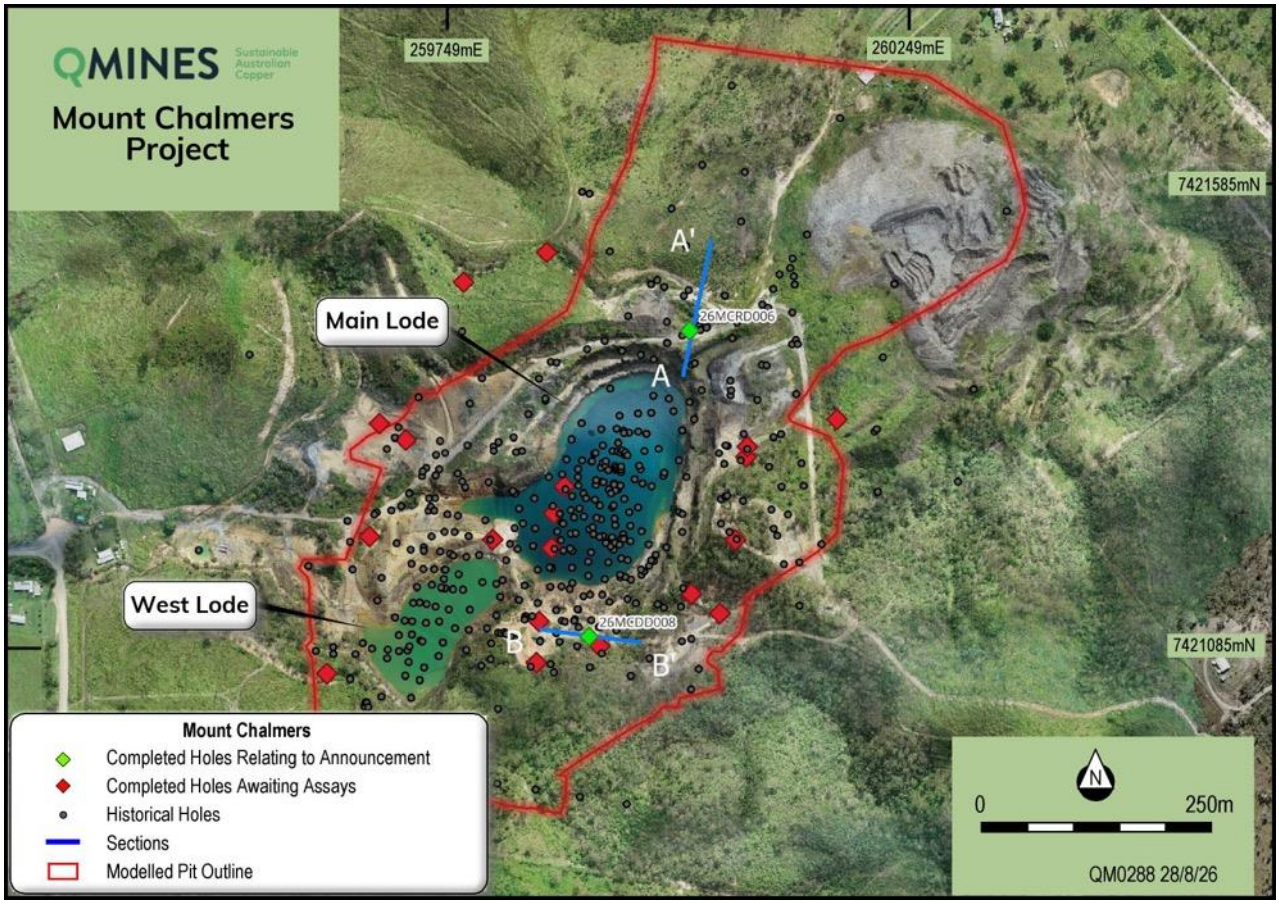

Figure 2: Location of the current 10,000m drilling program at Mt Chalmers, showing the Main Lode and West Lode pits.

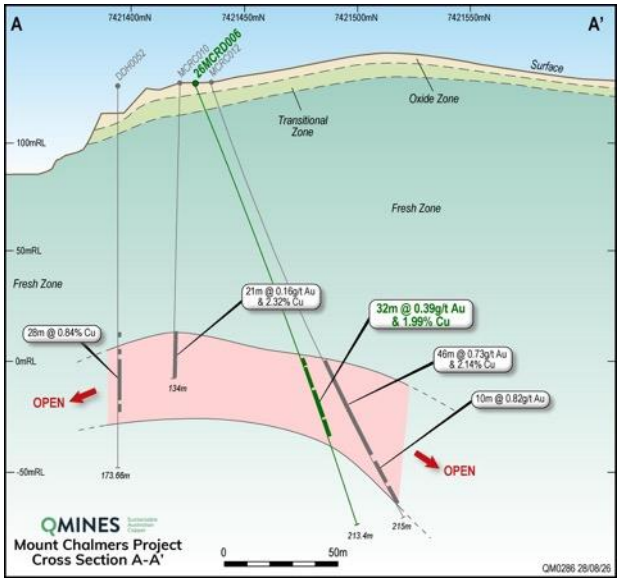

Figure 3: Cross-section A-A' - Copper-dominant stringer zone intersected in hole 26MCRD006.

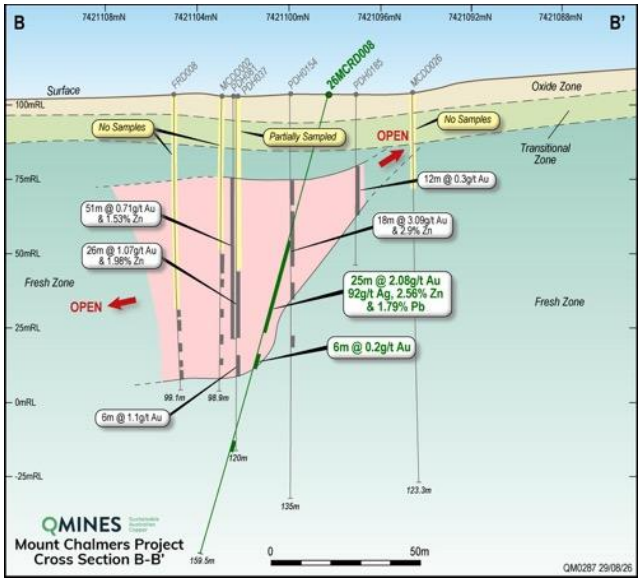

Figure 4: Cross-section B-B' - High-grade gold-silver-zinc polymetallic lens intersected in hole 26MCDD008.

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Mt Mackenzie Gold-Silver Project

QMines completed the 100% acquisition of the high-grade Mount Mackenzie Gold-Silver Project from Resources & Energy Group Ltd (ASX:REZ) in July 2025, for consideration of $2.485 million comprising $1.0 million cash and 33 million QMines shares (escrowed for 12 months). The acquisition added a JORC 2012 Mineral Resource Estimate of 3.35Mt @ 1.40g/t Au and 8.4g/t Ag for 151,000oz gold and 902,000oz silver[4], located approximately 120km northwest of the Mt Chalmers Hub, and introduced REZ as QMines' third-largest shareholder (~7%).

Following completion of field preparation and access works, QMines commenced its maiden multi-rig RC and diamond drilling program in October 2025, testing the high-sulphidation epithermal gold-silver system across five target areas: North Knoll Core, North Knoll West, the Southern Extension, Vein 355 and Mount Mackenzie South. The program was completed in April 2026, comprising 73 holes for 9,798 metres supported by approximately 8,700 assayed samples, and returned a series of high-grade, gold and silver intercepts, including 16m @ 19.35g/t Au and 27.8g/t Ag from 8m at Vein 355 (MMDD010, including visible gold and a peak assay of 108g/t Au - Figure 5)[5], 6m @ 8.11g/t Au and >100g/t Ag from 49m at North Knoll (MMRC004), and 1m @ 3.01g/t Au, 93.8g/t Ag and 1.55% Cu from 171m (MMDD007), which highlighted a deeper, copper-bearing feeder position (Figure 6). Reprocessed Induced Polarisation geophysics also identified five new, undrilled near-surface targets across a 1.2km by 750m hydrothermal footprint (Figures 7 and 8).

With drilling, camp demobilisation and site rehabilitation complete, QMines finalised an updated Mineral Resource Estimate (**MRE**) for Mount Mackenzie, announced on 5 August 2026, subsequent to year end. Prepared by Hyland Geological and Mining Consultants, the updated MRE comprises 5.22Mt @ 1.01g/t Au and 6.7g/t Ag for 170,000oz gold and 1.12 million ounces of silver (0.4g/t Au cut-off), the Company's ninth Mineral Resource upgrade since listing in 2021, and delivers a 32% increase in contained gold and a 30% increase in contained silver relative to the Resource acquired from Resources & Energy Group, with approximately 70% of contained gold now classified as indicated[6]. The South West Slopes deposit was not included in the drilling program and, together with additional depth and strike extensions at North Knoll, remain available for future Resource growth.

Figure 5: *Visible gold in drill core, hole MMDD010, Vein 355 (10-cent piece for scale).*

Figure 6: *Mineralised drill core, hole MMDD007 (171m) - enargite-pyrite hydrothermal breccia.*

[4] *ASX Announcement - Mt Mackenzie Optimisation Boosts Regional Growth Strategy, 22 July 2025*
[5] *ASX Announcement – Bonanza Gold & Silver Results confirmed at Mount Mackenzie, 18 March 2026*
[6] *ASX Announcement - Mt Mackenzie Resource Upgrade Delivers 32% Increase in Gold, 5 August 2026*

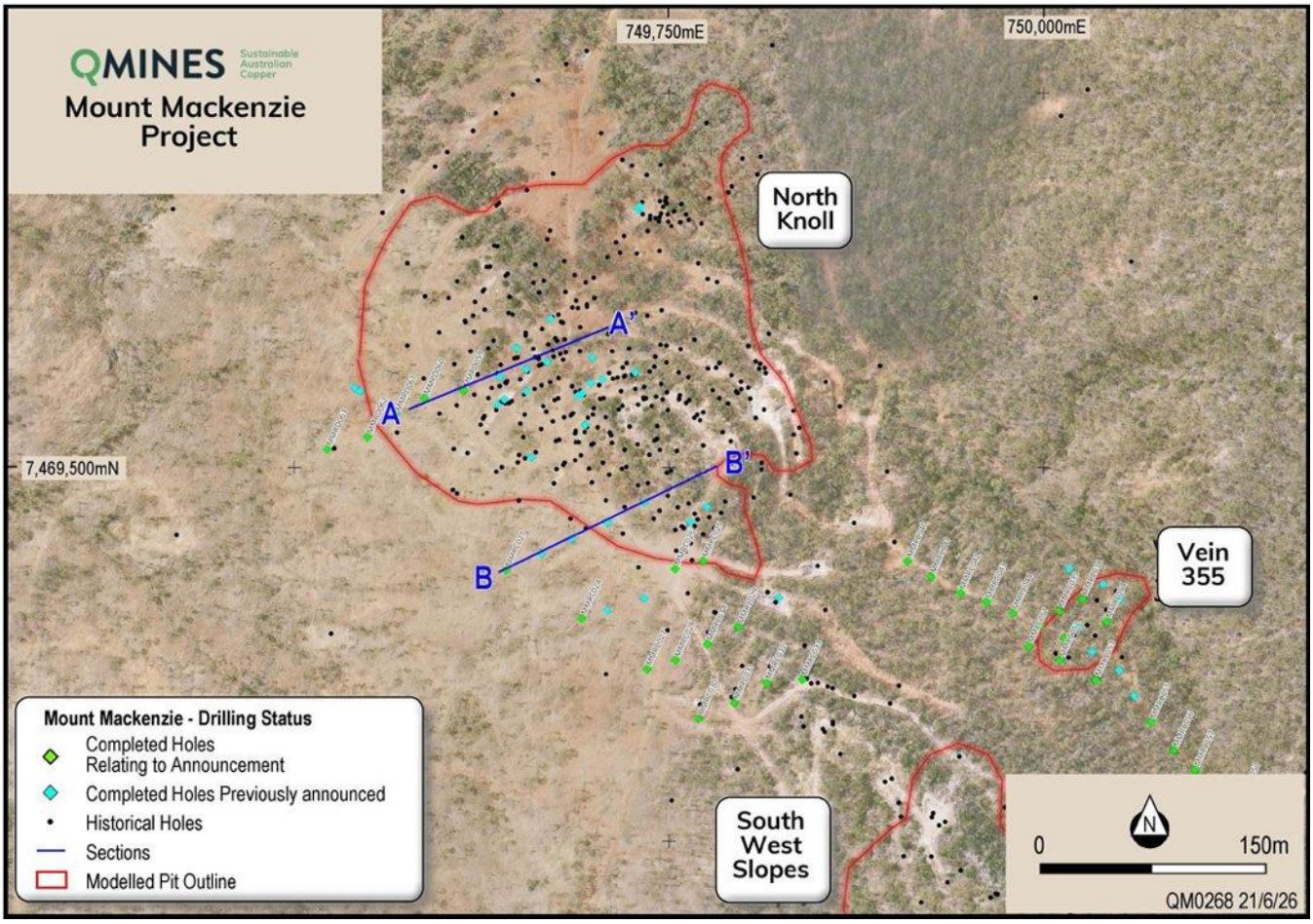

Figure 7: Plan view of completed drilling at Mount Mackenzie, showing the North Knoll, Vein 355 and South West Slopes deposit areas.

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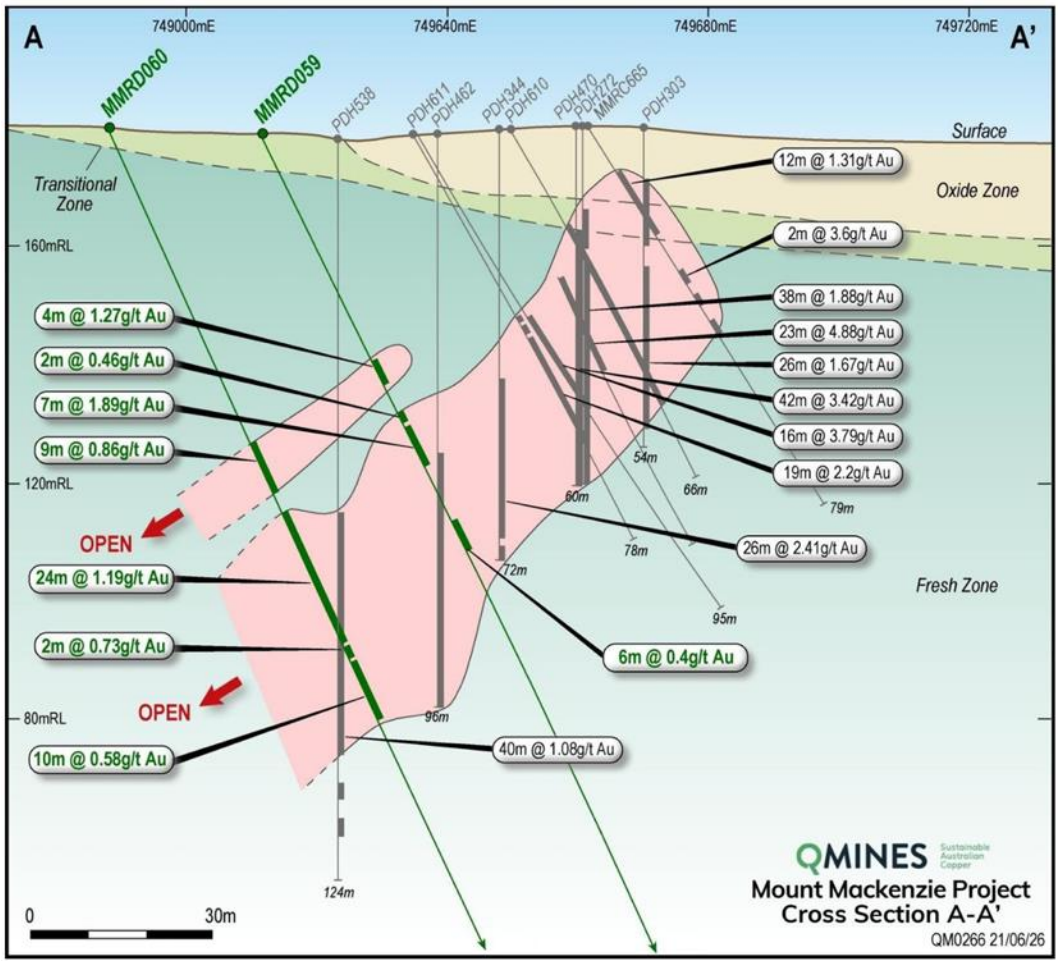

***Figure 8**: Cross-section A-A' through North Knoll West, at the Mount Mackenzie project.*

Develin Creek Overview

At the Develin Creek Copper-Zinc Project, located approximately 90km northwest of Rockhampton, QMines completed its 2025 resource development drilling program during the December 2025 quarter, bringing total drilling at the Sulphide City deposit to approximately 8,800 metres since May 2025. Drilling confirmed broad, high-grade copper-zinc mineralisation consistent with a Volcanic Massive Sulphide (**VMS**) system, with significant intercepts including 34m @ 2.2% CuEq from 137m (DCRC088) and 7m @ 6.0% CuEq from 69m (DCRC089) (Figure 9).

In February 2026, QMines reported an upgraded MRE of 4.70Mt @ 0.94% Cu, 1.00% Zn, 0.15g/t Au and 5.7g/t Ag, a 14% increase in contained tonnes, with approximately 90% of the resource now classified in the higher-confidence Indicated category[7]. Mineralisation at all three Develin Creek deposits (Sulphide City, Scorpion and Window) remains open down-plunge and along strike, providing a strong technical platform for future expansion drilling, underground optimisation studies, and assessment of the project as a potential future ore feed source for the Mt Chalmers Processing Hub.

[7] *ASX Announcement - Develin Creek Resource Upgrade Unlocks Expansion Planning, 23 February 2026*

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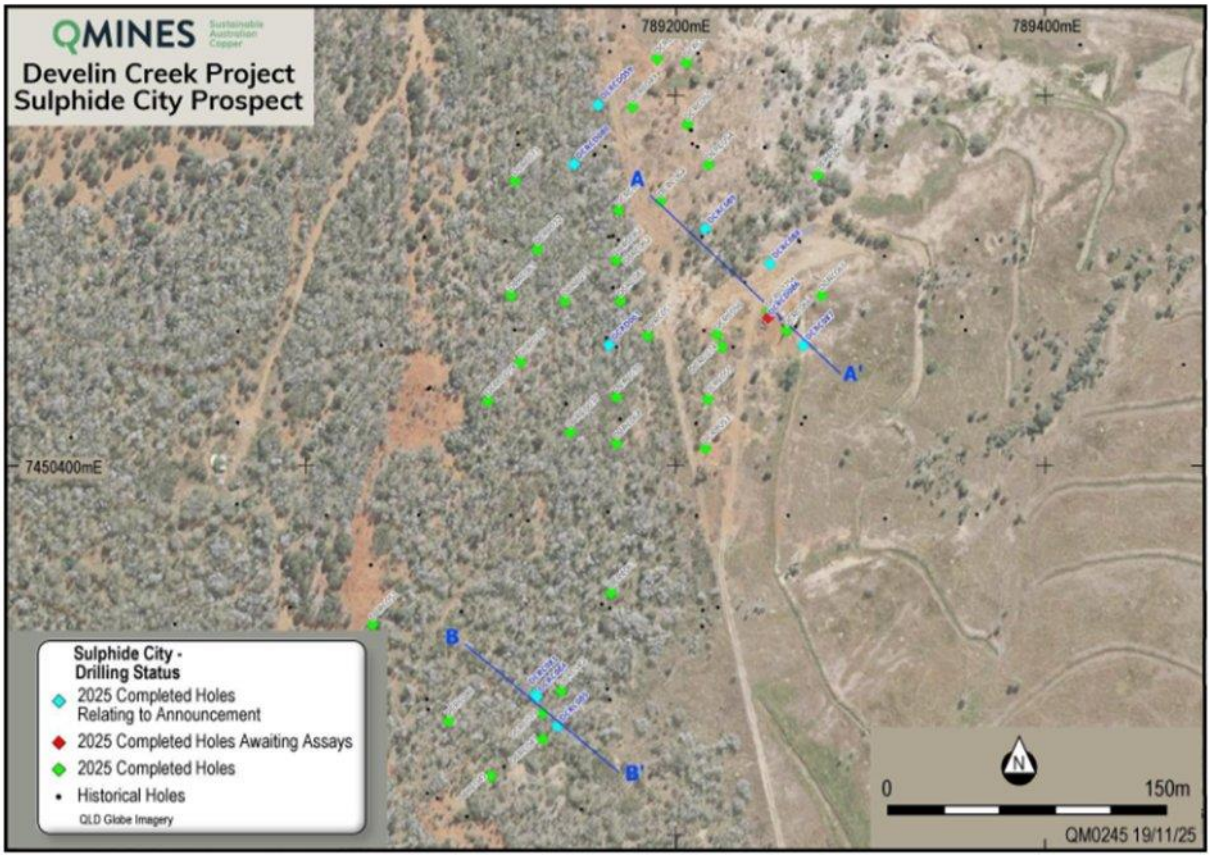

Figure 9: *Plan view of completed 2025 drilling at the Sulphide City deposit, Develin Creek.*

Tenements Held (as at date of the Directors' Report)

Project	Tenement	Status	Registered Holder	Interest	Sub-Blocks	Area
Mt Chalmers	EPM 25935	Renewal lodged	Dynasty Gold Pty Ltd	100%	13	41.0km²
Mt Chalmers	EPM 27428	Granted	Rocky Copper Pty Ltd	100%	4	12.6 km²
Mt Chalmers	EPM 27697	Renewal lodged	Rocky Copper Pty Ltd	100%	12	37.9 km²
Mt Chalmers	EPM 27726	Granted	QMines Limited	100%	37	116.7 km²
Mt Chalmers	EPM 27899	Granted	QMines Limited	100%	37	116.7 km²
Mt Chalmers	EPM 29043	Granted	Rocky Copper Pty Ltd	100%	33	53.8km²
Mt Chalmers	EPM 29264	Granted	Rocky Copper Pty Ltd	100%	17	170.5km²
Mt Chalmers	ML 100403	Application	QMines Limited	100%	N/a	453.2 ha
Mt Chalmers	EPM 29257	Application	Rocky Copper Pty Ltd	100%	17	53.6km²
Develin Creek	EPM 16749	Granted	Rocky Copper Pty Ltd	100%	27	85.1 km²
Develin Creek	EPM 17604	Renewal lodged	Rocky Copper Pty Ltd	100%	58	183.1 km²
Develin Creek	EPM 29378	Application	Rocky Copper Pty Ltd	100%	100	315.5km²
Develin Creek	EPM 29379	Application	Rocky Copper Pty Ltd	100%	100	314.9km²
Develin Creek	EPM 29380	Application	Rocky Copper Pty Ltd	100%	100	314.6km²
Mt Mackenzie	EPM 10006	Granted	Mount Mackenzie Mines Pty Ltd	100%	5	15.8km²
Mt Mackenzie	MDL 2008	Granted	Mount Mackenzie Mines Pty Ltd	100%	N/a	1,256.5 ha

Table 2*: Tenement holdings.*

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Mineral Resources and Reserves

QMines Mineral Resources and Ore Reserves, as set out below, led by Mt Chalmers as the Company's primary development asset were reviewed as at 30 September 2026. All reported Resources and Reserves were found to be valid with no material changes from those previously reported. Figures may not sum exactly due to rounding.

Ore Reserve - Mt Chalmers[8]

Deposit	Reserve Category	Tonnes (Mt)	Cut Off (% Cu)	Cu (%)	Au (g/t)	Zn (%)	Ag (g/t)	S (%)
Mt Chalmers	Proved	5.1	0.3%	0.72	0.58	0.25	4.70	5.80
Mt Chalmers	Probable	4.5	0.3%	0.57	0.37	0.29	5.50	3.60
Total		**9.6**	**0.3%**	**0.65**	**0.48**	**0.27**	**5.20**	**4.30**

Mineral Resource Estimate - Mt Chalmers

Deposit	Resource Category	Tonnes (Mt)	Cut Off (% Cu)	Cu (%)	Au (g/t)	Zn (%)	Ag (g/t)	S (%)
Mt Chalmers	Measured	4.2	0.3%	0.89	0.69	0.23	4.97	5.37
Mt Chalmers	Indicated	5.8	0.3%	0.69	0.28	0.19	3.99	3.77
Mt Chalmers	Inferred	1.3	0.3%	0.60	0.19	0.27	5.41	2.02
Total		**11.3**	**0.3%**	**0.75**	**0.42**	**0.23**	**4.60**	**4.30**

Mineral Resource Estimate - Develin Creek[9]

Deposit	Resource Category	Tonnes (Mt)	Cut Off (% Cu)	Cu (%)	Zn (%)	Au (g/t)	Ag (g/t)	
Develin Creek	Indicated	4.22	0.3%	0.98	1.08	0.16	6.0	**Not in Mine Plan**
Develin Creek	Inferred	0.48	0.3%	0.61	0.41	0.10	3.5	
Total		**4.70**	**0.3%**	**0.94**	**1.00**	**0.15**	**5.7**	

Mineral Resource Estimate - Woods Shaft[10]

Deposit	Resource Category	Tonnes (Mt)	Cut Off (% Cu)	Cu (%)	Au (g/t)	Zn (%)	Ag (g/t)	
Woods Shaft	Inferred	0.54	0.3%	0.50	0.95	-	-	**Not in Mine Plan**
Total		**0.54**	**0.3%**	**0.50**	**0.95**	**-**	**-**	

[8] *ASX Announcement – Mt Chalmers PFS Supports Viable Copper & Gold Mine, 30 April 2024. Rounding errors may occur.*
[9] *ASX Announcement - Develin Creek Resource Upgrade Unlocks Expansion Planning, 23 February 2026. Rounding errors may occur.*
[10] *ASX Announcement - Maiden Woods Shaft Resource. 22 November 2022. Rounding errors may occur.*

Mineral Resource Estimate – Mt Mackenzie[11]

Project	Resource Category	Tonnes (Mt)	Cut Off (g/t Au)	Cu (%)	Au (g/t)	Zn (%)	Ag (g/t)	
Mt Mackenzie	Indicated	3.77	0.4g/t	-	0.99	-	7.3	Not in Mine Plan
Mt Mackenzie	Inferred	1.45	0.4g/t	-	1.07	-	4.9	
Total		**5.22**	0.4g/t	**-**	**1.01**	**-**	**6.7**	

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning QMines Limited planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "expect," "intend," "may", "potential," "should," and similar expressions are forward-looking statements. Although QMines believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that further exploration will result in the estimation of a Mineral Resource.

Competent Person Statements

Ore Reserve Estimate

The information in this report relating to the Open Pit Optimisation and the Ore Reserve Estimate is based on work compiled by **Gary McCrae**, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr McCrae is a full-time employee of **Minecomp Pty Ltd** and has sufficient experience relevant to the style of mineralisation, the type of deposit under consideration and the work undertaken to qualify as a Competent Person under the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr McCrae has consented to the inclusion of this information in the form and context in which it appears.

Mineral Resource Estimate

The information in this report relating to Mineral Resource estimation is based on work completed by **Stephen Hyland**, a Competent Person and Fellow of the Australasian Institute of Mining and Metallurgy. Mr Hyland is Principal Consultant Geologist with **Hyland Geological and Mining Consultants** and has the required experience relevant to the style of mineralisation, the type of deposit under consideration and the work undertaken to qualify as a Competent Person under the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Hyland is also a Qualified Person under the rules of the Canadian Instrument NI 43 101. Mr Hyland has consented to the inclusion of this information in the form and context in which it appears.

Exploration Results

The information in this document relating to Exploration Results has been compiled under the supervision of **Tom Bartschi**, a Member of the Australian Institute of Geoscientists. Mr Bartschi is a full time employee of QMines Limited and has sufficient experience relevant to the style of mineralisation, the type of deposit under consideration and the activities undertaken to qualify as a Competent Person under the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Bartschi has consented to the inclusion of this information in the form and context in which it appears.

[11] *ASX Announcement - Mt Mackenzie Resource Upgrade Delivers 32% Increase In Gold. 5 August 2026. Rounding errors may occur.*

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Business Risks

Mineral Reserves and Resources

Uncertainty in reserve estimation and the range of potential recovery outcomes could materially affect QMines' asset values and financial performance.

All resource estimates are reported in accordance with the JORC Code (2012) and estimated by a Competent Person as defined by the JORC Code, and QMines periodically engages independent experts to update estimates.

Commodity Prices & Foreign Exchange

QMines' revenues and input costs are exposed to commodity price and currency volatility. Crude oil and natural gas prices, which impact fuel and energy costs, are influenced by global economic factors outside the Company's control.

Climate Change

Evolving carbon regulations, such as emissions taxes or charges, may adversely affect financial performance and asset values.

In 2022, QMines became the third ASX-listed resources company certified carbon neutral under the government-backed Climate Active program. As the Company advances toward development, it continues to adopt ESG initiatives including renewable energy generation, dust and noise minimisation, and commitments to local employment and procurement.

Environment

Mining and exploration can affect air quality, biodiversity, land, water and ecosystems. A failure to manage these impacts could damage the environment, communities, reputation, and ultimately QMines' licence to operate.

The Company is enhancing its standards, with rehabilitation plans designed to return sites to pre-exploration condition.

Mine Development & Operation

Mine development involves risks such as fluctuating raw material and labour costs, environmental impacts, access to and delays in approvals and workplace hazards. Mine yields are subject to subsurface uncertainty, and outcomes may differ from forecasts, leading to reduced production or higher costs.

QMines manages these risks through integrity and maintenance processes, inspections, performance standards and insurance consistent with industry practice, noting not all risks can be cost-effectively insured.

Access to Capital

Exploration and development depend on continued access to funding. Market conditions, investor sentiment or Company-specific factors may restrict availability or increase the cost of capital, potentially delaying projects or limiting growth opportunities.

Adverse Weather

Extreme weather such as heavy rain, flooding, cyclones or drought can disrupt exploration, mining or infrastructure development. Prolonged adverse conditions may result in higher costs, reduced productivity or delays to schedules.

Security of Title

The Company's rights to explore and develop projects depend on maintaining licences, permits and agreements. A failure to meet obligations, or disputes with third parties, could result in loss of title or impairment of rights, adversely impacting operations and asset values.

Permitting & Approvals

QMines requires approvals from multiple regulatory authorities for exploration, mining and environmental management. Delays, unfavourable conditions, or failure to secure permits may impact costs, schedules and operational flexibility.

Reliance on Key Personnel

The ability to recruit and retain skilled personnel is critical to execution of business plans. Shortfalls in capability or capacity may limit achievement of objectives.

QMines focuses on attracting and developing people to support its portfolio, while engaging contractors to supplement capability where required.

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Significant changes in the State of Affairs

During the financial year, the Company received a strategic $15 million investment from QIC Critical Minerals and Battery Technology Fund (QCMBTF) to accelerate QMines Mt Chalmers copper and gold project. The total funding package of $15 million is structured across two components, comprising a $5 million Equity Investment and a $10 million Royalty Investment.

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

Matters Subsequent to the end of the Financial Year

Subsequent to year end, QMines announced an updated JORC (2012) Mineral Resource Estimate (**MRE**) for its 100% owned Mount Mackenzie Gold and Silver Project, located approximately 140km north-west of Rockhampton in Central Queensland.

The updated Mineral Resource comprises 5.22 Mt @ 1.01 g/t Au and 6.7 g/t Ag, containing 170,000 ounces of gold and 1.12 million ounces of silver, reported at a 0.4 g/t Au lower cut-off grade. The updated MRE represents the first Mount Mackenzie Mineral Resource Estimate to incorporate exploration drilling completed by QMines.

Assay results received in August 2026 for additional diamond drill holes completed at its 100% owned Mt Chalmers Copper and Gold Project, located approximately 25km by road north-east of Rockhampton in Central Queensland. The drill holes were completed as part of the metallurgical and geotechnical drilling program supporting the ongoing Definitive Feasibility Study (**DFS**).

The intercept returned in hole 26MCRD002 (35m at 2.88% Cu, 0.75g/t Au and 3.3g/t Ag from 107m including 31m at 3.22% Cu and 0.83g/t Au from 110m) are significantly higher than the average resource grade, and higher than those grades predicted by the current resource block model.

Drill hole 26MCRD006 targeted the copper-rich stringer and semi-massive sulphide system beneath the historic workings returning 32m at 1.99% Cu, 0.39g/t Au and 2.6g/t Ag from 138m. Drill hole 26MCDD008 tested a shallow polymetallic lens returning 8m at 5.14g/t Au, 132g/t Ag, 4.68% Zn and 0.31% Cu from 56m together with a second interval of 10m at 2.24% Zn, 115g/t Ag and 0.84g/t Au from 67m.

In September 2026, QMines' wholly owned subsidiary, RLG Holdings Pty Ltd, agreed to acquire two additional freehold properties over and adjacent to the Botos deposit at Mt Chalmers in Central Queensland. Botos was drilled by Geopeko between the late 1970s and early 1980s, returning broad gold and base metal mineralisation, but has seen no drilling since. Land access has been the principal constraint to systematic follow-up. These acquisitions remove that constraint and secure access to the core of the deposit.

No other known matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Likely Developments and Expected Results of Operations

Information on likely developments in the operations of the Group and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the Group.

Environmental Regulation

The Group's operations are subject to various environmental regulations under Commonwealth and state legislation. Environmental compliance performance is monitored regularly and there are no known breaches of these regulations during the financial year and up to the date of this report.

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Information on Directors

Name:	Mr Andrew Sparke
Title:	Executive Chairman & Managing Director
Qualifications:	B.Bus (Marketing) M.Fin, GAICD
Experience:	Mr Sparke has over 20 years' experience that includes fund management, corporate advisor and broker to a number of ASX listed resources companies. He has significant experience serving in Chairman, Executive Director and Non-Executive Director roles and has been involved in several successful corporate transactions including capital raisings, IPOs, back door listings and M&A transactions in the resources industry.
Other current Directorships:	Nil
Former Directorships (last 3 years):	Nil
Interests in Shares:	40,783,509
Interests in Rights:	17,000,000

Name:	Mr Peter Caristo
Title:	Executive Director
Qualifications:	BSc Hons (Geol), MBA, FAIG, RPGeo, FSEG
Experience:	Mr Caristo has 30 years' experience as a geologist working across project generation, assessment and management in both Australia and overseas covering greenfields and brownfields projects. Peter has covered a wide range of copper and gold projects within various geological terranes and mineralisation styles. He has worked for several successful resources companies including Newcrest Mining Limited (ASX:NCM) and OceanaGold Limited (ASX:OGC) and as a geological consultant based in Queensland.
Other current Directorships:	Nil
Former Directorships (last 3 years):	Nil
Interests in Shares:	442,244
Interests in Rights:	10,000,000

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Information on Directors (cont.)

Name:	Ms. Elissa Hansen
Title:	Non-Executive Director and Company Secretary
Qualifications:	B.Com, Grad. Dip. Applied Corporate Governance, GAICD, FGIA, FCG (CS)
Experience:	Ms Hansen is a Chartered Secretary with over 20 years' experience as a company secretary and corporate governance professional. She has worked with boards and management on a range of ASX listed companies including assisting a number of organisations through the IPO process and is experienced in the specific requirements of companies in industries including resources, information technology, industrials and biotechnology.
Other current Directorships:	Zoono Group Ltd (ASX:ZNO); Aeeris Ltd (ASX:AER)
Former Directorships (last 3 years):	Nil
Interests in Shares:	4,637,952
Interests in Rights:	10,000,000

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Meetings of Directors

	Board of Directors		Audit & Risk Committee	
Name of Director	Eligible to attend	Attended	Eligible to attend	Attended
Andrew Sparke	10	10	-	-
Elissa Hansen	10	10	3	3
Peter Caristo	10	10	3	3

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Remuneration Report (Audited)

The remuneration report details the key management personnel remuneration arrangements for the Group, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings.

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Share-based compensation
- Additional disclosures relating to key management personnel

Principles Used to Determine the Nature and Amount of Remuneration

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The Nomination and Remuneration Committee is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the Group depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high-quality personnel.

In consultation with external remuneration consultants where required (refer to the section 'Use of remuneration consultants' below), the Nomination and Remuneration Committee has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the Group.

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:

- having economic profit as a core component of plan design
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value
- attracting and retaining high calibre executives

Additionally, the reward framework should seek to enhance executives' interests by:

- rewarding capability and experience
- reflecting competitive reward for contribution to growth in shareholder wealth
- providing a clear structure for earning rewards

In accordance with best practice corporate governance, the structure of non-executive director or executive director remuneration is separate.

Non-executive Directors' Remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Nomination and Remuneration Committee. The Nomination and Remuneration Committee may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The Chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The Chairman is not present at any

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discussions relating to the determination of his own remuneration.

The total aggregate fixed sum per annum to be paid to Non-executive Directors (excluding salaries of executive Directors) is $300,000. In accordance with ASX Listing Rules and the Company's Constitution, this may be varied by ordinary resolution of Shareholders at a general meeting.

Executive Remuneration

The group aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Nomination and Remuneration Committee based on individual and business unit performance, the overall performance of the Group and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the Group and provides additional value to the executive.

The short-term incentives ('STI') program is designed to align the targets of the business units with the performance hurdles of executives. STI payments are granted to executives based on specific annual targets and key performance indicators ('KPI's') being achieved.

The long-term incentives ('LTI') include long service leave and share-based payments. Shares are awarded to executives over a period of three years based on long-term incentive measures. These include increase in shareholders value relative to the entire market and the increase compared to the Group's direct competitors. The Nomination and Remuneration Committee reviewed the long-term equity-linked performance incentives specifically for executives during the year ended 30 June 2026.

Voting and Comments made at the Company's 2025 Annual General Meeting ('AGM')

At the 2025 AGM, 98.05% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2025. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of Remuneration

Amounts of Remuneration

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

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

- Andrew Sparke - Managing Director and Executive Chairman
- Peter Caristo - Executive Director
- Elissa Hansen – Non-Executive Director

And the following management personnel:

James Anderson - General Manager Operations (resigned 1 January 2026)

2026	Short-term Benefits		Post-employment benefits		Long-term benefits	Share-based payments	Total
	Cash salary and fees	Cash bonus	Super	Retirement	Long service leave	Equity-settled	
	$	$	$	$	$	$	$
Non-Executive Directors:							
Elissa Hansen	90,000	-	-	-	-	107,245	197,245
Executive Director:							
Andrew Sparke	350,000	75,000	-	-	-	182,317	607,317
Peter Caristo	118,500	-	9,900	-	-	107,245	235,645
Other Key Management Personnel:							
James Anderson	214,750	-	-	75,000	-	-	289,750
Total	**773,250**	**75,000**	**9,900**	**75,000**	**-**	**396,807**	**1,329,957**

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2025	Short-term Benefits		Post-employment benefits		Long-term benefits	Share-based payments	Total
	Cash salary and fees	Cash bonus	Super	Retirement	Long service leave	Equity-settled	
	$	$	$	$	$	$	$
Non-Executive Directors:							
Peter Caristo	31,250	-	3,594	-	-	3,403	38,247
Elissa Hansen	86,000	-	-	-	-	20,418	106,418
Executive Director:							
Andrew Sparke	350,000	-	-	-	-	64,656	414,656
Other Key Management Personnel:							
James Anderson	300,000	-	-	-	-	64,656	364,656
Total	**767,250**	**-**	**3,594**	**-**	**-**	**153,133**	**923,977**

A related party of Mr. Sparke is an employee of the Company during the financial year and received remuneration of $100,000, plus superannuation. The Company considers the services provided to be at market value and on an arm's length basis.

Service Agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreement are as follows:

Name: Mr Andrew Sparke
Title: Managing Director & Executive Chairman
Agreement commenced: 6 May 2021 (updated 20 December 2024)
Details: $350,000 per annum. Resignation is for a 6 months' notice period.

Name: Mr Peter Caristo
Title: Executive Director
Agreement commenced: 14 September 2021
Details: $30,000 per annum exclusive of superannuation up to 31 December 2025, $50,000 per annum exclusive of superannuation up to 31 January 2026, $170,000 per annum exclusive of superannuation from 1 February 2026.

Name: Ms Elissa Hansen
Title: Non-Executive Director & Company Secretary
Agreement commenced: 4 August 2021
Details: $90,000 per annum comprising $30,000 in director's fees and $60,000 in company secretarial fees up to 31 December 2025, $90,000 per annum comprising $50,000 in director's fees and $40,000 in company secretarial fees from 1 January 2026.

Name: Mr James Anderson
Title: General Manager, Operations
Agreement commenced: 6 May 2021 (resigned 1 January 2026)
Details: $330,000 per annum. Resignation is for a 3 months' notice period.

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The proportion of remuneration linked to performance and the fixed proportion are as follows:

Name	Fixed Remuneration		At Risk - STI		At Risk - LTI	
	2026	2025	2026	2025	2026	2025
Non-Executive Directors:						
Peter Caristo	54%	91%	-	-	46%	9%
Elissa Hansen	46%	81%	-	-	54%	19%
Executive Directors:						
Andrew Sparke	58%	86%	12%	-	30%	14%
Other Key Management Personnel:						
James Anderson	100%	82%	-	-	-	18%

Share-based Compensation

Issue of Shares

Details of shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2026 are set out below.

Shares issued to directors are a result of performance rights conversions following satisfaction of agreed performance hurdles (see below).

Options

There were no options over ordinary shares issued to directors and other key management personnel as part of compensation that were outstanding as at 30 June 2026.

There were no options over ordinary shares granted to or vested by directors and other key management personnel as part of compensation during the year ended 30 June 2026.

Performance Rights

The terms and conditions of each grant of performance rights over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Grant Date	Vesting date and Exercisable Date	Expiry Date	Share Price hurdle for Vesting	Fair Value per Right at Grant Date
01/07/2025	Pending hurdle achievement	30/06/2027	$0.080	$0.034
01/07/2025	Pending hurdle achievement	30/06/2028	$0.100	$0.031
01/07/2025	Pending hurdle achievement	30/06/2029	$0.120	$0.028
01/07/2025	Pending hurdle achievement	30/06/2030	$0.140	$0.025

Mr. Andrew Sparke, Mr Peter Caristo and Ms. Elissa Hansen received 17,000,000, 10,000,000 and 10,000,000 performance rights, respectively.

Performance rights granted carry no dividend or voting rights.

The number of performance rights over ordinary shares granted to and vested by directors and other key management personnel, as part of compensation during the year ended 30 June 2026, are set out below.

Values of performance rights over ordinary shares granted, vested and lapsed for directors and other key management personnel as part of compensation during the year ended 30 June 2026 are set out below.

Name	Value of Rights Granted During the Year	Value of Rights Vested During the Year	Value of Rights Lapsed During the Year	Remuneration consisting of Rights for the Year
Andrew Sparke	505,714	97,375	(97,375)	30%
Peter Caristo	297,497	5,125	(5,125)	46%
Elissa Hansen	297,497	30,750	(30,750)	54%
James Anderson	-	97,375	(97,375)	-
TOTAL	**1,100,708**	**230,625**	**(230,625)**	

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Additional Disclosures Relating to Key Management Personnel

Shareholding

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

	Balance at the Start of the Year	Received on conversion of Performance Rights	Additions	Disposals/ other	Balance at the end of the year
Ordinary Shares					
Andrew Sparke	39,833,509	950,000	-	-	40,783,509
Peter Caristo	392,244	50,000	-	-	442,244
Elissa Hansen	4,337,952	300,000	-	-	4,637,952
James Anderson*	9,864,034	950,000	-	-	10,814,034
Total	**54,427,739**	**2,250,000**	**-**	**-**	**56,677,739**

** At date of resignation.*

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Performance Rights Holding

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

	Balance at the start of the Year	Granted	Vested and converted	Expired/ forfeited/ other	Balance at the end of the year
Performance rights over ordinary shares					
Andrew Sparke	1,900,000	17,000,000	(950,000)	(950,000)	17,000,000
Peter Caristo	100,000	10,000,000	(50,000)	(50,000)	10,000,000
Elissa Hansen	600,000	10,000,000	(300,000)	(300,000)	10,000,000
James Anderson*	1,900,000	-	(950,000)	(950,000)	-
Total	**4,500,000**	**37,000,000**	**(2,250,000)**	**(2,250,000)**	**37,000,000**

** To date of resignation.*

This concludes the Remuneration Report, which has been audited.

Shares Under Option

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

Grant Date	Expiry Date	Exercise price	Number under Option
06/05/2025	06/05/2028	$0.068	5,000,000
15/12/2025	15/12/2028	$0.083	10,000,000
15/12/2025	15/12/2028	$0.083	20,000,000
15/12/2025	15/12/2028	$0.083	1,000,000
			36,500,000

No person entitled to exercise the options had or has any right by virtue of the options to participate in any share issue of the Company or of any other body corporate.

Shares Under Performance Rights

Unissued ordinary shares of QMines Limited under performance rights at the date of this report are as follows:

Grant Date	Expiry Date	Exercise price	Number under Option
01/07/2025	01/07/2027	$0.001	9,250,000
01/07/2025	01/07/2028	$0.002	9,250,000
01/07/2025	01/07/2029	$0.003	9,250,000
01/07/2025	01/07/2030	$0.004	9,250,000
			37,000,000

No person entitled to exercise the rights had or has any right by virtue of the rights to participate in any share issue of the Company or of any other body corporate.

Shares Issued on the Exercise of Options

There were no ordinary shares of QMines Limited issued on the exercise of options during the year ended 30 June 2026 and up to the date of this report.

Shares Issued on the Exercise of Performance Rights

The following ordinary shares of QMines Limited were issued during the year ended 30 June 2026 and up to the date of this report on the exercise of performance rights granted:

Date performance rights granted	Exercise Price	Number of Shares Issued
19/06/2023	$0.000	2,250,000

Indemnity & Insurance of Officers

The Company has indemnified the directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity & Insurance of Auditor

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

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

Proceedings on Behalf of the Company

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

Non-audit Services

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

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor

RSM Australia Partners continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the Directors.

Andrew Sparke
Executive Chairman

Dated: 30 September 2026

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AUDITOR'S INDEPENDENCE DECLARATION

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of QMines Ltd for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM AUSTRALIA PARTNERS

Cameron Hume
Partner

Sydney, NSW
Dated: 30 September 2026

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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2026

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		Consolidated	
	Note	2026 $	2025 $
Revenue			
Other income	4	221,169	110,310
Expenses			
Professional fees		(884,564)	(683,254)
Consulting fees		(230,961)	(2,851)
Accounting and audit fees		(262,142)	(135,166)
Employee benefits expense	5	(1,232,368)	(688,697)
Depreciation expense		(36,655)	(1,795)
Exploration expenditure		(19,952)	(44,268)
Share based payments expense	16	(677,360)	(370,516)
Marketing		(442,060)	(453,901)
Occupancy		(28,934)	(31,763)
Office and administration		(288,867)	(221,667)
Other expenses		(167,873)	(180,412)
Finance costs		(374,720)	(235,380)
Loss before income tax expense		(4,425,287)	(2,939,360)
Income tax expense	6	-	-
Loss after income tax expense for the year attributable to the owners of QMines Limited		(4,425,287)	(2,939,360)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year attributable to the owners of QMines Limited		(4,425,287)	(2,939,360)

		Cents	Cents
Basic losses per share	23	(0.74)	(0.84)
Diluted losses per share	23	(0.74)	(0.84)

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

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2026

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		Consolidated	
	Note	2026 $	2025 $
Assets			
Current Assets			
Cash and cash equivalents	7	14,250,293	3,503,714
Trade and other receivables		61,499	86,170
Other current assets	8	303,149	276,934
		14,614,941	3,866,818
Non-current Assets			
Property, plant and equipment	10	3,375,140	3,360,460
Mining development assets	11	15,594,487	14,495,994
Exploration and evaluation	9	14,964,862	6,184,988
Total non-current assets		33,934,489	24,041,442
Total Assets		48,549,430	27,908,260
Liabilities			
Current Liabilities			
Trade and other payables		806,751	640,188
Borrowings	12	-	1,630,435
Employee benefits		71,631	58,226
Other	13	226,003	169,040
Total current liabilities		1,104,385	2,497,889
Non-current Liabilities			
Borrowings	12	10,000,000	113,421
Total non-current liabilities		10,000,000	113,421
Total Liabilities		11,104,385	2,611,310
Net Assets		**37,445,045**	**25,296,950**
Equity			
Issued capital	14	57,152,741	40,448,198
Reserves	15	1,112,055	1,340,591
Accumulated losses		(20,819,751)	(16,491,839)
Total Equity		**37,445,045**	**25,296,950**

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

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2026

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Consolidated	Issued Capital $	Reserves $	Accumulated Losses $	Total Equity $
Balance at 1 July 2024	31,317,633	313,657	(13,552,479)	18,078,811
Loss after income tax expense for the year	-	-	(2,939,360)	(2,939,360)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive loss for the year	-	-	(2,939,360)	(2,939,360)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (Note 14)	8,234,339	-	-	8,234,339
Shares issued for purchase of asset	687,500	-	-	687,500
Share-based payments (Note 16)	208,726	-	-	208,726
Rights and options vesting expense	-	270,790	-	270,790
Equity component of convertible notes	-	756,144	-	756,144
Balance at 30 June 2025	40,448,198	1,340,591	(16,491,839)	25,296,950

Consolidated	Issued Capital $	Reserves $	Accumulated Losses $	Total Equity $
Balance at 1 July 2025	40,448,198	1,340,591	(16,491,839)	25,296,950
Loss after income tax expense for the year	-	-	(4,425,287)	(4,425,287)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive loss for the year	-	-	(4,425,287)	(4,425,287)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (Note 14)	13,870,612	-	-	13,870,612
Options issued to brokers	(444,000)	444,000	-	-
Shares issued for purchase of asset	1,485,000	-	-	1,485,000
Share-based payments (Note 16)	265,752	411,608	-	677,360
Rights converted for directors	230,625	(230,625)	-	-
Shares issued for exploration suppliers	263,085	-	-	263,085
Interest paid in shares	277,325	-	-	277,325
Equity component of convertible notes	756,144	(756,144)	-	-
Transfers within equity	-	(97,375)	97,375	-
Balance at 30 June 2026	57,152,741	1,112,055	(20,819,751)	37,445,045

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2026

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		Consolidated	
	Note	2026 $	2025 $
Cash flows from Operating Activities			
Payments to suppliers and employees (incl. of GST)		(3,433,143)	(1,641,576)
Exploration expenditure paid		(5,603,906)	(2,758,848)
		(9,037,049)	(4,400,424)
Interest received		61,793	22,077
Other income		159,376	22,299
Interest and other finance costs paid		(397,501)	(99,406)
Net cash used in operating activities	22	(9,213,381)	(4,455,454)
Cash flows from Investing Activities			
Payments for property, plant and equipment		(676,766)	(657,057)
Payments for development expenditure	11	(836,386)	-
Payments for exploration assets	9	(900,000)	(1,072,500)
Deposits refunded / (paid)		2,500	(100,000)
Proceeds from disposal of investments		-	10,000
Proceeds from release of security deposits		-	8,500
Net cash used in investing activities		(2,410,652)	(1,811,057)
Cash flows from Financing Activities			
Proceeds from issue of shares, net of transaction costs		13,370,612	8,177,880
Proceeds from borrowings		10,000,000	1,000,000
Repayment of borrowings		(1,000,000)	-
Net cash from financing activities		22,370,612	9,177,880
Net increase in cash and cash equivalents		10,746,579	2,911,369
Cash and cash equivalents at the beginning of the financial year		3,503,714	592,345
Cash and cash equivalents at the end of the financial year	7	**14,250,293**	**3,503,714**

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

NOTES TO THE FINANCIAL STATEMENTS

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Note 1. Material Accounting Policy Information

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

New or Amended Accounting Standards and Interpretations Adopted

The Group has adopted all 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 adopted.

Going Concern

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

For the financial year ended 30 June 2026, the Group incurred a net loss after tax of $4,425,287 (FY2025: $2,939,360) and utilised cash from operating activities of $9,213,381 (FY2025: $4,455,454). At balance date, the Group had net current assets of $13,510,556 (FY2025: net current assets of $1,368,929) The ability to continue as a going concern and realise its exploration asset is dependent on a number of factors, the most significant of which is obtaining additional funding to complete the exploration activities.

The Company has the ability to raise additional share capital if required:

- The Group has cash resources of $14,250,293 as at 30 June 2026;
- The Group has net assets of $37,445,045 as at 30 June 2026;
- The Group has the ability to dispose some of its assets as and when required; and
- The Group has the ability to scale back its exploration activities should funding not be available to continue exploration at its current levels.

Basis of Preparation

These general purpose 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').

Historical Cost Convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical Accounting Estimates

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

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Note 1. Material Accounting Policy Information (Cont.)

Parent Entity Information

In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in Note 19.

Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of QMines Limited ('company' or 'parent entity') as at 30 June 2026 and the results of all subsidiaries for the year then ended. QMines Limited and its subsidiaries together are referred to in these financial statements as the 'Group'.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Operating Segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Interest

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

Other Revenue

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

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Note 1. Material Accounting Policy Information (Cont.)

Income Tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Current and Non-Current Classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

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Note 1. Material Accounting Policy Information (Cont.)

Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and Other Receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Property, Plant and Equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Office equipment	4-5 years
Computer equipment	4 years
Motor Vehicles	5 years
Exploration equipment	5-10 years

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

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

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

Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

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Note 1. Material Accounting Policy Information (Cont.)

Mining development costs

Capitalised mining development costs include expenditures incurred to develop new ore bodies to define further mineralisation, to expand the capacity of a mine and to maintain production. Mining development also includes costs transferred from exploration and evaluation phase once production commences in the area of interest.

Amortisation of mining development is computed by the units of production basis over the estimated proved and probable reserves. Proved and probable mineral reserves reflect estimated quantities of economically recoverable reserves which can be recovered in the future from known mineral deposits. These reserves are amortised from the date on which production commences. The amortisation is calculated from recoverable proven and probable reserves and a predetermined percentage of the recoverable measured, indicated and inferred resource. This percentage is reviewed annually.

Exploration and Evaluation Assets

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

Impairment of Non-Financial Assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

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Note 1. Material Accounting Policy Information (Cont.)

On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a non-current liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds are allocated to the conversion option that is recognised and included in shareholders equity as a convertible note reserve, net of transaction costs. The carrying amount of the conversion option is not remeasured in the subsequent years. The corresponding interest on convertible notes is expensed to profit or loss.

Finance Costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Employee Benefits

Short-Term Employee Benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term Employee Benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Share-Based Payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

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Note 1. Material Accounting Policy Information (Cont.)

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Fair Value Measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Issued Capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

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Note 1. Material Accounting Policy Information (Cont.)

Earnings Per Share

Basic Earnings Per Share

Basic earnings per share is calculated by dividing the profit attributable to the owners of QMines Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted Earnings Per Share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet Mandatory or Early Adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2026. The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2. Critical Accounting Judgements, Estimates and Assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective Notes) within the next financial year are discussed below.

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Note 2. Critical Accounting Judgements, Estimates and Assumptions (Cont.)

Share-Based Payment Transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model, taking into account the terms and conditions upon which the instruments were granted. Changes to accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may have a significant impact profit or loss and equity.

Exploration and Evaluation Expenditure

The Group capitalises expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage that permits a reasonable assessment of the existence of reserves. There is significant judgement required on the part of the Management and the Board in determining whether exploration assets are impaired. To this extent they have considered the exploration activities, the current market conditions, the political climate in the jurisdiction in which the assets exist, as well as numerous other factors in their determination that the assets are not impaired. In addition, there is significant judgment and estimation uncertainty with regards to the allocation of costs to the various tenement assets.

Future Royalty Liability

The $10,000,000 Royalty Investment amount received from the QIC has been classified as a financial liability at amortised cost. A number of significant assumptions has been made with regards to the liability's maturity and other key assumptions (commodity prices, production timing, discount rate). Any material deviations from the base assumptions may impact the carrying value and current/non-current status of the liability.

Note 3. Operating Segments

Identification of Reportable Operating Segments

The Group operates in one segment, being exploration and development of copper and gold assets in Queensland. There has been no change in the current period.

Note 4. Other Income

	Consolidated	
	2026 $	2025 $
Other income (including fuel tax credits received)	159,376	88,233
Interest income	61,793	22,077
	221,169	110,310

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Note 5. Employee Benefits Expense

	Consolidated	
	2026 $	2025 $
Wages and salaries	1,069,768	590,786
Superannuation	149,195	71,784
Other payroll expenses	13,405	26,127
	1,232,368	688,697

Note 6. Income Tax Expense

	Consolidated	
	2026 $	2025 $
Reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense	(4,425,287)	(2,939,360)
Tax at the statutory tax rate of 25% (2025: 25%)	(1,106,322)	(734,840)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Legal expenses	67,703	44,278
Finance costs	5,695	-
Share-based payments	169,340	92,629
Other non-allowable items	25,308	72,181
	(838,276)	(525,752)
Deferred tax assets not brought to account	2,668,225	1,482,218
Other deductible items	(1,598,594)	(726,563)
Other temporary differences	(231,355)	(229,903)
Income tax expense	-	-

The Group has carry-forward tax losses operations of approximately $36,486,965 (2025: $25,814,066).

The benefit of these losses will only be recognised where it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Note 7. Current Assets - Cash and Cash Equivalents

	Consolidated	
	2026 $	2025 $
Cash on hand	20	20
Cash at bank	14,250,273	3,503,694
	14,250,293	3,503,714

Note 8. Current Assets - Other Current Assets

	Consolidated	
	2026 $	2025 $
Prepayments	90,587	39,230
Other deposits	4,445	109,445
GST refundable	208,117	128,259
	303,149	276,934

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Note 9. Non-Current Assets - Exploration and Evaluation

	Consolidated	
	2026 $	2025 $
Exploration and evaluation - at cost	14,964,862	6,184,988

Reconciliations

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

Consolidated	$
Balance at 1 July 2024	17,230,088
Expenditure during the year	2,978,058
Transfer to mining development assets	(14,023,158)
Balance at 30 June 2025	6,184,988
Expenditure during the year	6,294,874
Additions (Mount Mackenzie)	
Cash	1,000,000
Equity settled	1,485,000
Balance at 30 June 2026	14,964,862

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Note 10. Non-Current Assets - Property, Plant and Equipment

	Consolidated	
	2026 $	2025 $
Land - at cost	2,108,830	2,028,830
Motor vehicles – at cost	492,135	290,753
Less: Accumulated depreciation	(259,055)	(180,591)
	233,080	110,162
Computer equipment - at cost	15,779	11,358
Less: Accumulated depreciation	(11,599)	(10,877)
	4,180	481
Office equipment - at cost	2,690	2,290
Less: Accumulated depreciation	(1,925)	(1,480)
	765	810
Exploration equipment - at cost	3,167,915	2,806,778
Less: Accumulated depreciation	(2,139,630)	(1,586,601)
	1,028,285	1,220,177
	3,375,140	3,360,460

Reconciliations

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

	Land $	Office Equipment $	Computer Equipment $	Motor Vehicles $	Exploration Equipment $	Total $
Balance at 1 July 2024	2,028,830	747	1,876	127,554	1,312,085	3,471,092
Additions	-	465	-	39,841	410,816	451,122
Depreciation expense	-	(401)	(1,395)	(57,234)	(502,724)	(561,754)
Balance at 30 June 2025	2,028,830	811	481	110,161	1,220,177	3,360,460
Additions	80,000	399	4,421	201,383	367,786	653,989
Depreciation expense	-	(445)	(722)	(78,464)	(559,678)	(639,309)
Balance at 30 June 2026	2,108,830	765	4,180	233,080	1,028,285	3,375,140

$602,654 was capitalised to exploration and evaluation assets in FY2026 (FY2025: $559,959).

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Note 11. Non-Current Assets – Mining Development

	Consolidated	
	2026 $	2025 $
Mining development - at cost	15,594,487	14,495,994

Reconciliations

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

Consolidated	Total $
Balance at 1 July 2024	-
Transfers in from exploration and evaluation assets	14,023,158
Expenditure during the financial year	472,836
Balance at 30 June 2025	14,495,994
Expenditure during the financial year	1,098,493
Balance at 30 June 2026	15,594,487

Note 12. Borrowings

	Consolidated	
	2026 $	2025 $
Current liabilities		
Loan – Shareholders	-	1,630,435
Non-current liabilities		
Convertible notes payable (derivative interest component)	-	113,421
Future royalty liability	10,000,000	-
	10,000,000	113,421
	10,000,000	1,743,856

During the FY2026 financial year, QMines received a $10 million royalty investment from QIC Critical Minerals and Battery Technology Fund (**QCMBTF**) in exchange for a 2% Net Smelter Return (**NSR**) royalty. The royalty will be calculated on revenue derived from product sales, subject to standard allowable deductions such as treatment and refining costs. The royalty structure includes a defined cap, ensuring that QMines retains substantial long-term exposure to project cash flows and commodity price upside once the royalty obligation has been satisfied.

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Note 12. Borrowings (Cont.)

Total Secured Liabilities

The total secured liabilities are as follows:

	Consolidated	
	2026 $	2025 $
Convertible notes (face value)	-	1,000,000

Assets Pledged as Security

Convertible notes issued by the Company are secured against the Mt Mackenzie assets. This security was discharged in FY2026 following conversion of the convertible notes.

Note 13. Current Liabilities - Other

	Consolidated	
	2026 $	2025 $
Superannuation payable	48,995	17,915
PAYG payable	33,986	16,711
Accrued expenses	143,022	134,414
	226,003	169,040

Note 14. Equity - Issued Capital

Consolidated	2026 Shares	2025 Shares	2026 $	2025 $
Ordinary shares - fully paid	771,991,470	431,779,762	61,591,774	43,761,258
Cost of capital	-	-	(4,439,033)	(3,422,519)
Other contributed capital	-	-	-	109,459
	771,991,470	431,779,762	57,152,741	40,448,198

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Note 14. Equity - Issued Capital (Cont.)

Movements in Ordinary Share Capital

Details	Date	Shares	Issue Price	$
Balance	01/07/2024	225,393,018		34,031,133
Placement	09/08/2024	48,936,170	$0.047	2,300,000
Placement	25/09/2024	55,851,065	$0.047	2,625,000
Shares issued to employees in part consideration for wages payable	25/09/2024	1,085,117	$0.047	51,001
Shares issued in consideration for branding and marketing services	26/09/2024	312,000	$0.096	29,952
Shares issued in consideration for marketing and promotional services	26/09/2024	166,667	$0.100	16,667
Shares issued in consideration for community liaison services	26/09/2024	104,167	$0.100	10,416
Shares issued in part consideration for the acquisition of the remaining 49% of the Develin Creek Project	27/09/2024	10,261,194	$0.067	687,500
Placement	04/10/2024	1,595,745	$0.047	75,000
Tranche 1 shares from $6 million capital raise	21/02/2025	73,514,067	$0.045	3,308,133
Tranche 1 shares from $6 million capital raise	24/02/2025	11,683,676	$0.045	525,765
In consideration for investor relations and marketing services	30/05/2025	2,432,432	$0.035	85,135
Employee Incentive	30/05/2025	222,222	$0.035	7,778
Employee Incentive	30/05/2025	222,222	$0.035	7,778
Balance	30/06/2025	431,779,762		43,761,258
Shares issued in consideration for services provided to the company	07/07/2025	1,177,778	$0.045	53,000
Consideration for the first year's interest on the convertible notes	07/07/2025	3,444,445	$0.045	155,000
In consideration for acquisition of Mount Mackenzie project	07/07/2025	33,000,000	$0.045	1,485,000
In consideration for investor relations and marketing	08/08/2025	92,593	$0.054	5,000
In consideration for services provided	08/08/2025	2,666,667	$0.054	144,000
Placement	02/10/2025	80,910,804	$0.055	4,450,094
Offer of securities under purchase plan	14/11/2025	19,062,290	$0.055	1,048,427
Placement	28/11/2025	54,139,020	$0.055	2,977,646
Offer of securities under purchase plan	09/12/2025	8,210,437	$0.055	451,574
Placement	15/12/2025	279,718	$0.055	15,384

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Note 14. Equity - Issued Capital (Cont.)

Details	Date	Shares	Issue Price	$
Performance rights converted on satisfaction of vesting condition	05/01/2026	2,250,000	$0.103	230,625
In consideration for services received	08/01/2026	1,500,000	$0.056	84,000
Loan repayment	06/02/2026	9,090,909	$0.055	500,000
In consideration for marketing services	05/05/2026	2,091,672	$0.052	109,393
In consideration for drilling services	05/05/2026	1,398,131	$0.059	82,200
Issued to employees	05/05/2026	3,072,727	$0.052	160,703
Shares issued on conversion of convertible notes, including interest	15/05/2026	22,222,223	$0.045	878,470
QIC investment shares	22/05/2026	95,602,294	$0.052	5,000,000
Balance	30/06/2026	771,991,470		61,591,774

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.

Capital Risk Management

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

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

The Group would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The Group is not actively pursuing additional investments in the short term, as it continues to integrate and grow its existing businesses in order to maximise synergies.

Note 15. Equity - Reserves

	Consolidated	
	2026 $	2025 $
Share-based payments reserve	396,808	328,000
Options reserve	715,247	256,447
Convertible Notes equity reserve	-	756,144
	1,112,055	1,340,591

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Note 16. Share-based Payments

During the financial year, the following transactions were equity settled by the Group and taken to profit or loss:

	Consolidated	
	2026 $	2025 $
16,000,000 performance rights issued to directors and key management personnel	-	217,790
1,085,117 shares issued to staff	-	51,000
2,876,876 shares issued for marketing services and to staff	-	101,726
467,752 shares for marketing services	21,049	-
1,500,000 shares issued for marketing services	84,000	-
1,000,000 options issued for services received	14,800	-
3,072,727 shares issued to employees	160,704	-
Vesting expense on 37,000,000 performance rights issued to directors	396,807	-
	677,360	370,516

During the financial year, the following transactions were equity settled by the Group and taken directly to equity:

	Consolidated	
	2026 $	2025 $
10,261,194 shares issued as consideration for purchase Develin Creek	-	687,500
582,834 shares issued as compensation for promotional activities	-	57,035
33,000,000 shares issued in consideration for purchase of Mt Mackenzie	1,485,000	-
30,000,000 options issued to joint lead managers of the share plan	444,000	-
	1,929,000	744,535

A share option plan has been established by the Group and approved by shareholders at a general meeting, whereby the Group may, at the discretion of the Nomination and Remuneration Committee, grant options over ordinary shares in the company to certain key management personnel of the Group. The options are issued for nil consideration and are granted in accordance with performance guidelines established by the Nomination and Remuneration Committee.

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Note 16. Share-based Payments (Cont.)

Set out below are summaries of options granted under the Plan.

2026

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
16/08/2022	18/08/2025	$0.375	3,750,000	-	-	(3,750,000)	-
21/06/2023	21/06/2026	$0.375	1,500,000	-	-	(1,500,000)	-
13/09/2023	13/09/2026	$0.375	500,000	-	-	-	500,000
06/05/2025	06/05/2028	$0.068	5,000,000	-	-	-	5,000,000
15/12/2025	15/12/2028	$0.083	-	10,000,000	-	-	10,000,000
15/12/2025	15/12/2028	$0.083	-	20,000,000	-	-	20,000,000
15/12/2025	15/12/2028	$0.083	-	1,000,000	-	-	1,000,000
			10,750,000	31,000,000	-	(5,250,000)	36,500,000

The weighted average share price during the financial year was $0.067 (2025: $0.059).

The weighted average remaining contractual life of options outstanding at the end of the financial year was 2.34 years (2025 1.57 years).

Set out below are summaries of performance rights granted under the plan:

2026

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
19/06/2023	30/06/2026	$0.000	4,500,000	-	(2,250,000)	(2,250,000)	-
01/07/2025	01/07/2027	$0.001	-	9,250,000	-	-	9,250,000
01/07/2025	01/07/2028	$0.002	-	9,250,000	-	-	9,250,000
01/07/2025	01/07/2029	$0.003	-	9,250,000	-	-	9,250,000
01/07/2025	01/07/2030	$0.004	-	9,250,000	-	-	9,250,000
			4,500,000	37,000,000	(2,250,000)	(2,250,000)	37,000,000

The weighted average remaining contractual life of performance rights outstanding at the end of the financial year was 2.5 years (2025: 1.0 year).

Vesting condition for 37,000,000 performance rights granted on 01/07/2025:

- 25% of the Performance Rights vest when the company achieves a 20-day VWAP equal to or greater than $0.08.
- 25% of the Performance Rights vest when the company achieves a 20-day VWAP equal to or greater than $0.10.
- 25% of the Performance Rights vest when the company achieves a 20-day VWAP equal to or greater than $0.12.

Note 16. Share-based Payments (Cont.)

- 25% of the Performance Rights vest when the company achieves a 20-day VWAP equal to or greater than $0.14.

Note 17. Commitments

As at 30 June 2026, the Group had $1,700,000 in commitments relating to its exploration tenements (2025: $1,827,000) for the following year.

Note 18. Related Party Transactions

Parent entity

QMines Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in Note 20.

Key management personnel

Disclosures relating to key management personnel are set out in the remuneration report included in the directors' report.

Transactions with related parties

A related party of Mr. Sparke was an employee of the Company during the financial year and received remuneration of $100,000 plus superannuation. The Company considers the services provided to be at market value and on an arm's length basis.

Receivable from and payable to related parties

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

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

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Note 19. - Parent Entity Information

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

Statement of profit or loss and other comprehensive income

	Parent	
	2026 $	2025 $
Loss after income tax	(4,243,865)	(2,938,718)
Total comprehensive loss	(4,243,865)	(2,938,718)

Statement of financial position

	Parent	
	2026 $	2025 $
Total current assets	14,612,972	3,857,348
Total assets	48,763,980	27,941,388
Total current liabilities	1,104,333	2,497,837
Total liabilities	11,104,333	2,611,258
Equity		
Issued capital	57,152,741	40,448,198
Share-based payments reserve	396,808	328,000
Options reserve	715,247	256,447
Convertible notes equity reserve	-	756,144
Accumulated losses	(20,605,149)	(16,458,659)
Total equity	37,659,647	25,330,130

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2026 and 30 June 2025.

Capital commitments - Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2026 and 30 June 2025.

Material accounting policy information

The accounting policies of the parent entity are consistent with those of the Group, as disclosed in Note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.

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Note 20. Interests in subsidiaries

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

		Ownership interest	
Name	Principal place of business / Country of incorporation	2026	2025
Traprock Resources Pty Ltd	Australia	100%	100%
Dynasty Gold Pty Ltd	Australia	100%	100%
Rocky Copper Pty Ltd	Australia	100%	100%
QDrilling Pty Ltd	Australia	100%	100%
RLG Holdings Pty Ltd	Australia	100%	100%
Mount Mackenzie Mines Pty Ltd	Australia	100%	-

Note 21. Events after the reporting period

Subsequent to year end, the Company announced an updated JORC (2012) Mineral Resource Estimate (**MRE**) for its 100% owned Mount Mackenzie Gold and Silver Project, located approximately 140km north-west of Rockhampton in Central Queensland. The updated Mineral Resource comprises 5.22 Mt @ 1.01 g/t Au and 6.7 g/t Ag, containing 170,000 ounces of gold and 1.12 million ounces of silver, reported at a 0.4 g/t Au lower cut-off grade. The updated MRE represents the first Mount Mackenzie Mineral Resource Estimate to incorporate exploration drilling completed by QMines.

The Company also received assay results in August 2026 for additional diamond drill holes completed at its 100% owned Mt Chalmers Copper and Gold Project, located approximately 25km north-east of Rockhampton in Central Queensland. The drill holes were completed as part of the metallurgical and geotechnical drilling program supporting the ongoing Definitive Feasibility Study (**DFS**).

The intercepts returned in hole 26MCRD002 (35m at 2.88% Cu, 0.75g/t Au and 3.3g/t Ag from 107m including 31m at 3.22% Cu and 0.83g/t Au from 110m) are significantly higher than the average resource grade, and higher than those grades predicted by the current resource block model.

Drill hole 26MCRD006 targeted the copper-rich stringer and semi-massive sulphide system beneath the historic workings returning 32m at 1.99% Cu, 0.39g/t Au and 2.6g/t Ag from 138m. Drill hole 26MCDD008 tested a shallow polymetallic lens returning 8m at 5.14g/t Au, 132g/t Ag, 4.68% Zn and 0.31% Cu from 56m together with a second interval of 10m at 2.24% Zn, 115g/t Ag and 0.84g/t Au from 67m.

In September 2026, QMines' wholly owned subsidiary, RLG Holdings Pty Ltd, agreed to acquire two freehold properties over and adjacent to the Botos deposit at Mt Chalmers in Central Queensland. Botos was drilled by Geopeko between the late 1970s and early 1980s, returning broad gold and base metal mineralisation, but has seen no drilling since. Land access has been the principal constraint to systematic follow-up. These acquisitions remove that constraint and secure access to the core of the deposit.

No other matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

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Note 22. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	2026 $	2025 $
Loss after income tax expense for the year	(4,425,287)	(2,939,360)
Adjustments for:		
Depreciation and amortisation	36,655	1,795
Share-based payments	738,446	535,976
Other non-cash transactions	14,453	-
Allocations to capitalised exploration and evaluation assets	2,687,000	(172,094)
Interest and other finance costs	22,781	197,880
Change in operating assets and liabilities:		
Decrease / (increase) in trade and other receivables	75,815	(61,169)
Increase in exploration assets	(8,556,768)	(2,385,813)
(Decrease) / increase in other current assets	79,521	(118,685)
Increase / (decrease) in other current liabilities	114,003	486,016
Net cash used in operating activities	(9,213,381)	(4,455,454)

Note 23. Losses per share

	Consolidated	
	2026 $	2025 $
Loss after income tax attributable to the owners of QMines Limited	(4,425,287)	(2,939,360)

	Number	Number
Weighted average number of ordinary shares used in calculating basic losses per share	598,989,850	351,968,209
Weighted average number of ordinary shares used in calculating diluted losses per share	598,989,850	351,968,209

	Cents	Cents
Basic losses per share	(0.74)	(0.84)
Diluted losses per share	(0.74)	(0.84)

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Note 24. General Information

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

QMines Limited (**ASX:QML**) is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Suite J, 34 Suakin Drive
MOSMAN NSW 2088

A description of the nature of the Group's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 30 September 2026. The directors have the power to amend and reissue the financial statements.

Consolidated Entity Disclosure Statement

Entity Name	Entity Type	Trustee in a Trust, Partner in a Partnership or a participant in a Joint Venture	Place formed / Country of Incorporation	Ownership Interest %	Tax Residency
Traprock Resources Pty Ltd	Body Corporate	N/A	Australia	100%	Australia
Dynasty Gold Pty Ltd	Body Corporate	N/A	Australia	100%	Australia
Rocky Copper Pty Ltd	Body Corporate	N/A	Australia	100%	Australia
RLG Holdings Pty Ltd	Body Corporate	N/A	Australia	100%	Australia
QDrilling Pty Ltd	Body Corporate	N/A	Australia	100%	Australia
Mount Mackenzie Mines Pty Ltd	Body Corporate	N/A	Australia	100%	Australia

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in Note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

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

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

On behalf of the directors

Andrew Sparke
Executive Chairman

30 September 2026

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INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT
To the Members of QMines Limited

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of QMines Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

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

(i) giving a true and fair view of the Group's financial position as at 30 June 2026 and of its financial performance for the year then ended; and
(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (*including independence standards*) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

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Key Audit Matter	How our audit addressed this matter
Exploration and Evaluation Assets Refer to Note 9 in the financial statements	
At 30 June 2026 the Group had capitalised exploration and evaluation assets with a carrying value of $14,964,862. This represents approximately 31% of the total assets of the Group at that date. We consider the carrying amount of these assets under *AASB 6 Exploration for and Evaluation of Mineral Resources* to be a key audit matter due to the significant management judgments involved, including: • whether the exploration and evaluation spend can be associated with finding specific mineral resources, and the basis on which that expenditure is allocated to an area of interest; • the Group's ability and intention to continue to explore the area; • which costs should be capitalised; • the existence of any impairment indicators (such as the potential that mineral reserves and resources may not be commercially viable for extraction, or that the carrying value of the assets may not be recovered through sale or successful development) - and if so, those applied to determine and quantify any impairment loss; whether exploration activities have reached the stage at which the existence of an economically recoverable reserve may be determined.	Our audit procedures included, among others: • Obtaining a listing of client tenements held by the Group and testing ownership on a sample basis; • Obtaining evidence that the Group has valid rights to explore in each area in relation to which expenditure has been recorded; • Testing of expenditure on a sample basis, agreeing items selected to supporting documentation to ensure they were properly incurred in the development of the assets; • Performing substantive testing on the expenditure on a sample basis, to confirm entries had been recorded accurately (considering both nature and quantum of the items selected), completely, in the correct period, and had been appropriately classified in accordance with AASB 6, Exploration for and Evaluation of Mineral Resources; • Assess if any facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. as contemplated in AASB 6, Exploration for and Evaluation of Mineral Resources; • Assessing whether the Group's accounting policy for exploration expenditure is in compliance with Australian Accounting Standard; and Assessing the adequacy of the disclosures in the financial statements.

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Development Assets Refer to Note 11 in the financial statements	
As at 30 June 2026, the Group had capitalised $15,594,487 of development costs in relation to the development of the Mt Chalmers project. This represents approximately 32% of the total assets of the Group at that date. Included in these assets are exploration and evaluation assets previously capitalised and expenditure incurred in the period under review of $1,098,493. We considered this to be a Key Audit Matter due to the significant management judgement involved, including: • which costs should be capitalised; • the existence of any impairment indicators and if so, those applied to determine and quantify any impairment loss as annual impairment assessment is required under *AASB 136 Impairment of Assets*; In addition, consideration needs to be given as to whether there is any impairment risk over these assets.	Our audit procedures included, among others: • Testing whether exploration activities had reached the stage at which the existence of an economically recoverable reserve was determined and the project was capitalised. • Obtaining evidence that the Group has lodged application for valid rights to mine in the area in relation to which the asset has been recorded. • Obtaining evidence to ensure that all historic cost previously capitalised in exploration and evaluation assets have been transferred to development asset appropriately. • Testing of expenditure incurred in period under review on a sample basis, agreeing items selected to supporting documentation to ensure they were properly incurred in the development of the assets. • Considering management's assessment as to whether any impairment indicators exist and evaluating this assessment having due consideration of the evidence supplied and any other information gathered as part of the audit process; and • Evaluating the appropriateness of the disclosures in the financial report.
Accounting for the QIC Strategic investment Refer to Note 12 in the financial statements	
During the year, the Group received a $15 million strategic investment from the QIC Critical Minerals and Battery Technology Fund, comprising a $5 million equity subscription and $10 million in exchange for a 2% net smelter return royalty over the Mt Chalmers Group project. At 30 June 2026, the royalty	Our audit procedures included, among others: • Reading the executed subscription agreement and royalty deed to understand the substantive terms and conditions of the transaction; • Assessing the Group's classification of the $5 million subscription as equity

component was recognised as a non-current financial liability of $10 million. We considered the accounting for the transaction to be a key audit matter due to the significance and complexity of the arrangements and the judgement involved in: • determining whether the royalty component represents equity, revenue, a disposal of a mineral interest or a financial liability; • assessing the maturity of the royalty liability and key assumptions used to estimate future royalty cash flows, including commodity prices, production timing and discount rate; and • considering the extent to which material deviations from management's base assumptions could impact the carrying value and current/non-current classification of the royalty liability.	under AASB 132 and the $10 million royalty component as a financial liability under AASB 9; • Agreeing the receipt of the investment proceeds to supporting documentation and testing the related accounting entries; • Evaluating management's forecast royalty cash flows and key assumptions against the royalty deed, available project information and the Group's pre-feasibility study; and • Assessing the adequacy of the related presentation and disclosures in the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2026 but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

a. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001; and

b. the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

i. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

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ii. the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar2_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 19 to 26 of the directors' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of QMines Limited., for the year ended 30 June 2026, complies with section 300A of the Corporations Act 2001.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

RSM Australia Partners

Cameron Hume
Partner

Sydney, NSW

Dated: 30 September 2026

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SHAREHOLDER INFORMATION

QMines Limited has the following securities on issue as at 18 September 2026:

Type	Security	Number of securities	Number of security holders
ASX Listed	Fully paid ordinary shares	771,991,470	2,985
Unlisted	Options exercisable at $0.0675 and expiring 6 May 2028	5,000,000	2
Unlisted	Options exercisable at $0.0825 and expiring 15 December 2028	31,000,000	5
Unlisted	Performance Rights	37,000,000	3

Voting Rights

Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands. There are no other classes of equity securities with voting rights.

Distribution of Shareholders as at 18 September 2026

Fully Paid Ordinary Shares	Number		
Holdings Ranges	Holders	Units	%
1-1,000	62	7,936	0.000
1,001-5,000	217	611,191	0.080
5,001-10,000	462	3,972,477	0.510
10,001-100,000	1,548	63,182,993	8.180
100,001 – 9,999,999,999	696	704,216,873	91.220
Totals	2,985	771,991,470	100.00

Marketable Parcel

There are 403 shareholders holding less than a marketable parcel of QMines' shares based on the closing price of $0.066 on 18 September 2026.

On-Market Buy-back

QMines Limited is not undertaking an on-market buy-back.

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20 Largest Shareholders

No.	Name	Number of Ordinary Shares Held	% of Issued Capital
1	HSBC Custody Nominees (Australia) Limited	113,794,673	14.74%
2	Tina Danali Pty Ltd <The Henderson Family A/C>	66,023,425	8.55%
3	Resources & Energy Group Limited	33,000,000	4.27%
4	McNeil Nominees Pty Limited	22,489,454	2.91%
5	Turkey Investments Pty Ltd <Turkey Family A/C>	19,334,766	2.50%
6	BNP Paribas Nominees Pty Ltd <IB AU Noms Retail Client>	18,074,027	2.34%
7	Minadore Pty Ltd <Dowsett Super Fund A/C>	16,000,204	2.07%
8	Jayleaf Holdings Pty Ltd	11,090,909	1.44%
9	Super Seed Pty Ltd <The Wersman Super Fund A/C>	10,122,837	1.31%
10	Olive Capital Pty Ltd	10,000,000	1.30%
11	Turkey Investments Pty Ltd <Turkey Family A/C>	9,108,317	1.18%
12	BNP Paribas Nominees Pty Ltd <Clearstream>	8,279,839	1.07%
13	Mr Thomas Dries	7,490,927	0.97%
14	Bilpin Nominees Pty Ltd	7,223,386	0.94%
15	JDRA Pty Ltd <JDRA SF A/C>	6,500,000	0.84%
16	Whale Watch Holdings Limited	6,194,599	0.80%
17	Citicorp Nominees Pty Limited	5,633,878	0.73%
18	P4L Pty Ltd	5,300,000	0.69%
19	BNP Paribas Nominees Pty Ltd <Hub24 Custodial Serv Ltd>	4,505,300	0.58%
20	Mr Colin Weekes	4,063,303	0.53%
	TOTALS	384,229,844	49.77%

Escrow

QMines has no shares subject to voluntary escrow.

Substantial Holders

The following shareholders have disclosed a substantial:

Holder Name	Number of Shares	% Voting Power
HSBC Custody Nominees (Australia) Limited	113,794,673	14.74%
Tina Danali Pty Ltd <The Henderson Family A/C>	66,023,425	8.55%

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About QMines

QMines Limited (ASX:QML) is a Queensland focused copper and gold development Company. The Company owns 100% of the Mt Chalmers (copper-gold) and Develin Creek (copper-zinc) deposits, located within 90km of Rockhampton in Queensland.

Mt Chalmers is a high- grade historic mine that produced 1.2Mt @ 2.0% Cu, 3.6g/t Au and 19g/t Ag between 1898-1982.

Following several resource updates, the Mt Chalmers, Develin Creek and Mt Mackenzie projects now have Reserves of 9.6Mt and combined Resources of approximately 22Mt.[1]

QMines' objective is to make new discoveries, commercialise existing deposits and transition the Company towards sustainable copper production.

Project & Ownership

Mt Chalmers	100%
Develin Creek	100%
Mt Mackenzie	100%

QMines Limited

ACN 643 312 104

ASX:QML

Shares on Issue

771,991,470

Unlisted Options

38,000,000

Directors & Management

Andrew Sparke
Executive Chairman

Peter Caristo
Executive Director (Technical)

Thomas Bartschi
Principal Geologist (Competent Person)

Elissa Hansen
Non-Executive Director & Company Secretary

Compliance Statement

With reference to previously reported Exploration results and mineral resources, the Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parametres underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. 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.

1. ASX Announcement – Develin Creek Resource Upgrade. 12 March 2025

Contacts

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QMINES Sustainable Australian Copper

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