AuMEGA Metals Ltd

ACN 612 912 393

Interim Report - 30 June 2026

(Unaudited)

Notice to the reader

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of management.

AuMEGA Metals Ltd
Contents
30 June 2026

AuMEGA Metals Ltd
Condensed consolidated interim statement of profit or loss and other comprehensive income
For the period ended 30 June 2026

	Note	Consolidated		Consolidated	
		3 months ended 30 June 2026 $	3 months ended 30 June 2025 $ *Restated	6 months ended 30 June 2026 $	6 months ended 30 June 2025 $ *Restated
Expenses					
Administration expenses		(406,762)	(276,515)	(667,458)	(557,810)
Consultants and management expenses		(257,830)	(314,051)	(457,293)	(517,469)
Depreciation and amortisation		(28,633)	(27,518)	(52,586)	(55,014)
Share based payment expense		5,892	(200,465)	(58,914)	(312,165)
Business development costs		(298,881)	(65,904)	(513,657)	(129,658)
Exploration and evaluation expenditure	5	(1,666,257)	(3,464,365)	(2,362,897)	(6,775,284)
Operating loss		**(2,652,471)**	**(4,348,818)**	**(4,112,805)**	**(8,347,400)**
Other income	6	225,068	1,259,503	353,341	2,364,165
Profit/(loss) before income tax expense		**(2,427,403)**	**(3,089,315)**	**(3,759,464)**	**(5,983,235)**
Income tax expense		-	-	(1,318)	-
Loss after income tax expense for the half-year attributable to the owners of AuMEGA Metals Ltd	10	**(2,427,403)**	**(3,089,315)**	**(3,760,782)**	**(5,983,235)**
Other comprehensive income for the half-year, net of tax		-	-	-	-
Total comprehensive loss for the half-year attributable to the owners of AuMEGA Metals Ltd		**(2,427,403)**	**(3,089,315)**	**(3,760,782)**	**(5,983,235)**
		Cents	**Cents**	**Cents**	**Cents**
Basic loss per share	15	(0.19)	(0.56)	(0.40)	(1.08)
Diluted loss per share	15	(0.19)	(0.56)	(0.40)	(1.08)

* Refer to note 3 for detailed information on Restatement of comparatives.

AuMEGA Metals Ltd
Condensed consolidated interim statement of financial position
As at 30 June 2026

	Note	Consolidated 30 June 2026 $	31 December 2025 $
Assets			
Current assets			
Cash and cash equivalents		26,714,596	4,015,004
Trade and other receivables		61,564	290,642
Other current assets		683,898	310,582
Total current assets		**27,460,058**	**4,616,228**
Non-current assets			
Property, plant and equipment		275,196	98,903
Right-of-use assets		36,316	51,880
Total non-current assets		**311,512**	**150,783**
Total assets		**27,771,570**	**4,767,011**
Liabilities			
Current liabilities			
Trade and other payables	7	718,610	2,091,049
Lease liabilities		6,135	24,266
Provisions		216,655	189,090
Total current liabilities		**941,400**	**2,304,405**
Total liabilities		**941,400**	**2,304,405**
Net assets		**26,830,170**	**2,462,606**
Equity			
Issued capital	8	99,457,756	80,148,302
Reserves	9	10,268,280	1,471,540
Accumulated losses	10	(82,895,866)	(79,157,236)
Total equity		**26,830,170**	**2,462,606**

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

AuMEGA Metals Ltd
Condensed consolidated interim statement of changes in equity
For the period ended 30 June 2026

Consolidated	**Issued capital $**	**Option reserves $**	**Foreign currency translation reserve $**	**Warrant reserve $**	**Accumulated losses $**	**Total equity $**
Balance at 1 January 2025	80,102,012	1,421,676	(463,244)	-	(67,640,723)	13,419,721
Adjustment for change in accounting policy (note 3)	-	-	-	-	(2,989,984)	(2,989,984)
Balance at 1 January 2025 - restated	80,102,012	1,421,676	(463,244)	-	(70,630,707)	10,429,737
Loss after income tax expense for the period	-	-	-	-	(5,983,235)	(5,983,235)
Other comprehensive income for the period, net of tax	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	(5,983,235)	(5,983,235)
Transactions with owners in their capacity as owners:						
Share-based payments	-	312,165	-	-	-	312,165
Share issue costs	(3,410)	-	-	-	-	(3,410)
Exercise of employee share options	(12,164)	12,164	-	-	-	-
Balance at 30 June 2025	**80,086,438**	**1,746,005**	**(463,244)**	-	**(76,613,942)**	**4,755,257**

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

AuMEGA Metals Ltd
Condensed consolidated interim statement of changes in equity
For the period ended 30 June 2026

Consolidated	Issued capital $	Option reserves $	Foreign currency translation reserve $	Warrant reserve $	Accumulated losses $	Total equity $
Balance at 1 January 2026	80,148,302	1,934,784	(463,244)	-	(79,157,236)	2,462,606
Loss after income tax expense for the period	-	-	-	-	(3,760,782)	(3,760,782)
Other comprehensive income for the period, net of tax	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	(3,760,782)	(3,760,782)
Transactions with owners in their capacity as owners:						
Share-based payments	-	58,914	-	-	-	58,914
Expiry of employee share rights	-	(22,152)	-	-	22,152	-
Exercise of employee share rights	178,910	(178,910)	-	-	-	-
Ordinary shares & warrants issued	20,897,808	-	-	8,938,888	-	29,836,696
Flow through Premium	154,894	-	-	-	-	154,894
Share issue costs	(1,922,158)	-	-	-	-	(1,922,158)
Balance at 30 June 2026	**99,457,756**	**1,792,636**	**(463,244)**	**8,938,888**	**(82,895,866)**	**26,830,170**

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

AuMEGA Metals Ltd
Condensed consolidated interim statement of cash flows
For the period ended 30 June 2026

	Note	Consolidated		Consolidated	
		3 months ended 30 June 2026 $	**3 months ended 30 June 2025 $**	**6 months ended 30 June 2026 $**	**6 months ended 30 June 2025 $**
Cash flows from operating activities					
Payments to suppliers and employees (inclusive of GST/HST)		(1,089,010)	(594,061)	(1,649,710)	(1,370,336)
Payments for exploration and evaluation expenditure		(1,615,522)	(3,479,468)	(3,774,775)	(5,260,658)
Interest received		70,174	89,943	83,336	169,261
Interest and other finance costs paid		-	(536)	(1,318)	(1,170)
Other revenue		-	151,502	115,116	153,200
			-		
Net cash used in operating activities		**(2,634,358)**	**(3,832,620)**	**(5,227,351)**	**(6,309,703)**
Cash flows from investing activities					
Payments for property, plant and equipment		-	(342)	(213,315)	(12,518)
Net cash used in investing activities		**-**	**(342)**	**(213,315)**	**(12,518)**
Cash flows from financing activities					
Proceeds from issue of shares	8	24,485,010	-	29,939,728	-
Share issue transaction costs		(1,144,731)	-	(1,900,137)	(186,441)
Repayment of lease liabilities		(9,116)	(8,717)	(18,131)	(17,337)
Net cash from/(used in) financing activities		**23,331,163**	**(8,717)**	**28,021,460**	**(203,778)**
Net increase/(decrease) in cash and cash equivalents		20,696,805	(3,841,679)	22,580,794	(6,525,999)
Cash and cash equivalents at the beginning of the financial period		5,998,829	13,068,841	4,015,004	15,726,784
Effects of exchange rate changes on cash and cash equivalents		18,962	(12,200)	118,798	14,177
Cash and cash equivalents at the end of the financial period		**26,714,596**	**9,214,962**	**26,714,596**	**9,214,962**

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

Note 1. General information

The financial statements cover AuMEGA Metals Ltd (the “Company”) as a consolidated entity (the “Group”) consisting of AuMEGA Metals Ltd and the entities it controlled at the end of, or during, the period. The financial statements are presented in Canadian dollars, which is AuMEGA Metals Ltd's functional and presentation currency.

AuMEGA Metals Ltd is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office	Principal place of business
24 Hasler Road Osborne Park, WA 6017	10060 Jasper Ave, Tower 1, Suite 2020 Edmonton, AB, Canada, T5J 3R8

The Company is engaged primarily in mineral exploration, focused on advancing its projects that are located in Newfoundland, Canada. A more detailed description of the nature of the consolidated entity's operations and its principal activities are included in the Management's Discussion and Analysis report, which is not part of the financial statements. AuMEGA Metals Ltd shares are listed on the Australian Securities Exchange (ASX: AAM), the TSX Venture Exchange (TSX-V:AUM) and OTCQB in the United States (OTCQB: AUMMF).

Note 2. Material accounting policy information

These condensed interim consolidated financial statements for the reporting period ended 30 June 2026 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting', as issued by the International Accounting Standards Board.

These condensed interim consolidated financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 31 December 2025 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

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

AASB 7 (IFRS 7) ‘Financial Instruments: Disclosures’ Gain or loss on derecognition

This standard is applicable to annual reporting periods beginning on or after 1 January 2026 and amends paragraph B38 of AASB 7 (IFRS 7) to replace an obsolete reference to paragraph 27A of AASB 7 (IFRS 7) with a reference to paragraphs 72–73 of AASB 13 (IFRS 13) ’Fair Value Measurement’, and to replace the phrase ‘inputs that were not based on observable market data’ with ‘unobservable inputs’ to make the wording consistent with the wording in paragraph 72 of AASB 13 (IFRS 13).

AASB 9 (IFRS 9) ‘Financial Instruments’ Derecognition of lease liabilities and transaction price

This standard is applicable to annual reporting periods beginning on or after 1 January 2026 and amends paragraph 2.1(b)(ii) of AASB 9 (IFRS 9) to add a cross-reference to paragraph 3.3.3 of AASB 9 (IFRS 9) to clarify that when a lease liability has been extinguished in accordance with AASB 9 (IFRS 9), the lessee is required to apply paragraph 3.3.3 and recognise any resulting gain or loss in profit or loss. Transaction price Amends paragraph 5.1.3 of AASB 9 (IFRS 9) to replace ‘their transaction price (as defined in IFRS 15)’ with ‘the amount determined by applying AASB 15 (IFRS 15) due to an inconsistency between 5.1.3 and the requirements in AASB 15 (IFRS 15). As a result, AASB 9 (IFRS 9) Appendix A was also amended to remove the term.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

Note 2. Material accounting policy information (continued)

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

The following Australian Accounting Standards and Interpretations and IFRS Accounting Standards are most relevant to the consolidated entity:

AASB 18 (IAS 18) Presentation and Disclosure in Financial Statements

This standard is applicable to annual reporting periods beginning on or after 1 January 2027 and early adoption is permitted. The standard replaces AASB 1 (IAS 1) 'Presentation of Financial Statements', with many of the original disclosure requirements retained and there will be no impact on the recognition and measurement of items in the financial statements. But the standard will affect presentation and disclosure in the financial statements, including introducing five categories in the statement of profit or loss and other comprehensive income: operating, investing, financing, income taxes and discontinued operations. The standard introduces two mandatory sub-totals in the statement: 'Operating profit' and 'Profit before financing and income taxes'. There are also new disclosure requirements for 'management-defined performance measures', such as earnings before interest, taxes, depreciation and amortisation ('EBITDA') or 'adjusted profit'. The standard provides enhanced guidance on grouping of information (aggregation and disaggregation), including whether to present this information in the primary financial statements or in the notes. The Company will adopt this standard from 1 January 2027, and it is expected that there will be a significant change to the layout of the statement of profit or loss and other comprehensive income.

Basis of preparation

These condensed interim consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments that have been measured at fair value. These consolidated financial statements are presented in Canadian dollars.
The preparation of the condensed interim consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The areas involving a higher degree of judgement or complexity or where assumptions and estimates are significant to the financial statements are disclosed below within this note.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised during the period in which the estimate is revised if the revision affects only that period, or during the period of the revision and further periods if the review affects both current and future periods. The accounting policies adopted are consistent with prior years.

Financial report prepared on a going concern basis

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

During the six month period ended 30 June 2026, the Group incurred a loss after income tax expense of $3,760,782, net operating cash outflows of $5,227,351 and had cash and cash equivalents balance of $26,714,596.

The Group’s cashflow forecasts for the 12 months ending 31 July 2027 indicate that the Group will be in a position to meet its committed operational and administrative expenditure and thus continue to operate as a going concern. The Group also has the ability to curtail discretionary spending should it be required and institute cost saving measures to further reduce corporate and administrative costs. In the Directors’ opinion there are therefore reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Note 3. Restatement of comparatives

Change in accounting policy
During the 31 December 2025 financial year, the Group elected to voluntarily change its accounting policy in respect to exploration and evaluation expenditures.

Previously, exploration and evaluation costs, including costs incurred in acquiring rights to explore, were capitalised in accordance with AASB 6/IFRS 6 *Exploration for and Evaluation of Mineral Resources* where the rights to tenure of the area of interest were current and either:

Note 3. Restatement of comparatives (continued)

- the costs were expected to be recouped through successful development and exploitation of the area of interest; or
- activities in the area had not yet reached a stage that permitted a reasonable assessment of the existence of economically recoverable reserves.

Under the new accounting policy, the Group expenses all exploration and evaluation expenditure as incurred. This includes:

- costs incurred in acquiring exploration licences, permits, and mineral rights; and
- all costs directly associated with exploration and evaluation activities.

This change represents a voluntary change in accounting policy under AASB 108/IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*. The Directors determined that the revised policy provides more relevant and reliable information as it:

- aligns the Group's accounting treatment with that commonly adopted by North American peer companies, which are a key comparator group for investors;
- reflects the inherently uncertain nature of exploration activities;
- reduces the level of judgement required in assessing recoverability of capitalised costs; and
- improves transparency by recognising exploration expenditure in profit or loss as incurred.

Comparative information has been restated and the impact of the change on prior periods is disclosed below.

Condensed consolidated interim statement of profit or loss and other comprehensive income

		Consolidated	
Extract	**Six months ended 30 June 2025 $ Reported**	**$ Adjustment**	**Six months ended 30 June 2025 $ Restated**
Expenses			
Exploration and evaluation expenditure	-	(6,775,284)	(6,775,284)
Profit/(loss) before income tax expense	792,049	(6,775,284)	(5,983,235)
Income tax expense	(1,849,757)	1,849,757	-
Loss after income tax expense for the period attributable to the owners of AuMEGA Metals Ltd	(1,057,708)	(4,925,527)	(5,983,235)
Other comprehensive income for the period, net of tax	-	-	-
Total comprehensive income for the period attributable to the owners of AuMEGA Metals Ltd	(1,057,708)	(4,925,527)	(5,983,235)
	Cents Reported	**Cents Adjustment**	**Cents Restated**
Basic loss per share	(0.07)	(1.01)	(1.08)
Diluted loss per share	(0.07)	(1.01)	(1.08)

	Consolidated		
	Three months ended 30 June 2025		**Three months ended 30 June 2025**
	$	**$**	**$**
Extract	**Reported**	**Adjustment**	**Restated**
Expenses			
Exploration and evaluation expenditure	-	(3,464,365)	(3,464,365)
Profit/(loss) before income tax expense	375,050	(3,464,365)	(3,089,315)
Income tax expense	(1,066,031)	1,066,031	-
Loss after income tax expense for the period attributable to the owners of AuMEGA Metals Ltd	(690,981)	(2,398,334)	(3,089,315)
Other comprehensive income for the period, net of tax	-	-	-
Total comprehensive income for the period attributable to the owners of AuMEGA Metals Ltd	(690,981)	(2,398,334)	(3,089,315)
	Cents Reported	**Cents Adjustment**	**Cents Restated**
Basic loss per share	(0.12)	(0.28)	(0.40)
Diluted loss per share	(0.12)	(0.28)	(0.40)

Note 4. Operating segments

The operating segment information is the same information as provided throughout the consolidated financial statements and therefore not duplicated. The information reported to the Chief Operating Decision Maker ("CODM") is on at least a monthly basis. The CODM is considered to be the Managing Director.

The Company’s operations are in one reportable business segment, being the exploration for gold. The Company operates in one geographical segment, being Canada.

Note 5. Exploration and evaluation expenditure

	Consolidated			
	3 months ended 30 June 2026	**3 months ended 30 June 2025**	**6 months ended 30 June 2026**	**6 months ended 30 June 2025**
	$	**$**	**$**	**$**
Exploration and evaluation expenditure	**1,666,257**	**3,464,365**	**2,362,897**	**6,775,284**

Note 5. Exploration and evaluation expenditure (continued)

The table below shows the breakdown of exploration expenses with respect to the Company's exploration and evaluation expenditure at the Cape Ray Project.

	Consolidated			
	3 months ended 30 June 2026 $	3 months ended 30 June 2025 $	6 months ended 30 June 2026 $	6 months ended 30 June 2025 $
Drilling costs *	153,150	723,823	169,062	1,774,112
Assaying	28,028	283,771	57,835	291,464
Exploration General	59,735	387,280	136,605	916,435
Salary and benefits	555,814	317,056	910,378	594,076
Field costs	106,217	1,206,794	139,921	2,346,327
Geophysics/geochemistry	405,299	347,323	438,259	395,673
HSEC	-	23,286	-	77,956
Administrative	229,622	64,140	324,784	107,515
Travel & Accommodation	123,214	79,032	170,473	199,306
Equipment	5,178	31,860	15,580	72,420
	1,666,257	**3,464,365**	**2,362,897**	**6,775,284**

* Current period drilling costs relate to build up to drilling activities like core boxes etc.

Note 6. Other income

	Consolidated			
	3 months ended 30 June 2026 $	3 months ended 30 June 2025 $	6 months ended 30 June 2026 $	6 months ended 30 June 2025 $
Flow Through Premium Recognised	154,894	1,018,056	154,894	2,041,704
Government grants	-	151,503	115,116	153,200
Interest income	70,174	89,944	83,331	169,261
	225,068	**1,259,503**	**353,341**	**2,364,165**

Note 7. Current liabilities - trade and other payables

	Consolidated	
	30 June 2026 $	31 December 2025 $
Trade payables	196,691	1,147,353
Accrued expenses	379,924	822,916
Other payables	141,995	120,780
	718,610	**2,091,049**

Refer to note 12 for further information on financial instruments.

Note 8. Equity - issued capital

	Consolidated			
	30 June 2026 Shares	**31 December 2025 Shares**	**30 June 2026 $**	**31 December 2025 $**
Ordinary shares - fully paid	**1,455,507,300**	**789,150,364**	**99,457,756**	**80,148,302**

Movements in ordinary share capital

Details	**Date**	**Shares**	**Issue price**	**$**
Balance	1/01/2026	789,150,364		80,148,302
Options exercised	9/01/2026	412,088	$0.00	53,159
Ordinary shares issued	6/03/2026	98,376,589	$0.04	3,565,287
Ordinary shares issued - Hard dollar	14/04/2026	408,973,412	$0.04	11,244,527
Ordinary shares issued - Flow through	14/04/2026	22,127,660	$0.04	1,040,000
Ordinary shares issued - Charity flow through	14/04/2026	135,000,000	$0.05	5,047,994
Options exercised	12/06/2026	1,239,687	$0.09	106,252
Options exercised	30/06/2026	227,500	$0.09	19,499
Flow through premium				154,894
Share issue costs				(1,922,158)
Balance	30 June 2026	**1,455,507,300**		**99,457,756**

On 6 March 2026 the Company raised $5,351,686 through the issue of 98,376,589 Premium Flow-Through Units ("PFT Units") at a price of C$0.0544 and one common share purchase warrant (a "Warrant"), issued as "flow-through shares" under the Income Tax Act (Canada). Each Warrant entitles the holder to acquire one non-flow-through common share at a price of C$0.055 for a period of 30 months.

The fair value of the ordinary shares issued was determined to be $3,565,287, being the price of C$0.04 which was the spot price of the shares at the date of issue. The fair value of the Warrants was determined to be $1,971,676 using a Black-Scholes model (see note 9). The final valuation was assigned to the ordinary shares and warrants issued proportionally to total amount raised of $5,351,686, being $3,565,287 and $1,786,399 respectively. As a result, no amount was allocated to flow through share premium.

On 14 April 2026 the Company raised $16,358,936 through the issue of 408,973,412 Hard dollar shares at a price of C$0.04 and one common share purchase warrant (a "Warrant"). Each Warrant entitles the holder to acquire one non-flow-through common share at a price of C$0.055 for a period of 30 months.

The fair value of the ordinary shares issued was determined to be $16,358,936 being the price of C$0.04 which was the spot price of the shares at the date of issue. The fair value of the Warrants was determined to be $7,440,624 using a Black-Scholes model (see note 9). The final valuation was assigned to the ordinary shares and warrants issued proportionally to total amount raised of $16,358,936, being $11,244,527 and $5,114,409 respectively.

On 14 April 2026 the Company raised $1,040,000 through the issue of 22,127,660 Traditional Flow-Through Units ("TFT Units") at a price of C$0.047, issued as "flow-through shares" under the Income Tax Act (Canada).

The fair value of the ordinary shares issued was determined to be $885,106, being the price of C$0.04 which was the spot price of the shares at the date of issue. $154,894 was allocated to flow through share premium.

On 14 April 2026 the Company raised $7,344,000 through the issue of 135,000,000 Charity Flow-Through Units ("CFT Units") at a price of C$0.0544 and one common share purchase warrant (a "Warrant"), issued as "flow-through shares" under the Income Tax Act (Canada). Each Warrant entitles the holder to acquire one non-flow-through common share at a price of C$0.055 for a period of 30 months.

Note 8. Equity - issued capital (continued)

The fair value of the ordinary shares issued was determined to be $5,400,000 being the price of C$0.04 which was the spot price of the shares at the date of issue. The fair value of the Warrants was determined to be $2,456,111 using a Black-Scholes model (see note 9). The final valuation was assigned to the ordinary shares and warrants issued proportionally to total amount raised of $7,344,000, being $5,047,994 and $2,296,006 respectively. As a result, no amount was allocated to flow through share premium.

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

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

Share buy-back
There is no current on-market share buy-back.

Capital management
The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration and development of its properties and to maintain a flexible capital structure for its projects for the benefit of its stakeholders. In the management of capital, the Company includes the components of shareholders' equity. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or adjust the amount of cash and cash equivalents. Management reviews the capital structure on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to externally imposed capital requirements. There were no changes to the Company's capital management during the six-month period ended 30 June 2026.

Note 9. Equity - reserves

	Consolidated	
	30 June 2026 $	31 December 2025 $
Foreign currency reserve	(463,244)	(463,244)
Options reserve	1,792,636	1,934,784
Warrants reserve	8,938,888	-
	10,268,280	**1,471,540**

Foreign currency reserve
The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Canadian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

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

Warrants reserve
The reserve is used to recognise the fair value of warrants issued.

Note 9. Equity - reserves (continued)

Movements in reserves
Movements in each class of reserve during the current financial period are set out below:

Consolidated	Foreign currency translation reserve $	Option reserve $	Warrants reserve $	Total $
Balance at 1 January 2026	(463,244)	1,934,784	-	1,471,540
Share based payments	-	58,914	-	58,914
Expiry of employee share rights	-	(22,152)	-	(22,152)
Exercise of employee share rights	-	(178,910)	-	(178,910)
Warrants issued - Tranche 1	-	-	1,786,399	1,786,399
Warrants issued - Tranche 2	-	-	7,410,415	7,410,415
Warrant issue costs	-	-	(257,926)	(257,926)
Balance at 30 June 2026	**(463,244)**	**1,792,636**	**8,938,888**	**10,268,280**

Valuation of warrants

Warrants issued during the period	Tranche 1	Tranche 2
Fair value of warrants	$0.020	$0.018
Exercise price	$0.055	$0.055
Grant date	5/03/2026	15/04/2026
Vesting date	5/03/2026	15/04/2026
Expiry date	3/09/2028	15/10/2028
Number of warrants	98,376,589	543,973,412
Valuation of warrants	$1,971,676	$9,896,735
Expected volatility (%)	90.09%	90.09%
Risk-free interest rate (%)	2.91%	2.91%
Expected life of warrants (years)	2.5	2.5
Model used	Black-Scholes	Black-Scholes

Movements in warrants

Details	Date	Warrants	Price	$
Balance 1 January 2026		-		-
Warrants issued	06/03/2026	98,376,589	$0.02	1,786,399
Warrants issued	14/04/2026	543,973,412	$0.02	7,410,415
Warrant issue costs		-	-	(257,926)
		642,350,001		**8,938,888**

Equity incentives recognised during the period

Fair value for options granted during the current financial year has been determined by using the Black-Scholes option pricing model.

Note 9. Equity - reserves (continued)

The following options were issued during the current period;

Director LTI Stock options issued during the period ended 30 June 2026

	Director options tranche one	Director options tranche two	Director options tranche three
Fair value of option	$0.03	$0.03	$0.03
Exercise price	$0.04	$0.04	$0.04
Grant date	28/05/2026	28/05/2026	28/05/2026
Vesting date	1/01/2027	1/01/2028	1/01/2029
Expiry date	28/05/2031	28/05/2031	28/05/2031
Number of options	1,970,000	1,970,000	1,970,000
Expense during the year	$8,086	$3,024	$1,858
Expected volatility (%)	90.09%	90.09%	90.09%
Risk-free interest rate (%)	2.91%	2.91%	2.91%
Expected life of options (years)	1	2	3
Model used	Black-Scholes	Black-Scholes	Black-Scholes

Staff LTI Stock options issued during the period ended 30 June 2026

	Staff options tranche one	Staff options tranche two	Staff options tranche three
Fair value of option	$0.03	$0.03	$0.03
Exercise price	$0.04	$0.04	$0.04
Grant date	1/04/2026	1/04/2026	1/04/2026
Vesting date	1/01/2027	1/01/2028	1/01/2029
Expiry date	1/01/2031	1/01/2031	1/01/2031
Number of options	1,366,667	1,366,667	1,366,667
Expense during the year	$14,128	$6,071	$3,862
Expected volatility (%)	90.09%	90.09%	90.09%
Risk-free interest rate (%)	2.91%	2.91%	2.91%
Expected life of options (years)	1	2	3
Model used	Black-Scholes	Black-Scholes	Black-Scholes

Vesting Conditions of Director and Staff LTI options

The director and staff options vest on the holder remaining employed by the Company at each vesting period.

The valuation model inputs used to determine the fair value of equity incentives on issue at 30 June 2026, at the grant date, are as follows;

Note 9. Equity - reserves (continued)

Grant Date	Vesting Date	Expiry Date	Exercise Price	Expected Volatility %	Risk Free Rate %	Number of Equity Incentives	Number of Equity Incentives Vested	Value per Equity Incentive	Expense during the period
1/05/2022	1/05/2023	1/05/2029	0.26	60%	1.46%	916,667	916,667	0.06	-
1/05/2022	1/05/2024	1/05/2029	0.26	60%	1.46%	916,667	916,667	0.08	-
1/05/2022	1/05/2025	1/05/2029	0.26	60%	1.46%	916,666	916,666	0.09	-
18/02/2022	1/07/2023	18/02/2027	0.28	82%	3.18%	60,000	60,000	0.28	-
31/05/2023	1/03/2024	1/03/2029	-	82%	3.18%	189,873	189,873	0.07	-
31/05/2023	1/03/2025	1/03/2029	-	82%	3.18%	189,873	189,873	0.07	-
31/05/2023	1/03/2026	1/03/2029	-	82%	3.18%	189,874	189,874	0.07	794
22/12/2023	22/12/2023	22/12/2023	0.04	82%	3.18%	1,792,810	1,792,810	0.00	-
24/04/2024	24/04/2024	24/04/2031	0.04	70%	3.18%	1,507,113	1,507,113	0.05	-
15/12/2023	15/12/2023	31/12/2028	-	70%	3.83%	18,124	18,124	0.05	-
15/12/2023	15/12/2023	31/12/2028	-	70%	3.83%	149,135	149,135	0.05	-
15/12/2023	1/01/2024	1/01/2030	0.12	70%	3.83%	2,006,661	2,006,661	0.03	-
15/12/2023	1/01/2025	1/01/2030	0.12	70%	3.83%	2,006,661	2,006,661	0.03	-
15/12/2023	1/01/2026	1/01/2030	0.12	70%	3.83%	2,006,661	2,006,661	0.03	74
15/12/2023	1/01/2025	1/01/2031	0.04	70%	3.83%	2,672,421	2,672,421	0.04	-
15/12/2023	1/01/2026	1/01/2031	0.04	70%	3.83%	2,672,421	2,672,421	0.04	70
15/12/2023	1/01/2027	1/01/2031	0.04	70%	3.83%	2,672,421	-	0.04	8,513
15/12/2023	31/12/2025	31/12/2030	-	70%	3.83%	1,231,030	1,231,030	0.08	20,522
15/12/2023	31/12/2026	31/12/2031	-	70%	3.83%	2,623,876	-	0.09	32,698
15/12/2023	31/12/2026	31/12/2031	-	70%	3.83%	2,623,876	-	0.07	-
30/05/2024	31/12/2024	30/05/2030	0.05	70%	3.83%	6,679,569	6,679,569	0.05	-
30/05/2024	31/12/2025	30/05/2030	0.05	70%	3.83%	6,679,569	6,679,569	0.05	-
27/05/2025	1/01/2026	1/01/2030	-	70%	3.36%	902,083	902,083	0.03	104
27/05/2025	1/01/2026	1/01/2030	0.055	70%	3.36%	1,184,479	1,184,479	0.02	106
27/05/2025	1/01/2027	1/01/2030	0.055	70%	3.36%	1,184,479	-	0.02	7,192
27/05/2025	1/01/2028	1/01/2030	0.055	70%	3.36%	1,184,479	-	0.02	4,426
28/02/2025	1/01/2026	1/01/2030	0.055	70%	3.67%	793,411	793,411	0.02	67
28/02/2025	1/01/2027	1/01/2030	0.055	70%	3.67%	793,411	-	0.02	5,511
28/02/2025	1/01/2028	1/01/2030	0.055	70%	3.67%	793,411	-	0.02	3,572
1/05/2025	1/01/2026	1/01/2030	0.055	70%	3.24%	852,273	852,273	0.02	(15,869)
1/05/2025	1/01/2027	1/01/2030	0.055	70%	3.24%	852,273	-	0.02	(6,374)
1/05/2025	1/01/2028	1/01/2030	0.055	70%	3.24%	852,272	-	0.02	(3,988)
27/05/2025	1/01/2028	1/01/2030	-	70%	3.83%	3,553,436	-	0.04	-
28/02/2025	1/01/2028	1/01/2030	-	70%	3.36%	2,380,236	-	0.05	-
1/05/2025	1/01/2028	1/01/2030	-	70%	3.36%	2,556,818	-	0.04	-
1/05/2025	1/05/2026	1/05/2030	0.06	70%	3.36%	2,000,000	2,000,000	0.02	(20,361)
1/05/2025	1/05/2027	1/05/2030	0.06	70%	3.36%	2,000,000	-	0.02	(12,498)
1/05/2025	1/05/2028	1/05/2030	0.06	70%	3.36%	2,000,000	-	0.02	(8,325)
27/05/2025	27/05/2027	31/12/2029	-	70%	3.36%	415,512	-	0.03	3,392
27/05/2025	27/05/2028	31/12/2029	-	70%	3.36%	415,513	-	0.03	2,259
28/05/2026	1/1/2027	28/5/2031	0.04	90%	2.91%	1,970,000	-	0.04	8,086
28/05/2026	1/1/2028	28/5/2031	0.04	90%	2.91%	1,970,000	-	0.04	3,024
28/05/2026	1/1/2029	28/5/2031	0.04	90%	2.91%	1,970,000	-	0.04	1,858
1/04/2026	1/1/2027	1/01/2031	0.04	90%	2.91%	1,366,667	-	0.04	14,128
1/04/2026	1/1/2028	1/01/2031	0.04	90%	2.91%	1,366,667	-	0.04	6,071
1/04/2026	1/1/2029	1/01/2031	0.04	90%	2.91%	1,366,667	-	0.04	3,862
						75,446,055	38,534,041		58,914

Note 10. Equity - accumulated losses

	Consolidated	
	30 June 2026	**31 December 2025**
	$	**$**
Accumulated losses at the beginning of the financial period	(79,157,236)	(67,640,720)
Loss after income tax expense for the period	(3,760,782)	(11,516,516)
Transfer to options reserve	22,152	-
Accumulated losses at the end of the financial period	**(82,895,866)**	**(79,157,236)**

Note 11. Equity - dividends

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

Note 12. Financial instruments

Financial risk management objectives
The Company's financial instruments consist of cash and cash equivalents, and trade and other payables. The fair value of the financial instruments approximates their carrying values, unless otherwise noted. The Company's risk exposures and the impact on the Company's financial instruments are summarised below:

Foreign currency risk
Foreign exchange risk is the risk that the Company's financial instruments will fluctuate in value as a result of movements in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars. As at 30 June 2026 , the Company is exposed to currency risk as some transactions and balances are denominated in Australian dollars. As at 30 June 2026, a 10% change of the Canadian dollar relative to the Australian dollar would have net financial impact of approximately $41,197 31 December 2025 - $338,810). The Company does not use derivative instruments to hedge exposure to foreign exchange rate risk.

Credit risk
The Company's credit risk is mainly attributable to its liquid financial assets: cash and cash equivalents. The Company deposits cash with high credit quality financial institutions and credit risk is considered to be minimal. The Company's maximum exposure to credit risk is $26,714,596 which is the carrying value of the Company's cash and cash equivalents at 30 June 2026.

Liquidity risk
The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at 30 June 2026, the Company had available a cash and cash equivalents balance of $26,714,596 (31 December 2025 - $4,015,004) to settle current liabilities of $941,400 (31 December 2025 - $2,304,405).

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

Note 13. Commitments

(a) Exploration minimum expenditure

The consolidated entity must meet tenement expenditure commitments to maintain its tenements in good standing. These commitments are not provided for in the financial statements and are as follows:

Note 13. Commitments (continued)

	Consolidated 30 June 2026 $	31 December 2025 $
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	139,518	1,396,006
One to five years	892,842	12,569
More than five years	530,578	291,374
	1,562,938	1,699,949

(b) Flow-through financings

Historically, the Company has entered into flow-through private placements ("FT Placements") to fund exploration activities, the most recent being the 2026 FT Placements. Canadian tax rules require the Company to spend flow-through funds on "Canadian exploration expenses" (as defined in the Income Tax Act (Canada)) by the end of the calendar year following the year in which they were raised.

The Company indemnifies the subscribers of flow-through shares from any tax consequences should the Company, notwithstanding its plans, fail to meet its commitments under the flow-through subscription agreements.

During March 2026 the Company completed a Flow-Through Offering for $5,350,000, thus committing to spend this amount by 31 December 2027 on "Canadian exploration expenses" which qualify as "flow-through mining expenditures", as these terms are defined in the Income Tax Act (Canada) ("Resource Expenditures").

During April 2026 the Company completed a Flow-Through Offering for $8,400,000, thus committing to spend this amount by 31 December 2027 on "Canadian exploration expenses" which qualify as "flow-through mining expenditures", as these terms are defined in the Income Tax Act (Canada) ("Resource Expenditures").

At 30 June 2026, the Company has expended $1,600,000 of the 2026 FT Private Placement amount of $13,750,000 on Resource Expenditures. The Company has until 31 December 2027 to spend the remaining outstanding balance of approximately $12,150,000 on Resource Expenditures.

The Company may be subject to interest on flow-through proceeds ("Part XII.6 tax") renounced under the look- back rules in respect of prior years, and penalties, in accordance with regulations in the Income Tax Act (Canada), if it is determined that flow-through proceeds were not properly or timely spent on Canadian exploration expenses. Any Part XII.6 tax is expensed as incurred, as an operating expense.

Note 14. Events after the reporting period

On 6 July 2026, the Company appointed Rafael Gradim as President, effective 1 August 2026.

On the same day the Company announced that Michael Skead stepped down as President of the Company, effective immediately, for personal reasons.

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

Note 15. Loss per share

	Consolidated			
	3 months ended 30 June 2026	**3 months ended 30 June 2025**	**6 months ended 30 June 2026**	**6 months ended 30 June 2025**
Loss after income tax attributable to the owners of AuMEGA Metals Ltd	**(2,427,403)**	**(3,089,315)**	**(3,760,782)**	**(5,983,235)**
	Number	**Number**	**Number**	**Number**
Weighted average number of ordinary shares used in calculating basic loss per share	1,303,995,986	555,281,775	938,902,328	555,281,775
Weighted average number of ordinary shares used in calculating diluted loss per share	1,303,995,986	555,281,775	938,902,328	555,281,775
	Cents	**Cents**	**Cents**	**Cents**
Basic loss per share	(0.19)	(0.56)	(0.40)	(1.08)
Diluted loss per share	(0.19)	(0.56)	(0.40)	(1.08)