

ASX:IND

Half Yearly Report

Ended 31 December 2025

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Corporate Directory

Directors

Ashley Pattison, Non-Executive Chairman

Jeffrey Sweet, CEO & Managing Director

Alex Neuling, Non-Executive Director

Melanie Leighton, Non-Executive Director

Company Secretary

Natalie Madden

Principal and Registered Office

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Auditors

HLB Mann Judd

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Bankers

Westpac

Securities Exchange Listing

Australian Securities Exchange

ASX CODE: IND

Share Registry

XCEND

Level 2, 477 Pitt Street, Haymarket NSW 2000

Telephone: +61 2 8591 8509

Directors' Report

The Directors of Industrial Minerals Ltd (the Company or IND) submit herewith the interim report of the Group for the half-year ended 31 December 2025. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

Directors

The names and particulars of the Directors of the Company during or since the end of the half-year are:

Ashley Pattison, Non-Executive Chairman

Jeffrey Sweet, CEO and Managing Director

Melanie Leighton, Non-Executive Director

Alex Neuling, Non-Executive Director

Principal Activities

The principal activity of the Company during the half-year was mineral exploration in Western Australia.

Dividends

The Directors resolved that no dividend be paid for the half-year.

Subsequent events

There has not been any matters or circumstances occurring subsequent to the end of the half year that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

Review of operations

Pippingarra Pegmatite Project¹

IND has an option to acquire an 80% interest in the non-construction mineral rights within Mining Lease M45/258, including rights to lithium and High Purity Quartz (HPQ) mineralisation. The arrangement was secured through an option agreement with tenement owner, North West Quarries Pty Ltd (NWQ), a private contractor offering mining services, and was recently extended until 24 October 2026.

Pippingarra is in the Pilbara region of Western Australia, approximately 35km southeast of Port Hedland. The project benefits from excellent infrastructure access via sealed highways directly connecting to Port Hedland's port facilities, providing a significant logistical advantage for product export.

The project is situated within the Marble Bar District of the Pilbara Mineral Field and is accessed along the Great Northern Highway from Port Hedland via the Pippingarra-Wittenoom Road.

Mineral Resource Estimate for Pippingarra Quarry

During October 2025, the Pippingarra Quarry Mineral Resource Estimate² (MRE) was completed by independent expert consultant Mr Steve Rose of Rose Mining Geology (RMG). The MRE was completed in accordance with the JORC 2012 code. RMG completed lithological modelling, statistical analysis and the creation of a block model estimate.

The Pippingarra Quarry Inferred MRE totals approximately 6.2 Mt at 98% SiO₂ (Table 1).

¹ ASX Announcement 5 August 2025 – Pippingarra Option Extension

² ASX Announcement 29 October 2025 - Maiden High Purity Quartz Mineral Resource Estimate for the Pippingarra Quarry Project

Table 1: Pippingarra Quarry Inferred Mineral Resource Estimate using 90% SiO₂ cut-off within pegmatite lithology domain. Differences may occur in totals due to rounding.

| Resource Classification | Density (g/cm ³) | Volume (000,000) (m ³) | Tonnes (000,000) (t) | SiO ₂ (%) | Al ₂ O ₃ (%) | CaO (%) | Fe ₂ O ₃ (%) | MgO (%) | Na ₂ O (%) | K ₂ O (%) | TiO ₂ (%) |
|-------------------------|------------------------------|------------------------------------|----------------------|----------------------|------------------------------------|---------|------------------------------------|---------|-----------------------|----------------------|----------------------|
| Inferred | 2.60 | 2.4 | 6.2 | 97.99 | 0.92 | 0.00 | 0.06 | 0.01 | 0.10 | 0.20 | 0.02 |
| Total | 2.60 | 2.4 | 6.2 | 97.99 | 0.92 | 0.00 | 0.06 | 0.01 | 0.10 | 0.20 | 0.02 |

The Mineral Resources are reported on a 100% basis, while the option agreement between IND and the lease holder, once exercised, allows for an incorporated joint venture with IND as manager (80% IND / 20% NWQ).

Pippingarra Quarry Exploration Target

The Pippingarra Project Mineral Resource Estimate is confined to areas with sufficient drilling and assay data to support classification under the JORC (2012) Code. However, drilling extends well beyond the defined resource and outlines a much broader pegmatite system with potential for additional silica, mica and potassium-feldspar mineralisation. An exploration target was estimated for silica, muscovite mica and potassium feldspar as potential saleable biproducts along with the production of high purity quartz at the Pippingarra Quarry.

- The exploration target for silica is 35 to 50 million tonnes at a grade of 85% to 98%.
- The exploration target for muscovite mica is 10 to 20 million tonnes at a grade of 40% to 60%.
- The exploration target for potassium feldspar is 10 to 25 million tonnes at a grade of 40% to 60%.

Cautionary Statement: This is an Exploration Target. The potential quantity and grade is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource over this wider area and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

A total of 535 drillholes have been completed across the project area for 17,212 m. Hole spacing ranges from 10 m to 80 m and includes predominantly RC and percussion drilling with a smaller component of diamond drilling.

All holes have been logged in detail for lithology, enabling modelling of the pegmatite's geometry and derivation of a conceptual tonnage and mineral distribution.

Silica, muscovite mica and potassium feldspar (K-feldspar) are easily identifiable in drill chips and represent major constituents of the pegmatite. The geological logging includes estimates of the relative proportions of these minerals by the site geologist.

To date, Industrial Minerals' laboratory assays have focused primarily on lithium and silica potential; nevertheless, geological logging has consistently been used to define the extent of quarrying limits and to guide future exploration.

The Target is based on the interpreted pegmatite volume within mining lease M45/258 and within approximately 90m of surface, excluding areas already classified as Inferred Resources. Geological modelling indicates the pegmatite extends over 1,000–1,200 m in length, 200–300 m in width, and up to ~150 m in depth, yielding a total conceptual volume exceeding 150Mt.

Silica occurs as localized zones within the parent pegmatite, requiring further drill definition. Muscovite mica and K-feldspar zones may overlap but are generally interpreted as distinct from the silica-dominant domains based on geological logging and hand-specimen observations.

To advance the assessment of the mica and potassium feldspar mineralisation, Industrial Minerals plans to conduct a focused analytical program comprising X-ray diffraction (XRD) analysis on samples from two representative drillholes to determine mineralogy, followed by whole-rock assays on the same samples to derive normative mineral formulas. Industrial Minerals retains samples from 42 recently drilled RC holes, enabling this work to proceed without additional drilling. The program is relatively straightforward and can be completed within approximately four months.

Strategic Positioning and Market Context

The Pippingarra mineral resource is strategically positioned to capitalise on growing global demand for high purity quartz, driven by expansion in semiconductor manufacturing and solar PV industries. The resource quality, with the pegmatite domain achieving 98% SiO₂, is comparable to world-class pegmatite deposits such as those in the Spruce Pine district of North Carolina.

The scale of the resource, with 6.2Mt of high-grade material plus substantial exploration upside, provides critical supply security for potential offtake partners. IND customers in the HPQ sector require confidence in long-term consistent supply to justify their investment in processing facilities and market development. The size and quality of Pippingarra positions IND to meet these supply security requirements over extended timeframes.

Next steps

IND is planning the following activities:

- Conduct mineralogical assessment of existing drill samples to model mineral zones including quartz, feldspar and mica.
- Evaluate additional drilling to upgrade resource classification and expand resource base to include potential feldspar and mica.
- Expand mineral sorting and beneficiation testwork to include quartz, feldspar, mica and other minerals identified in mineralogy analysis.
- Progress marketing activities and strategic partnership engagement in the APAC region and globally.

The Company continues to evaluate additional mineral project acquisition opportunities that may support portfolio diversification while maintaining the momentum of HPQ development.

Auditor's Independence Declaration

The auditor's independence declaration is included on page 7 of the interim financial report.

The Directors' Report is signed in accordance with a resolution of Directors made pursuant to s306(3) of the Corporations Act 2001.



Ashley Pattison

Non-Executive Chairman

Perth, 10 March 2026

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Industrial Minerals Ltd for the half-year ended 31 December 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Perth, Western Australia
10 March 2026



M R Ohm
Partner

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Industrial Minerals Ltd

Report on the Condensed Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Industrial Minerals Ltd (the "Company") and its controlled entities (the "Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2025, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, selected explanatory notes, and the directors' declaration, for the Group comprising the Company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Industrial Minerals Ltd does not comply with the *Corporations Act 2001* including:

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

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibility is further described in the *Auditor's Responsibility for the Review of the Financial Report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the "Code") that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Responsibility of the Directors for the Financial Report

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

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Auditor's Responsibility for the Review of the Financial Report

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

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

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
10 March 2026



M R Ohm
Partner

Directors' Declaration

In the Directors' opinion:

- (a) The financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional requirements;
- (b) The financial statements and notes give a true and fair view of the Group's financial position at 31 December 2025 and of its performance for the half-year ended on that date;
- (c) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations required by s.303(3) of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Board of Directors.

On behalf of the Directors



Ashley Pattison

Non-Executive Chairman

Perth, 10 March 2026

Condensed consolidated statement of profit or loss and other comprehensive income

For the half-year ended 31 December 2025

| | Note | Half-year ended 31/12/25 \$ | Half-year ended 31/12/24 \$ |
|--|------|-----------------------------------|-----------------------------------|
| Continuing operations | | | |
| Other income | | 1,897 | 20,746 |
| Finance costs | (3) | (3,706) | (3,310) |
| Exploration expenses | (3) | (8,351) | (1,088,190) |
| Administrative and corporate expenses | | (78,587) | (117,743) |
| Consulting fees | | (113,953) | (104,156) |
| Stakeholder relations | | (3,909) | (11,155) |
| Marketing and public relations | | (43,021) | (193,532) |
| Share-based payments | (7) | - | (365,400) |
| Occupancy expenses | | (20,393) | (14,888) |
| Depreciation | (3) | (26,770) | (34,556) |
| Other expenses | | (13,690) | (18,399) |
| Loss from ordinary activities before income tax | | (310,483) | (1,930,583) |
| Income tax | | - | - |
| Loss for the period | | (310,483) | (1,930,583) |
| Other comprehensive income | | - | - |
| Total comprehensive loss for the period | | (310,483) | (1,930,583) |
| Loss per share | | | |
| Basic (loss) per share (cents per share) | | (0.39) | (2.51) |
| Diluted (loss) per share (cents per share) | | (0.39) | (2.51) |

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

Condensed consolidated statement of financial position

As at 31 December 2025

| | Note | 31/12/25 \$ | 30/06/25 \$ |
|--|------|------------------|------------------|
| Current assets | | | |
| Cash | | 517,312 | 881,836 |
| Trade and other receivables | | 70,000 | 71,370 |
| Total current assets | | 587,312 | 953,206 |
| Non-current assets | | | |
| Capitalised exploration and evaluation expenditure | (5) | 2,526,470 | 2,281,803 |
| Property, plant and equipment | | 49,485 | 57,929 |
| Right-of-use assets | | 43,624 | 61,950 |
| Other non-current assets | | 18,850 | 18,850 |
| Total non-current assets | | 2,638,429 | 2,420,532 |
| Total assets | | 3,225,741 | 3,373,738 |
| Current liabilities | | | |
| Trade and other payables | | 543,071 | 325,427 |
| Current lease liability | | 39,982 | 38,611 |
| Borrowings | | 10,185 | 49,874 |
| Total current liabilities | | 593,238 | 413,912 |
| Non-current liabilities | | | |
| Non-current lease liability | | 13,939 | 30,779 |
| Total non-current liabilities | | 13,939 | 30,779 |
| Total liabilities | | 607,177 | 444,691 |
| Net assets | | 2,618,564 | 2,929,047 |
| Equity | | | |
| Issued capital | (6) | 8,564,925 | 8,564,925 |
| Reserves | | 1,631,288 | 1,631,288 |
| Accumulated losses | | (7,577,649) | (7,267,166) |
| Total equity | | 2,618,564 | 2,929,047 |

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

Condensed consolidated statement of changes in equity

For the half-year ended 31 December 2025

| | Issued capital | Share based payment reserve | Accumulated losses | Total equity |
|---|-------------------|-----------------------------------|-----------------------|------------------|
| | \$ | \$ | \$ | \$ |
| Balance at 1 July 2024 | 6,478,882 | 1,240,888 | (4,917,789) | 2,801,981 |
| Loss for the period | - | - | (1,930,583) | (1,930,583) |
| Total comprehensive loss for the period | - | - | (1,930,583) | (1,930,583) |
| Share placement | 1,900,000 | - | - | 1,900,000 |
| Share purchase plan | 412,500 | - | - | 412,500 |
| Share based payments | (25,000) | 390,400 | - | 365,400 |
| Share issue costs | (201,457) | - | - | (201,457) |
| Balance at 31 December 2024 | 8,564,925 | 1,631,288 | (6,848,372) | 3,347,841 |
| Balance at 1 July 2025 | 8,564,925 | 1,631,288 | (7,267,166) | 2,929,047 |
| Loss for the period | - | - | (310,483) | (310,483) |
| Total comprehensive loss for the period | - | - | (310,483) | (310,483) |
| Balance at 31 December 2025 | 8,564,925 | 1,631,288 | (7,577,649) | 2,618,564 |

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

Condensed consolidated statement of cash flows

For the half-year ended 31 December 2025

| | Half-year ended 31/12/25 \$ | Half-year ended 31/12/24 \$ |
|---|-----------------------------------|-----------------------------------|
| Cash flows from operating activities | | |
| Payments to suppliers and employees | (174,127) | (514,626) |
| Payments for non-capitalised exploration and evaluation | (26,512) | (152,797) |
| Interest received | 1,897 | 8,146 |
| Net cash (outflow) from operating activities | (198,742) | (659,277) |
| Cash flows from investing activities | | |
| Payments for capitalised exploration and evaluation expenditure | (99,918) | (557,230) |
| Net cash (outflow) from investing activities | (99,918) | (557,230) |
| Cash flows from financing activities | | |
| Proceeds from share issue | - | 2,312,500 |
| Costs of issue | - | (201,457) |
| Interest paid | (3,706) | (3,310) |
| Repayment of loans | (39,689) | - |
| Repayment of lease liabilities | (22,469) | (17,690) |
| Net cash (outflow) /inflow from financing activities | (65,864) | 2,090,043 |
| Net (decrease)/ increase in cash and cash equivalents | (364,524) | 873,536 |
| Cash and cash equivalents at beginning of the period | 881,836 | 358,951 |
| Cash and cash equivalents at the end of the period | 517,312 | 1,232,487 |

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

Notes to the condensed consolidated financial statements

For the half-year ended 31 December 2025

1. Material accounting policies

These general purpose financial statements for the interim reporting period ended 31 December 2025 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 International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These condensed general purpose interim 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 period ended 30 June 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 principal accounting policies adopted and methods of computation are consistent with those of the previous financial period, unless otherwise stated.

Going concern

The financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activity and the commercial realisation of the Group's assets and the settlement of liabilities in the normal course of business.

The Directors have prepared a cashflow forecast which indicates the Group will be required to raise capital to meet all commitments and working capital requirements. The Directors have also indicated that they would be willing to defer payment of their own fees until such funding has been obtained. The Directors expect that the Group will be able to successfully raise sufficient funding to enable it to continue as a going concern for at least 12 months from the signing of this financial report.

Should the Group be unable to raise sufficient funding, there is a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts which differ to those stated in the financial statements.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. There was no material impact to Company accounting policies.

Any new or amended Accounting Standards or Interpretations in issue that are not yet mandatory have not been early adopted and are not expected to have a material impact on accounting policies.

2. Segment note

Identification of reportable operating segments

The Group is organised into one operating segment, being mining and exploration operations. This operating segment is based on the internal reports that are reviewed and used by the Board of Directors in assessing performance and in determining the allocation of resources.

Types of products and services

The principal products and services of this operating segment are the mining and exploration operations in Western Australia.

Notes to the condensed consolidated financial statements

For the half-year ended 31 December 2025

3. Expenses

Loss before income tax from continuing operations includes the following specific expenses:

| | Half-year ended 31 December 2025 \$ | Half-year ended 31 December 2024 \$ |
|--|---|---|
| <u>Share-based payment expense</u> | | |
| Consultant options | - | 34,800 |
| Director options | - | 330,600 |
| | - | 365,400 |
| <u>Exploration expenses</u> | | |
| Expenditure not capitalised | 8,351 | 174,997 |
| Impairment of capitalised exploration | - | 913,193 |
| | 8,351 | 1,088,190 |
| <u>Depreciation</u> | | |
| Depreciation on property, plant and equipment | 8,444 | 16,230 |
| Depreciation on right-of-use assets | 18,326 | 18,326 |
| Depreciation transferred to exploration and evaluation | - | - |
| | 26,770 | 34,556 |
| <u>Finance costs</u> | | |
| Interest on lease liabilities | 2,031 | 3,310 |
| Interest on loan | 1,675 | - |
| | 3,706 | 3,310 |

4. Dividends

No dividend has been paid or proposed in respect of the half-year ended 31 December 2025 (2024: nil).

5. Capitalised exploration and evaluation expenditure

| Exploration and evaluation phase: | \$ |
|--|------------------|
| Balance 1 July 2024 | 2,635,242 |
| Exploration expenditure incurred | 838,805 |
| Impairment recognised ² | (1,036,964) |
| Expenditure not capitalised ¹ | (155,280) |
| Balance at 30 June 2025 | 2,281,803 |
| Exploration expenditure incurred | 253,018 |
| Impairment recognised ² | - |
| Expenditure not capitalised ¹ | (8,351) |
| Balance at 31 December 2025 | 2,526,470 |

1. Exploration expenditure on areas of interest where tenure was not granted at period end was written off to profit or loss.
2. An impairment has been recognised of previously capitalised exploration expenditure on tenements where no further activity is planned and tenure will not be continued.

Notes to the condensed consolidated financial statements

For the half-year ended 31 December 2025

The ultimate recoupment of exploration and evaluation expenditure carried forward is dependent on successful development and exploitation, or alternatively sale of the respective area of interest. Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, costs of drilling and production, production rates, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

6. Share capital

| | 31/12/25 | 30/06/25 |
|---|-----------|-----------|
| | \$ | \$ |
| 80,322,500 fully paid ordinary shares (30 June 2025: 80,322,500) | 8,564,925 | 8,564,925 |
| | 8,564,925 | 8,564,925 |

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number and amounts paid on the shares held. On a show of hands, every holder of ordinary shares present at a meeting in person or by proxy is entitled to one vote, and upon a poll each share is entitled to a vote.

Ordinary shares have no par value, and the Company does not have a limited amount of authorised capital.

There were no movements in share capital during the period.

Share Options

Unissued shares under option at balance date were as follows:

| Series | Number of shares under option | Class of shares | Exercise price of option | Expiry date of options |
|-----------------------------|-------------------------------------|-----------------|--------------------------------|---------------------------|
| Placement/SPP options | 5,768,748 | Ordinary | \$0.30 | 11/11/2027 |
| Lead broker options | 1,000,000 | Ordinary | \$0.30 | 11/11/2027 |
| Director/Consultant options | 5,250,000 | Ordinary | \$0.30 | 30/11/2027 |

All options were issued by Industrial Minerals Ltd. The following options expired during the period:

- 1,250,000 director options exercisable at \$0.40 on or 30 November 2025 expired unexercised.
- 1,250,000 director options exercisable at \$0.30 on or 30 November 2025 expired unexercised.

No options were issued during the period.

Notes to the condensed consolidated financial statements

For the half-year ended 31 December 2025

7. Share-based payments

| | Half-year ended 31 December 2025 | Half-year ended 31 December 2024 |
|--------------------------------------|-------------------------------------|-------------------------------------|
| Recognised in profit or loss: | | |
| Director incentives | - | 330,600 |
| Consultant incentives | - | 34,800 |
| | - | 365,400 |
| Recognised in equity | | |
| Broker options | - | 25,000 |
| | - | 25,000 |

Incentive options

During the previous period, a total of 5,250,000 options exercisable at \$0.30 on or before 30 November 2027 were issued to the directors and Company Secretary of the Group as a performance incentive.

Broker options

During the previous period, 1,000,000 options exercisable at \$0.30 on or before 11 November 2027 were issued to the Group's lead broker on completion of the SPP and Placement.

Fair value of share options granted in the prior period:

Options were priced using the Black-Scholes option pricing model.

| | Incentive options | Broker options |
|-------------------------|-------------------|----------------|
| Number issued | 5,250,000 | 1,000,000 |
| Grant date | 10/12/2024 | 11/11/2024 |
| Exercise price | \$0.30 | \$0.30 |
| Expected volatility | 95% | 95% |
| Option life | 3 years | 3 years |
| Dividend yield | Nil | Nil |
| Risk free interest rate | 3.85% | 3.85% |

Notes to the condensed consolidated financial statements

For the half-year ended 31 December 2025

8. Financial instruments

Fair value of financial assets and liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required).

The Group holds the following financial instruments:

| | 31/12/25 | 30/06/25 |
|---|----------|----------|
| | \$ | \$ |
| Financial assets | | |
| Cash and cash equivalents | 517,312 | 881,836 |
| Loans and receivables (including trade receivables) | 70,000 | 71,370 |
| Financial liabilities | | |
| Trade and other payables (at amortised cost) | 543,071 | 325,427 |
| Lease liabilities | 53,921 | 69,390 |
| Borrowings | 10,185 | 49,874 |

The directors consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair value.

9. Key management personnel

Remuneration arrangements of key management personnel are disclosed in the 30 June 2025 financial report. There has been no material change since 30 June 2025.

10. Commitments

In order to maintain and preserve rights of tenure to granted exploration tenements, the Group is required to meet certain minimum levels of exploration expenditure specified by the State Government of Western Australia. The WA commitments are subject to amendment from time to time as a result of changes to the number or area of granted tenements, escalating expenditure with tenement age, a change of tenement type from exploration license to mining lease or other reasons pursuant to the WA Mining Act.

As at reporting date these future minimum exploration expenditure commitments are as follows:

| | 31/12/25 | 30/06/25 |
|--|-----------|-----------|
| | \$ | \$ |
| Not longer than 1 year | 608,400 | 1,010,500 |
| Longer than 1 year and not longer than 5 years | 921,600 | 2,841,750 |
| Longer than 5 years | - | - |
| Total | 1,530,000 | 3,852,250 |

Notes to the condensed consolidated financial statements

For the half-year ended 31 December 2025

11. Subsequent events

There has not been any matters or circumstances occurring subsequent to the end of the half year that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.