

Nex Metals Explorations Limited

ABN: 63 124 706 449

Full Year Financial Report
for the year ended 30 June 2025



Contents

Directors' Report.....	4
Consolidated Entity Disclosure Statement	16
Directors Declaration	17
Auditors' independence declaration	18
Consolidated Statement of Profit or Loss and Other Comprehensive Income	19
Consolidated Statement of Financial Position	20
Consolidated Statement of Changes in Equity	21
Consolidated Statement of Cash Flows.....	22
Notes to the Consolidated Financial Statements	23
Independent Auditors Report	44
Corporate Governance Statement.....	48
Shareholder information.....	53

CORPORATE DIRECTORY

DIRECTORS

Thomas F Percy KC
Kenneth Allen
Dato' Dr. Chua Hock Hoo
Raja Mohd Azmi Bin Raja Razali (Alternative to Hock Hoo Chua)
Gregory Barns SC (Appointed 7 July 2025)

COMPANY SECRETARY

Kenneth Allen

**PRINCIPAL AND REGISTERED
OFFICE**

45 Guthrie Street
Osborne Park WA 6017

Telephone: (08) 92216813
Website: www.nexmetals.com

AUDITORS

Armada Audit and Assurance Pty Ltd
18 Sangiorgio Court
Osborne Park WA 6017

SHARE REGISTRY

Automic Group
Level 5, 126 Phillip Street
Sydney, NSW 2000
Ph. 1300 288 664

STOCK EXCHANGE LISTING

Australian Securities Exchange
Home Exchange: Perth, Western Australia
ASX Code: NME

DIRECTORS' REPORT

Directors' Report

The directors of Nex Metals Explorations Limited (the "company") submit herewith the financial report for the financial year ended 30 June 2025 on the company and its controlled entity (the "consolidated entity").

The names of the directors of the company at any time during or since the end of the financial year are:

Name

Thomas F Percy KC

Kenneth M Allen

Dato' Dr. Chua Hock Hoo

Raja Mohd Azmi Bin Raja Razali (Alternative to Dato' Dr. Chua Hock Hoo)

Gregory Barns SC

Directors Qualifications and Experience

Thomas Percy KC (Chairman) B.Juris., LL.B.

Mr Percy was born in Kalgoorlie where his family ran the Federal Hotel for over 60 years. Mr Percy attended Kalgoorlie Central Primary School and later Scotch College in Perth. After graduating from the University of W.A. in 1977 as Bachelor of Jurisprudence and Bachelor of Laws he completed his Articles in Kalgoorlie; where he practiced for the next 10 years. Mr Percy became a partner in the firm Lalor & Co in 1981, and later practiced on his own as a Barrister. He joined the W.A. Bar Association in 1984 and was appointed Queen's Counsel in December 1997. Mr Percy specialises in criminal trials and appeals and has been involved in many prominent cases over the past 25 years. He also has significant experience in mining litigation and Warden's Court cases.

He was a founding member and former Chairman of the Goldfields Credit Union, is currently a National Director of the Australian Lawyers Alliance and is a Director and Life Member of the East Perth Football Club.

Directorships held in other listed entities during the past 3 years: - None

Kenneth M Allen (Managing Director - Company Secretary) B.Bus (Curtin), PNA, FNTAA, FTIA.

Mr Allen has been a qualified accountant since 1988 and in his own Public Accounting Practice in Kalgoorlie-Boulder since 1991, and subsequently in his Perth Office. He has been involved in mining for over 20 years both directly and via his family's prospecting interests. Mr Allen is a Chartered Tax Adviser and Fellow of the Taxation Institute of Australia. Mr Allen brings to the board extensive commercial experience in mining matters as well as a passion for sustainable and balanced environmental issues and practical carbon reductions for the mining industry.

Directorships held in other listed entities during the past 3 years: - None

Professor Dato' Dr. Chua Hock Hoo (Non-Executive Director) PhD, MBA, CA(M), FCPA, FCMA, FTII, CFP

Dr Chua qualified as a professional accountant from the Chartered Institute of Management Accountants (UK) in 1993. He obtained Doctorate in Knowledge Management (PHD) from University of Malaya in 2012 and Master of Business Administration (MBA) from Oklahoma City University, USA in 1995. He had successfully completed the 5th Asean Senior Management Development Program organized by Harvard Business School Alumni Club of Malaysia on 7 July 2013.

Dr Chua distinguished himself in practice as an auditor, licensed liquidator and a tax consultant. He is the co-founder and currently the Managing Partner of Cheng & Co, a Chartered Accountants firm in Malaysia. He has been appointed as an Adjunct Professor of UNITAR International University since January 2014, University Kebangsaan Malaysia 2019, Oklahoma City University (USA) 2017 and Universiti Malaysia Sabah 2024. He is a member of the Malaysian Institute of Accountants, Malaysian Institute of Taxation and Financial Planning Association of Malaysia, a fellow member of the Chartered Institute of Management Accountants (UK), a fellow member of CPA Australia, and an associate member of the Institute of Internal Auditors Malaysia. He is also a member of Harvard Business School Alumni Club of Malaysia.

Directorships held in other listed entities during the past 3 years - CC International Berhad (Bursa)

Raja Mohd Azmi Bin Raja Razali (Alternative representing Dato' Dr. Chua Hock Hoo)

Mr Razali is a former Group Chief Financial Officer of AirAsia and Chief Executive Officer of AirAsia between 2001 and 2007. Formerly he was also a director of Malaysia listed company Masterskill Education Group Berhad and Executive Chairman of private property development group Mainstay Holdings Sdn Bhd (owner of Space U8 Shopping Complex).

Directorships held in other listed entities during the past 3 years - None.

DIRECTORS' REPORT

Gregory Barns SC (Non-Executive Director, appointed 7 July 2025) Greg graduated from Monash University in 1984. Greg has a national legal practice and is based in Hobart and Melbourne. He regularly appears in cases in Western Australia. He is also a member of the Tasmanian, Victorian, Western Australian and New Zealand Bars. Greg was chief of staff and senior adviser to a number of federal and various state MP's and ministers from 1989-99. He was National President of the Australian Lawyers Alliance in 2011-12.

Directorships held in other listed entities during the past 3 years - None.

Principal Activities

The principal activity of the consolidated entity is exploring for gold, copper, and nickel.

There were no significant changes in the nature of the activities of the consolidated entity during the year.

Operating Result

The loss after taxation of the consolidated entity for the year ended 30 June 2025 was \$1,844,575 (2024: loss of \$579,112). The operating results for the year ended 30 June 2025 are summarised as follows:

	30 June 2025	30 June 2024
Loss before income tax benefit	(1,844,575)	(579,112)
Income tax benefit	-	-
Loss for the year	(1,844,575)	(579,112)

Financial Position

The consolidated entity had net liabilities of \$1,427,257 as at 30 June 2025, an increase of \$107,317 from net liabilities of \$1,319,940 at 30 June 2024.

Further information, including the basis that Directors believe that there are reasonable grounds to believe that the consolidated entity will continue as a going concern and why it is appropriate to adopt the going concern basis in the preparation of the financial report is disclosed in Note 1.

Dividends Paid or Recommended

No dividends were paid or declared since the start of the financial year. No dividend has been recommended.

Directors' Shareholdings

As at the date of this report the interests of the directors in the shares of the Company were:

Director	Ordinary Shares	Unquoted Options
Thomas F Percy KC	9,771,580	-
Kenneth M Allen	52,253,620	-
Dato' Dr. Chua Hock Hoo	860,000	-
Raja Mohd Azmi bin Raja Razali	7,600,000	-
Gregory Barns SC	270,000	-

DIRECTORS' REPORT

Review of Operations

Exploration

Kookynie and Yundamindra

The Company, via its 20% interest in the Kookynie and Yundamindra Gold projects with Arika Resources Ltd (ASX:ARI) (previously known as Metalicity Ltd) advises that Arika has announced on the ASX platform of both NME and ARI exploration results relating to drilling at the Yundamindra Gold project. The company encourages shareholders to review both ASX platforms (and relevant webpages of both companies) for the results. The Company notes that the information contained in those announcements is that of Arika.

Egypt

The Company announced subsequent to years end in September the entering of a binding heads of agreement for a gold concession in southern Egypt. During the year the Company had a number of commercial-in-confidence discussions with respect to the possibility of project acquisitions in Egypt. The company incurred additional costs for exploration and other costs relating to that project venture with a locally based Egyptian company. The Company has taken the conservative approach due to the location and more broadly geopolitical risk of expensing all costs.

On 22 September 2025 Nex Metals Explorations Ltd (ASX:NME) (**NME** or the **Company**), a gold project explorer and developer, announced the execution of a Binding Heads of Agreement (**HOA**) which will see NME become the operator of a currently-producing gold project in Egypt's Eastern Desert on favourable terms, with significant production process improvement and exploration upside potential. This forms the first step in a broader push into one of the world's most under-explored prospective mining districts.

- HOA executed for NME to be the Operator of the North Hennai Concession in Southern Egypt (**North Hennai**);
- Egypt's Eastern Desert is one of the world's most under-explored prospective mining districts; Eastern Desert hosts AngloGold's Sukari mine – a large scale modern gold mine – producing in 2023, 450,058 oz of Gold at an average grade of 1.27g/t and a metallurgical recovery of 88.7%¹;
- North Hennai gold production is small scale but with significant potential upside with process improvements and further exploration;
- NME will be the sole operator of North Hennai under a Production Sharing Contract with other local partners, including Golden Eagle Mineral Resources Company (**Golden Eagle**) and Shalateen Mineral Resources Company (**SMRC**);
- NME to receive 100% priority cost recovery from operations and a 44% profit share after costs;
- North Hennai is a strategic initial foothold into Egypt's Eastern Desert for NME, with further expansion of activities in the region under consideration;
- NME has also entered into a Technical Assistance agreement with Golden Eagle, the Company's local partner

The North Hennai project is within Egypt's Eastern Desert, which the Company considers to be one of the world's most under-explored prospective mining districts. Egypt's Eastern Desert hosts AngloGold's Sukari mine – a large-scale gold mine with a low-cost bulk tonnage open pit and a high grade underground mining operation. There are limited operational restraints with a strong local labour force, a number of mining and exploration contractors, and sufficient road infrastructure.

The North Hennai project is a foothold for NEX in Egypt with near-term plans to expand our exploration and production activities within the region, working closely with our project partners Golden Eagle and SMRC. The project area spans 16km². Existing Gold production at North Hennai by Golden Eagle is small scale. Production is across two open-pit areas to depths of 15 metres. NEX considers there to be two potential upside opportunities at North Hennai – improved production processes and systematic exploration.

With limited capital expenditure, NME aims to commence production with better potential metallurgical recovery rates and increased throughput with improved mining techniques and equipment compared to the rudimentary production at present. Early considerations include a small heap leaching pit. Appropriate mining studies and assessments will be conducted as part of final due diligence in coming weeks.

Finalisation of Matters with Metalicity Ltd (now Arika Resources Ltd ASX:ARI).

The Company announced during the period that all conditions have been satisfied or waived under the Formal Agreements with Metalicity Ltd ("MCT") regarding the Kookynie and Yundamindra Joint Venture ("JV") and completion has now taken place including the selective buy-back of 91,365,685 fully paid ordinary shares in the Company as approved at the shareholders meeting held on 24 June 2024, the Formal Agreements, amongst other things, brings to a closure the disputes between the 2 Companies allowing both Companies to moved forward both in their own right but also on the JV. Nex Metals interest in the JV is now to 20%, with ARI holding 80%.

DIRECTORS' REPORT

Material Business Risks

The Consolidated Entity's exploration and evaluation operations will be subject to the normal risks of mineral exploration. The material business risks that may affect the Consolidated Entity are summarised below.

Risk Management Approach

The Board and management regularly review the Company's risk profile to ensure appropriate strategies are in place to identify, monitor, and mitigate material business risks. Mitigation measures include maintaining compliance systems, diversifying operations and counterparties, engaging proactively with host governments and stakeholders, and implementing operational and financial controls. While such measures reduce the potential impact of identified risks, they cannot eliminate them entirely.

Future capital raisings

The Consolidated Entity's ongoing activities may require substantial further financing in the future. The Consolidated Entity will require additional funding to continue its exploration and evaluation operations on its projects with the aim to identify economically mineable reserves and resources. Any additional equity financing may be dilutive to shareholders, may be undertaken at lower prices than the current market price and debt financing, if available, may involve restrictive covenants which limit the Consolidated Entity's operations and business strategy. Although the Directors believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the or at all.

If the Consolidated Entity is unable to obtain additional financing as needed, it may be required to reduce, delay or suspend its operations and this could have a material adverse effect on the Consolidated Entity's activities and could affect the Consolidated Entity's ability to continue as a going concern.

Exploration risk

The success of the Consolidated Entity depends on the delineation of economically mineable reserves and resources, access to required development capital, movement in the price of commodities, securing and maintaining title to the Consolidated Entity's exploration and mining tenements and obtaining all consents and approvals necessary for the conduct of its exploration activities. Exploration on the Consolidated Entity's existing tenements may be unsuccessful, resulting in a reduction in the value of those tenements, diminution in the cash reserves of the Consolidated Entity and possible relinquishment of the tenements. The exploration costs of the Consolidated Entity are based on certain assumptions with respect to the method and timing of exploration.

By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions.

Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Consolidated Entity's viability. If the level of operating expenditure required is higher than expected, the financial position of the Consolidated Entity may be adversely affected.

Feasibility and development risks

It may not always be possible for the Consolidated Entity to exploit successful discoveries which may be made in areas in which the Consolidated Entity has an interest. Such exploitation would involve obtaining the necessary licences or clearances from relevant authorities that may require conditions to be satisfied and/or the exercise of discretions by such authorities. It may or may not be possible for such conditions to be satisfied.

Further, the decision to proceed to further exploitation may require participation of other companies whose interests and objectives may not be the same as the Consolidated Entity's.

Regulatory risk

The Consolidated Entity's operations are subject to various Commonwealth, State and Territory and local laws and laws of overseas jurisdictions and plans, including those relating to mining, prospecting, development permit and licence requirements, industrial relations, environment, land use, royalties, water, native title and cultural heritage, mine safety and occupational health. Approvals, licences and permits required to comply with such rules are subject to the discretion of the applicable government officials.

No assurance can be given that the Consolidated Entity will be successful in maintaining such authorisations in full force and effect without modification or revocation. To the extent such approvals are required and not retained or obtained in

DIRECTORS' REPORT

a timely manner or at all, the Consolidated Entity may be limited or prohibited from continuing or proceeding with exploration. The Consolidated Entity's business and results of operations could be adversely affected if applications lodged for exploration licences are not granted. Mining and exploration tenements are subject to periodic renewal. The renewal of the term of a granted tenement is also subject to the discretion of the relevant Minister. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising the Consolidated Entity's projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Consolidated Entity.

Mineral resource estimate risk

Mineral resource estimates are expressions of judgement based on knowledge, experience and industry practice. These estimates were appropriate when made but may change significantly when new information becomes available. There are risks associated with such estimates. Mineral resource estimates are necessarily imprecise and depend to some extent on interpretations, which may ultimately prove to be inaccurate and require adjustment. Adjustments to resource estimates could affect the Consolidated Entity's future plans and ultimately its financial performance and value. Mineral sands price fluctuations, as well as increased production costs or reduced throughput and/or recovery rates, may render resources containing relatively lower grades uneconomic and may materially affect resource estimations.

Environmental risk

The operations and activities of the Consolidated Entity are subject to the environmental laws and regulations of Australia and other locations in which the entity operates. As with most exploration projects and mining operations, the Consolidated Entity's operations and activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. The Consolidated Entity attempts to conduct its operations and activities to the highest standard of environmental obligation, including compliance with all environmental laws and regulations. The Consolidated Entity is unable to predict the effect of additional environmental laws and regulations which may be adopted in the future, including whether any such laws or regulations would materially increase the Consolidated Entity's cost of doing business or affect its operations in any area. However, there can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Consolidated Entity to incur significant expenses and undertake significant investments which could have a material adverse effect on the Consolidated Entity's business, financial condition and performance.

Commodity Price Risk

The Company's financial performance is directly linked to the market prices of the commodities it explores for and produces. Commodity prices are subject to global supply and demand fluctuations, currency movements, and macroeconomic conditions. Sustained price volatility may adversely impact project economics, profitability, and the ability to fund future development.

Foreign Jurisdiction Risk

A portion of the Company's operations and interests are located in Egypt. While the Egyptian Government has introduced modern mining legislation and frameworks, there remains sovereign and regulatory risk associated with operating in the jurisdiction. Potential risks include changes to production sharing agreements, amendments to taxation or foreign investment laws, delays in licensing or permitting, and increased compliance obligations. In addition, Egypt is subject to regional security issues, currency controls, and broader geopolitical instability, which may affect logistics, access to capital, and the repatriation of profits. The Company seeks to mitigate these risks through maintaining strong government and community relationships, compliance with local laws, and contractual protections; however, such risks remain outside the Company's control and may materially affect operational and financial performance.

Key Personnel and Travel Risk

The Company is reliant on the skills and experience of senior staff and directors, particularly in relation to its overseas operations. Increased international travel by key personnel exposes the Company to health, safety, and security risks, as well as potential disruptions from visa restrictions, flight cancellations, or geopolitical events. Frequent travel may also increase costs and reduce management efficiency. Any prolonged absence, incapacity, or inability of key staff to travel could adversely affect the Company's ability to oversee projects, maintain stakeholder relationships, and deliver on its strategic objectives.

Foreign Currency Risk

The Company is exposed to foreign currency risk as a result of transactions and operations denominated in US dollars and Egyptian pounds. Fluctuations in exchange rates may adversely affect project costs, revenues, and the valuation of assets and liabilities. In Egypt, additional risks arise from potential restrictions on currency conversion and repatriation of funds. These factors are outside the Company's control and may materially impact financial performance.

DIRECTORS' REPORT

Operational Risk

Mining and exploration involve technical, operational, and safety risks, including equipment failure, geotechnical events, accidents, and workforce availability. Operations in Egypt may face additional challenges such as reliance on imported equipment, variations in local infrastructure reliability, and logistical delays. Despite the Company's risk management systems, such events cannot be entirely eliminated and may materially affect outcomes.

Geopolitical Risk

The Company's operations in Egypt are subject to geopolitical risks including political instability, regional conflict, terrorism, civil unrest, and resource nationalism. Restrictions on foreign currency transfers, expropriation risk, and changes in government policy may also impact the Company's ability to repatriate funds or maintain tenure security. Geopolitical factors may disrupt cross-border logistics, export channels, or access to international finance. These risks are outside the Company's control and may have a material impact on operational and financial performance.

DIRECTORS' REPORT

Corporate

Appointment and cessation of Chief Executive Officer (CEO).

The Company announced the appointment of Mr. Maki Petkovski as the Chief Executive Officer of the Company, effective as of 15 August 2024. Mr Petkovski was brought in (as part of his role) and along with his extensive technical network to further the Kookynie gold tailings project to both optimise and expedite the monetising of the project for shareholders. Mr. Petkovski is a geologist and senior executive in the resource industry with extensive experience across the Australasian and Middle East North African (MENA) regions. Mr Petkovski services were given a 3 month notice period during April 2025.

Appointment of Advisers and Capital Raising.

The Company appointed Indian Ocean Capital Pty Ltd (Sydney office) ('IOC') as its financial and strategic adviser. IOC has been engaged to review and provide a range of strategic and corporate advisory services to the Company in connection with its general capital markets strategy, and to assist in maximising longer-term stakeholder value with particular focus on funding the Kookynie Gold Project.

Integral to IOC's engagement is a review of Nex Metals capital raising initiatives, strategic investments and optimising the Company's current capital structure for future growth.

Capital Raisings and Share issues

During the period, the Company undertook various capital raisings to sophisticated investors under the Company's current capacity. The Company issued 61,827,845 shares during the year.

- The Company issued 5,922,848 at 3 cents a share \$177,684 to unrelated parties for consulting and legal services
- The Company issued 55,904,996 shares raising \$1,559,574 in cash

Responsibility Statement

The information in this report that relates to Exploration Results for the Kookynie Gold Project is based on, and fairly represents, information compiled and released by Arika Resources (JV partner) and has been reviewed by Mr Steven Nicholls, a Competent Person who is a Member of the Australian Institute Geoscientists (AIG). Mr Nicholls is a fulltime employee of Australia Geological Services Pty Ltd (trading as Apex Geoscience). Mr Nicholls has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr Nicholls consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Information relating to Previous Disclosure

The Company confirms that it is not aware of any new information or data that materially affects the information included in the previous market announcements noted above and or in any footnotes or references and that all material assumptions and any technical parameters underpinning those previous market announcements continue to apply and have not materially changed.

Forward-looking Statements

Statements regarding Nex Metals' plans with respect to any mineral properties are forward-looking statements. There can be no assurance that Nex Metals' plans for development of its tailings project or any of its tenements will proceed as currently expected. There can also be no assurance that Nex Metals' will be able to confirm the presence of any outcome of its tailings project or any of its tenements or that any mineralisation will prove to be economic or that a mine will successfully be developed on any of Nex Metals' mineral properties.

Future Developments

The Company's objective is to maximise shareholder value through the discovery and delineation of significant gold deposits throughout the world. The Directors are unable to comment on the likely results from the Company's planned exploration activities due to the speculative nature of such activities.

Further information on likely developments in the operations of the company has not been included in this report because at this stage the directors believe it would be likely to result in unreasonable prejudice to the company. As the company is listed on the Australian Securities Exchange, it is subject to the continuous disclosure requirements of the ASX Listing

DIRECTORS' REPORT

Rules which require immediate disclosure to the market of information that is likely to have a material effect on the price or value of the company's securities.

Significant changes in state of affairs

There has not been any significant changes in the state of affairs of the company and its controlled entities during the financial year, nor to the date of this report other than as noted in this Annual Report.

Environmental regulations

The company is aware of its environmental obligations and acts to ensure its environmental commitments are met. The Directors are not aware of any environmental regulation which has not been complied with.

Directors' meetings

The following table sets out the number of directors' meetings held during the financial year and the number of meetings attended by each director (while they were a director). During the financial year, there were 3 circular resolutions passed.

Directors	Board of directors	
	A	B
Thomas F Percy KC	12	12
Kenneth Allen	12	12
Dato' Dr. Chua Hock Hoo	12	12
Raja Mohd Azmi Bin Raja Razali	0	0

Notes

A - Number of meetings held during the time the director held office during the period

B - Number of meetings attended.

Being a small executive Board, the Directors are in contact on a regular basis, minimising the requirement for numerous formal meetings throughout the year.

Share Options

As at the date of this report, the following unlisted options are on issue.

	Number	Exercise Price (cents)	Expiry Date
Unlisted Options	1,082,477	10	31 Oct 2025

Remuneration Report (Audited)

This report outlines the remuneration arrangements in place for directors and executives of the company.

(a) Principles used to determine the nature and amount of remuneration

The remuneration policy of the company has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the company's financial results. The board of the company believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the company.

The remuneration policy, setting the terms and conditions for the executive directors and other senior executives, was developed by the board. All executives receive a base salary (which is based on factors such as length of service and experience) and superannuation. The board reviews executive packages annually by reference to the company's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries.

The board may exercise discretion in relation to approving incentives, bonuses and options. The policy is designed to attract the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth. Executives are also entitled to participate in the employee share and option arrangements.

The directors and executives receive a superannuation guarantee contribution required by the government, which is currently 11.50% (2024 11.00%). Some individuals have chosen to sacrifice part of their salary to increase payments towards superannuation.

DIRECTORS' REPORT

All remuneration paid to directors and executives is valued at the cost to the company and expensed. Shares given to directors and executives are valued as the difference between the market price of those shares and the amount paid by the director and executives. Options are valued using an appropriate valuation methodology.

Company performance, shareholder wealth and directors' and executives' remuneration

The board's policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The board determines payments to the non-executive directors and reviews their remuneration annually based on market practice, duties and accountability. Independent external advice is sought when required however this was not required during the year ended 30 June 2025. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the annual general meeting (currently \$350,000). Fees for non-executive directors are not linked to the performance of the consolidated entity. However, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the company and are able to participate in prevailing employee option plans.

Performance based remuneration

The company has no performance-based remuneration component built into director and executive remuneration packages.

(b) Directors and Key Management Personnel Compensation (Audited)

The key management personnel of the company are the Directors. There are no executives, other than Directors, who have the authority and responsibility for planning, directing, and controlling the activities of the company.

Name of Director

Thomas F Percy KC	Chairman
Kenneth Allen	Managing Director
Dato' Dr. Chua Hock Hoo	Non-Executive Director
Raja Mohd Azmi bin Raja Razali	Non-Executive Director
Maki Petkovski	Chief Executive Officer (appointed on 15 August 2024 and resigned 4 July 2025)

The remuneration for each director and key management personnel of the company are as follows:

Year ended 30 June 2025	Short-term		Post- employment Superannuation	Total	% Performance Related
	Salary & Fees \$	Non-Cash \$	\$	\$	
Directors					
T Percy	37,500	-	4,312	41,812	-
K Allen	122,004	-	14,030	136,034	-
H Chua	25,000	-	2,875	27,875	-
R Razali	-	-	-	-	-
M Petkovski	184,598	-	18,280	202,878	-
	<u>369,102</u>	<u>-</u>	<u>39,497</u>	<u>408,599</u>	<u>-</u>

Year ended 30 June 2024	Short-term		Post- employment Superannuation	Total	% Performance Related
	Salary & Fees \$	Non-Cash \$	\$	\$	
Directors					
T Percy	37,500	-	4,125	41,625	-
K Allen	122,004	-	13,420	135,424	-
H Chua	25,000	-	2,750	27,750	-
R Razali	-	-	-	-	-
	<u>184,504</u>	<u>-</u>	<u>20,295</u>	<u>204,799</u>	<u>-</u>

DIRECTORS' REPORT

(c) **Service agreements**

The agreements related to remuneration are set out below:

- (i) The company has entered into an executive services agreement with Kenneth Malcolm Allen whereby the company has agreed to employ Kenneth Malcolm Allen as managing director for a period of 4 years commencing on 6 December 2007 on a salary of \$220,000 per annum (exclusive of superannuation) and \$24,000 motor vehicle allowances. In October 2008, Mr Allen agreed to reduce his total remuneration by 50% effective October 2008 until further notice. Mr Allen's term of agreement was extended on a monthly basis in November 2011.
- (ii) The company has entered into a letter agreement with Dr. Chua Hock Hoo, whereby the company has agreed to pay Dr Chua \$25,000 per annum, plus statutory entitlements, payable monthly in arrears for acting as a Non-Executive Director of the company.
- (iii) The company has entered into a letter agreement with Thomas Francis Percy whereby the company has agreed to pay Thomas Francis Percy director's fees of \$75,000 per annum, plus statutory entitlements, payable monthly in arrears, for acting as the non-executive chairman of the company. In October 2008, Mr Percy agreed to reduce his base remuneration by 50% effective October 2008 until further notice.
- (iv) The company has entered into a letter agreement with Raja Mohd Azmi bin Raja Razali, whereby the company has agreed to pay Mr Razali \$25,000 per annum, plus statutory entitlements, when Mr Razali stands in as an alternate for Dr Chua on a pro rata basis. No payments were made to Mr Razali during the year ended 30 June 2025.
- (v) M Petkovski contract was for \$180,000 per annum plus statutory entitlements with a 3 month notice period

(d) **Option holdings of Key Management Personnel**

There are no unissued ordinary shares under option during the year ended 30 June 2025.

(e) **Share-based compensation of Key Management Personnel**

There are no shares issued to the directors as part of compensation during the year ended 30 June 2025.

(f) **Shareholdings of Key Management Personnel**

	Balance at 01/07/24	Exercise of Options	Other changes during the year	Balance at 30/06/25
	No.	No.	No.	No.
Directors				
T F Percy	9,771,580	-	-	9,771,580
K Allen	52,253,620	-	-	52,253,620
H H Chua	860,000	-	-	860,000
R Razali	7,600,000	-	-	7,600,000
	70,485,200	-	-	70,485,200

DIRECTORS' REPORT

(g) *Related party disclosures*

(a) *Transactions with director related entities*

Transactions with director related entities are on commercial terms no more favourable than those available to other persons unless otherwise stated.

	30 June 2025 \$	30 June 2024 \$
(i) Accounting, administration, rent & labour hire fees paid to Allens Business Group Pty Ltd, a related company of Kenneth Allen	84,427	84,427
(b) <i>Aggregate amounts payable to directors and former directors and their director related entities at balance date:</i>		
Current liabilities		
Accrued directors' fees	906,260	700,538
Accrued office rent and accounting services payable to Allens Business Group Pty Ltd, a related company of Kenneth Allen	527,248	451,725
Share applicable monies ^	328,000	328,000
	<u>1,761,508</u>	<u>1,480,263</u>

^ This represents share application monies from Raja Mohd Azmi Bin Raja Razali.

Unpaid Director's fees consists of:

a.	H H Chua	\$375,111
b.	T Percy	\$124,875
c.	K Allen	\$406,274
	Total	\$906,260

(c) *Directors loans*

Loans existed during the year between the consolidated entity and Allens Business Group Pty Ltd an entity controlled by Mr Ken Allen and as at balance date the balance was \$137,837 (2024: \$517,663)

(d) *Other related party transactions*

Paddick Investments Pty Ltd is a related party of Kenneth Allen. The consolidated entity has a receivable of \$1,029 (2024: \$NIL) from Paddick Investments Pty Ltd.

[End of Remuneration Report]

Indemnification and insurance of officers

During the financial year, the company paid a premium in respect of a contract of insurance insuring the directors and officers of the company against certain liabilities specified in the contract. The contract prohibits disclosure of the nature of the liabilities insured and the amount of the premium.

Indemnification and insurance of auditor

The company has not, during or since the start 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.

DIRECTORS' REPORT

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 party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Events subsequent to Reporting Date

On 7 July 2025, the Company announced the appointment of Non-Executive Director Gregory Barns SC.

On 21 August 2025 the Company announced that a binding term sheet signed with the Aboriginal custodians, the Nyalpa Pirniku people who are custodians of 30,000 square kilometres of the north eastern goldfields operating under the prescribed body corporation Wangkatja Tjungula Aboriginal Corporation (WTAC). The agreement covers the re-processing of historical mine tailings at NME Kookynie Gold tailings Project. 35 % profit share of net ore-sale proceeds to be paid to WTAC after reimbursable costs with 65% held by Nex. Parties will jointly design and implement best-practice site rehabilitation, incorporating Wangkatja Tjungula Aboriginal Corporation's cultural knowledge and land-stewardship principles. Agreement empowers both parties to select a third-party processor committed to First Nations engagement, environmental excellence and transparent ESG reporting. New training facility to be co-established on WTAC lands, delivering on-the-job training in mining and environmental skill sets; parties will jointly pursue State and Commonwealth funding to support its construction and operation. Reflects the Company's principle that the resources of the land belong first to its traditional custodians. Commercial success, cultural heritage protection and capacity-building go hand-in-hand.

On 22 September the Company announced the entering of a binding heads of agreement for a gold concession in southern Egypt. The company becomes responsible for maintaining the project costs on a cost recovery basis. The Company is to receive 100% priority cost recovery from operations and a 44% profit share after costs.

There has been no other matters or circumstance that has arisen after balance date 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 subsequent financial years.

Non-Audit Services

The Directors review any non-audit services to be provided to ensure they are compatible with the general standard for independence for auditors imposed by the Corporations Act 2001.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is included within this financial report.

Signed in accordance with a resolution of the Board of Directors.



Kenneth Allen
Managing Director

Perth, 30 September 2025

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

Consolidated Entity Disclosure Statement

Entity Name	Entity Type	Body corporates		Tax residency	
		Place formed or incorporated	% of share capital held	Australian or foreign	Foreign jurisdiction
Nex Metals Explorations Ltd	Body corporate	Australia	N/A	Australian	N/A
Ausnational Investments Pty Ltd (i)	Body corporate	Australia	100%	Australian	N/A
Nex Gold International Pty Ltd (i)	Body Corporate	Australia	100%	Australian	N/A

(i) Ausnational Investments Pty Ltd and Nex Gold International Pty Ltd are consolidated in the consolidated financial statements.

DIRECTORS' DECLARATION

Directors Declaration

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian 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;
- the attached financial statements and notes give a true and correct view of the consolidated entity's financial position as at 30 June 2025 and of its performance for the financial year ended on that date;
- having regard to the detailed factors set out in Note 1(b) to the financial statements, 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



Kenneth Allen
Managing Director

Perth, 30 September 2025

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

NEX METALS EXPLORATIONS LIMITED

I declare that, to the best of my knowledge and belief, during the audit for the year ended 30 June 2025 there have been:

- i) No contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii) No contraventions of any applicable code of professional conduct in relation to the audit.

*Armada Audit
& Assurance*

ARMADA AUDIT & ASSURANCE PTY LTD



Nigel Dias
Director Perth, 30 September 2025

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025**

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Note	30 June 2025 \$	30 June 2024 \$
Other income	2(a)	5,000	227,529
Occupancy expenses		(121,783)	(58,960)
Administration expenses		(145,539)	(140,144)
Exploration costs expensed	8	(825,210)	-
Legal expenses	2(c)	(112,006)	(155,250)
Consultants expenses	2(b)	(177,072)	(140,355)
Depreciation expenses		(7,184)	(9,279)
Employment and contractor expenses		(425,209)	(286,703)
Borrowing and finance costs		(1,249)	(1,249)
Travel expenses		(34,323)	(14,701)
Loss before income tax benefit		(1,844,575)	(579,112)
Income tax benefit	3	-	-
Loss for the year		(1,844,575)	(579,112)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year		(1,844,575)	(579,112)
Loss per share:			
Basic and diluted loss (cents per share)	14	(0.61)	(0.16)

The accompanying notes form part of this financial report.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025**

Consolidated Statement of Financial Position

	Note	30 June 2025 \$	30 June 2024 \$
Current assets			
Cash and cash equivalents	20(a)	150,905	292,286
Receivables	5	-	-
Other assets	6	2,721	7,103
Total current assets		<u>153,626</u>	<u>299,389</u>
Non-current assets			
Plant and equipment	7	31,026	38,211
Capitalised exploration and evaluation expenditure	8	578,802	572,076
Total non-current assets		<u>609,828</u>	<u>610,287</u>
Total assets		<u>763,454</u>	<u>909,676</u>
Current liabilities			
Payables	9	1,865,872	1,536,207
Borrowings	10	137,837	517,663
Provisions	11	187,002	175,746
Total current liabilities		<u>2,190,711</u>	<u>2,229,616</u>
Total liabilities		<u>2,190,711</u>	<u>2,229,616</u>
Net liabilities		<u>(1,427,257)</u>	<u>(1,319,940)</u>
Equity			
Issued capital	12	29,653,062	27,915,803
Option reserve	13	2,260,245	2,260,245
Accumulated losses		<u>(33,340,564)</u>	<u>(31,495,988)</u>
Total deficit		<u>(1,427,257)</u>	<u>(1,319,940)</u>

The accompanying notes form part of this financial report.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2025



Consolidated Statement of Changes in Equity

	Attributable to equity holders			
	Issued Capital \$	Option Reserve \$	Accumulated Losses \$	Total Deficit \$
Balance at 1 July 2023	28,266,507	2,260,245	(30,916,877)	(390,125)
(Loss) for the year	-	-	(579,112)	(579,112)
<i>Total comprehensive (loss) for the year</i>	-	-	(579,112)	(579,112)
Shares issued (Note 12)	200,000	-	-	200,000
Shares buy back (Note 8)	(550,703)	-	-	(550,703)
<i>Total contribution by owners</i>	(350,703)	-	-	(350,703)
Balance at 30 June 2024	27,915,804	2,260,245	(31,495,989)	(1,319,940)

	Attributable to equity holders			
	Issued Capital \$	Option Reserve \$	Accumulated Losses \$	Total Deficit \$
Balance at 1 July 2024	27,915,804	2,260,245	(31,495,989)	(1,319,940)
(Loss) for the year	-	-	(1,844,575)	(1,844,575)
<i>Total comprehensive (loss) for the year</i>	-	-	(1,844,575)	(1,844,575)
Shares issued (Note 12)	1,737,258	-	-	1,737,258
Shares buy back (Note 8)	-	-	-	-
<i>Total contribution by owners</i>	1,737,258	-	-	1,737,258
Balance at 30 June 2025	29,653,062	2,260,245	(33,340,564)	(1,427,257)

The accompanying notes form part of this financial report.

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025**

Consolidated Statement of Cash Flows

	Note	30 June 2025 \$	30 June 2024 \$
Cash flows from operating activities			
R&D tax rebate		-	218,316
Receipts from other income		5,000	128
Payments to suppliers and employees		(494,193)	(642,087)
Payments for exploration expenditure			
Net cash used in operating activities	20(b)	<u>(489,193)</u>	<u>(423,643)</u>
Cash flows from investing activities			
Payments for exploration expenditure		<u>(831,936)</u>	<u>(14,599)</u>
Net cash used in investing activities		<u>(831,936)</u>	<u>(14,599)</u>
Cash flows from financing activities			
Proceeds from the issue of shares		1,559,574	200,000
Repayment of borrowings		(379,826)	(5,652)
Proceeds from borrowings		-	265,918
Net cash provided by financing activities		<u>1,179,748</u>	<u>460,266</u>
Net Insert /(decrease in cash and cash equivalents		(141,381)	22,024
Cash and cash equivalents at the beginning of the financial year		<u>292,286</u>	<u>270,262</u>
Cash and cash equivalents at the end of the financial year	20(a)	<u>150,905</u>	<u>292,286</u>

The accompanying notes form part of this financial report.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

Notes to the Consolidated Financial Statements

These consolidated financial statements and notes represent those of Nex Metals Explorations Limited and its controlled entity (the "consolidated entity"). The separate financial statements of the parent entity, Nex Metals Explorations Limited (the "company"), have not been presented within this financial report as permitted by the *Corporations Act 2001*. Nex Metals Explorations Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Stock Exchange.

The financial report of Nex Metals Explorations Limited for the year ended 30 June 2025 was authorised for issue in accordance with a resolution of the directors on 30 September 2025.

1. Summary of Material Accounting Policies

(a) Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards, Interpretations of the Australian Accounting Standards Board, and International Financial Reporting Standards as issued by the International Accounting Standards Board. The consolidated entity is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below. They have been consistently applied unless otherwise stated. Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(b) Going concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the consolidated entity incurred a net loss of \$1,844,575 and had net cash outflows from operating activities of \$489,193 for the year ended 30 June 2025. As of that date, the consolidated entity had net current liabilities of \$2,037,085 and net liabilities of \$1,427,257. The above factors give rise to a material uncertainty that may cast significant doubt about whether the Consolidated Entity will continue as a going concern.

Notwithstanding this deficiency of net assets as at balance date, the Directors believe that there are reasonable grounds to believe that consolidated entity will be able to continue as a going concern after consideration of the following events that have occurred after balance date:

- The Directors have confirmed to the Company that \$906,260 (2024: 700,538) of the accrued directors fee will not be called for repayment until at least 31 December 2026;
- Allen's Business Group has confirmed that the loan of \$137,837 (2024: 517,663) owing at 30 June 2025 will not be called for repayment until at least 31 December 2026;
- Accrued Rent and Accounting Fees owed to Allen's Business Group of \$527,248 (2024: 451,725) will not be called for repayment until at least 31 December 2026;
- Mr Ken Allen has agreed in writing to cover the \$328,000 in share application monies from Raja Mohd Azmi bin Raja Razali;
- Mr Kenneth Allen has agreed that annual leave owed to him of \$187,002 (2024 \$175,746) will not be called for repayment for a period of at 12 months from the date of this report;
- Allens Business Group Pty Ltd (and Allen Family Trust) will provide financial support (line of credit) to Nex Metals Explorations Ltd over the next 12 months to 31 October 2026 to the extent of \$750,000 in addition to the amounts already drawn down to 30 June 2025;
- The Company has prepared a cash flow forecast which notes that the Company has plans to raise capital funding;
- The Company has settled all its legal disputes with its previous shareholder refer to Note 8;
- The Company can elect to dispose of its 20% interest in the in Kookynie and Yundamindra Project .
- The Company with its announcement after years end with the Empowerment Profit Share Agreement is looking to monetise the Kookynie Tailings Project.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

1. Summary of Material Accounting Policies (continued)

(b) **Going concern (continued)**

The Directors of the Company have considered the material uncertainties that exists regarding going concern.

In the event of one or a combination of these events occurring, the Company may not be able to continue as a going concern.

- a) If Allen's Business Group Pty Ltd is unable to provide further financial support including deferral of debt payment.
- b) If the Company is unable to secure capital funding.
- c) If the Company is unable to secure funding from other sources
- d) If the directors are unwilling to continue their support of the Company including conversion of any directors' fees to equity and/or deferral of unpaid directors' fees.

Based on the factors above there is a material uncertainty that may cast significant doubt about whether the Consolidated Entity will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the year ended 30 June 2025 financial report. The year ended 30 June 2025 financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the Consolidated Entity does not continue as a going concern.

(c) **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, cash in banks and investments in money market instruments, net of outstanding bank overdrafts.

(d) **Employee benefits**

Provision is made for the consolidated entity's obligation for short-term employee benefits. Short-term employee benefits are benefits that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The consolidated entity's obligations for short-term employee benefits such as wages and salaries are recognised as a part of current trade and other payables in the statement of financial position. The consolidated entity's obligations for employees' annual leave entitlements are recognised as provisions in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on corporate bonds that have maturity dates that approximate the terms of the obligations. Any re-measurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the financial period in which the changes occur.

The consolidated entity's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the consolidated entity does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

(e) **Financial instruments**

Recognition and derecognition

Financial assets and financial liabilities are recognised when the consolidated entity becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

1. Summary of Material Accounting Policies (continued)

(e) Financial instruments (continued)

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

All financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets are classified into the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets to collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method.

Discounting is omitted where the effect of discounting is immaterial. The consolidated entity's cash and cash equivalents, trade and most other receivables as well as listed bonds fall into this category of financial instruments.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply.

The category also contains an equity investment. The consolidated entity accounts for the investment at FVTPL and did not make the irrevocable election to account for the investment in unlisted and listed equity securities at fair value through other comprehensive income (FVOCI). The fair value was determined in line with the requirements of AASB 9, which does not allow for measurement at cost.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss.

The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Impairment of financial assets

AASB 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

Instruments within the scope of the requirements included loans and other debt-type financial assets measured at amortised cost, trade receivables and loan commitments.

The consolidated entity considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

1. Summary of Material Accounting Policies (continued)

(e) Financial instruments (continued)

The consolidated entity makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the consolidated entity uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The consolidated entity assess impairment of trade receivables on a collective basis as they possess shared credit risk characteristics they have been grouped based on the days past due.

Classification and measurement of financial liabilities

The consolidated entity's financial liabilities include borrowings and trade and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the consolidated entity designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

Classification and Subsequent Measurement

Financial assets at fair value through profit or loss

Financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short term profit taking, where they are derivatives not held for hedging purposes, or designed as such to avoid an accounting mismatch or enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method. Loans and receivables are included in current assets, where they are expected to mature within 12 months after the end of the reporting period.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the consolidated entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest method. Held-to-maturity investments are included in non-current assets where they are expected to mature within 12 months after the end of the reporting periods. All other investments are classified as current assets.

Financial Liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

Fair Value

Fair value is determined based on the current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment of Assets

At the end of each reporting date, the directors assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the statement of profit or loss and other comprehensive income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

1. Summary of Material Accounting Policies (continued)

(f) **Goods and services tax**

Revenues, expenses and assets are recognised net of the amount of goods and services tax ("GST"), except:

- i. where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- ii. for receivables and payables which are recognised inclusive of GST;

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(g) **Impairment of assets**

At each reporting date, the director's review the carrying values of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed immediately to the statement of profit or loss and other comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the consolidated entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(h) **Income tax**

The income tax expense/(revenue) for the year comprises current income tax expense (income) and deferred tax expense/(income). Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority. Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense/(income) is charged or credited outside profit or loss when the tax related to items that are recognised outside to other comprehensive income. Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability. Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

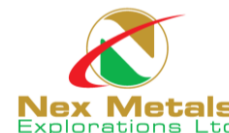
Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a largely enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities related to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(i) **Exploration and Evaluation Expenditure**

Exploration and evaluation expenditure incurred is accumulated separately for each area of interest. Such expenditure comprises net direct costs and an appropriate portion of related overhead expenditure. Each area of interest is limited to a size related to a known or probable mineral resource capable of supporting a mining operation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025



1. Summary of Material Accounting Policies (continued)

(i) **Exploration and Evaluation Expenditure (continued)**

Exploration expenditure for each area of interest is written off as incurred, except that it may be carried forward provided that one of the following conditions is met:

- such costs are expected to be recouped through successful development and exploitation of the area of interest or, alternatively, by its sale; or
- exploration activities in an area of interest have not, at balance date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves.

The consolidated entity performs impairment testing when facts and circumstances suggest the carrying amount has been impaired. If it was determined that the asset was impaired it would be immediately written off to the statement of profit or loss and other comprehensive income. Expenditure is not carried forward in respect of any area of interest unless the consolidated entity's right of tenure to that area of interest is current. Expenditures incurred before the consolidated entity has obtained legal rights to explore a specific area is expensed as incurred. Amortisation is not charged on areas under development, pending commencement of production.

(j) **Payables**

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(k) **Plant and equipment**

Each class of plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation. The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets.

Depreciation

The depreciable amount of all fixed assets is depreciated on a diminishing value basis over their useful lives to the consolidated entity commencing from the time the asset is held ready for use. The depreciation rates used for each class of depreciable assets are:

Plant and office equipment	6.67% to 100%
Motor vehicle	13.33% to 30%

Plant and equipment is tested for impairment in accordance with the policy in note 1(g).

(l) **Provisions**

Provisions are recognised when the consolidated entity has a legal or constructive obligation, as a result of past events for which it is probable that an outflow of economic benefits will result in that outflow can be reliably measured. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting year.

(m) **Revenue recognition**

Other revenue

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent control of the good or service has passed and it is probable that the economic benefits will flow to the consolidated entity and the revenue can be reliably measured.

Interest revenue

Interest revenue is recognised when earned.

(n) **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.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

1. Summary of Material Accounting Policies (continued)

(n) **Borrowings (continued)**

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.

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 the statement of profit or loss and other comprehensive income.

(o) **Finance costs**

Finance costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale are added to the cost of those assets, until such time as the assets are substantively ready for their intended use or sale.

All other finance costs are recognised in the statement of profit or loss and other comprehensive income in the financial period in which they are incurred.

(p) **Leases**

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership transferred to the consolidated entity, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term. Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(q) **Earnings per share**

(i) Basic Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the consolidated entity, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year.

(ii) Diluted Earnings per Share

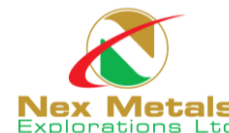
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been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

(r) **Trade and other receivables**

Trade receivables, loans, and other receivables are recorded at amortised cost less impairment.

The consolidated entity measures the loss allowance for trade and other receivables at an amount equal to lifetime expected credit loss. The expected credit losses on trade and other receivables are estimated with reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtor, general economic conditions of the industry in which the debtor operates and an assessment of both the current and the forecast direction of conditions at the reporting date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025



1. Summary of Material Accounting Policies (continued)

(r) **Trade and other receivables (continued)**

The consolidated entity writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery; for example, when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier.

(s) **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.

(t) **Principles of Consolidation**

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by the company at the end of the reporting period. In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated entity have been eliminated in full on consolidation. Where controlled entities have entered or left the consolidated entity during the year, the financial performance of those entities is included only for the period of the year that they were controlled.

(u) **Critical accounting judgments, estimates and assumptions**

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the consolidated entity.

There have been no judgements, apart from those involving estimation, in applying accounting policies that have a significant effect on the amounts recognised in these financial statements.

Following is a summary of the key assumptions concerning the future and other key sources of estimation at reporting date that have not been disclosed elsewhere in these financial statements.

Share-based payment transactions

The Company measures the cost of equity-settled transactions with suppliers by reference to the fair value of the equity instruments at the date at which they are granted.

The Company measures the cost of equity-settled share-based payments with suppliers at fair value at the grant date.

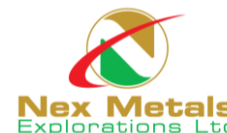
Exploration and evaluation expenditure

The directors determines when an area of interest should be abandoned. When a decision is made that an area of interest is not commercially viable, all costs that have been capitalised in respect of that area of interest are written off. This decision is made after considering the likelihood of finding commercially viable reserves.

Impairment - General

The directors assess impairment at the end of each reporting period by evaluation of conditions and events specific to the consolidated entity that may be indicative of impairment triggers. Recoverable amounts of impairment assets are reassessed and compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025



1. Summary of Material Accounting Policies (continued)

(v) **New, revised or amending Accounting Standards and Interpretations adopted**

Standards and Interpretations applicable to 30 June 2025

In the year ended 30 June 2025, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the current annual reporting period. As a result of this review the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Group.

(w) **Statement of compliance**

The financial statement of Nex Metals Explorations Ltd (the Company) for the year ended 30 June 2025 was authorised for issue in accordance with a resolution of the Directors on 30 September 2025.

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards ('AIFRS'). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards ('IFRS').

(x) **Standards and Interpretations in issue not yet adopted**

The Directors have also reviewed all new Standards and Interpretations in issue not yet adopted for the year ended 30 June 2025. As a result of this, the Directors have determined that there is no impact, material or otherwise, of the standards and interpretations in issue not yet adopted on the consolidated entity's business and, therefore, no change is necessary to the entity's accounting policies.

(y) **Comparative Figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(z) **Research and Development**

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Where no internally generated intangible asset can be recognised, development expenditure is recognised as an expense in the period as incurred.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

	30 June 2025 \$	30 June 2024 \$
2. Loss before income tax		
(a) Other Income		
Research and Development tax rebate	-	218,316
Sundry	5,000	9,213
	<u>5,000</u>	<u>227,529</u>
(b) Expenses		
<i>Consultants expenses</i>		
Accounting	69,031	59,598
Other	108,041	80,757
	<u>177,072</u>	<u>140,355</u>
(c) Significant Items		
<i>Expenses</i>		
Legal expenses	112,006	155,250
	<u>112,006</u>	<u>155,250</u>

3. Income tax

(a) No income tax is payable by the consolidated entity as it incurred losses for income tax purposes for the year.

(b) The prima facie income tax benefit on loss from operations reconciles to the income tax benefit in the financial statements as follows:

	30 June 2025 \$	30 June 2024 \$
Loss from operations	(1,844,575)	(579,112)
Prima facie income tax at 30% (2024:30%)	(553,373)	(173,734)
Permanent difference – other assessable income	-	426,000
Permanent difference – R & D Tax rebate not assessable	-	(65,495)
Tax effect of non-deductible items	281,203	56,925
Deferred tax asset not recognised	305,179	-
Timing difference- exploration expenditure	-	-
Timing difference - other	(33,009)	(92,235)
Tax losses utilised	-	(151,461)
Income tax benefit	<u>-</u>	<u>-</u>

(c) Unrecognised deferred tax balances

The directors estimate that the potential net deferred tax benefits not brought to account attributable to tax losses carried forward at balance date is approximately \$3,758,785 (2024: \$3,453,606). They will only be of benefit to the consolidated entity if future assessable income is derived of a nature and amount sufficient to enable the benefits to be realised, the conditions for deductibility imposed by the tax legislation continue to be complied with and subject to the consolidated entity meeting the continuity of ownership and/or similar business tests.

(d) Research & development rebate

There was no rebate claimed in the current year.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

	30 June 2025 \$	30 June 2024 \$
4. Remuneration of auditors		
Remuneration of the audit of financial reports by Armada Audit and Assurance Pty Ltd	40,488	40,212
Non-Audit Services	-	4,793
	<u>40,488</u>	<u>45,005</u>

	30 June 2025 \$	30 June 2024 \$
5. Receivables		
Current		
Trade receivables	223,499	223,499
Less provision for expected credit loss (i)	<u>(223,499)</u>	<u>(223,499)</u>
	<u>-</u>	<u>-</u>

- (a) During the year ended 30 June 2025, an allowance for expected credit loss was recognised as trade and sundry receivables exceeded 120 days. An allowance for expected credit loss is made for the lifetime expected credit loss. Refer to Note 21 for the Company's financial risk management and policies.

		> 30 days past due	> 60 days past due	> 90 days past due	> 120 days past due
30 June 2025	Current				
Expected loss rate	0%	0%	100%	100%	100%
Gross carrying amount	-	-	-	-	223,499
Loss allowing provision	-	-	-	-	(223,499)
30 June 2024	Current				
Expected loss rate	0%	0%	100%	100%	100%
Gross carrying amount	-	-	-	-	223,499
Loss allowing provision	-	-	-	-	(223,499)

	30 June 2025 \$	30 June 2024 \$
6. Other assets		
Loans (Refer to Note 18 d)	1,029	1,692
Prepayments	<u>1,692</u>	<u>5,411</u>
	<u>2,721</u>	<u>7,103</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

7. Plant and Equipment

	Motor Vehicles	Plant and Office Equipment	Total
	\$	\$	\$
Year ended 30 June 2025			
Opening net book value	11,804	26,407	38,211
Depreciation charge for the year	(3,106)	(4,079)	(7,185)
Closing net book value	8,698	22,328	31,026
At 30 June 2025			
Cost	165,036	118,304	283,340
Accumulated depreciation	(156,338)	(95,976)	(252,314)
Net book value	8,698	22,328	31,026
	Motor Vehicles	Plant and Office Equipment	Total
Year ended 30 June 2024			
Opening net book value	16,030	31,459	47,489
Depreciation charge for the year	(4,226)	(5,052)	(9,278)
Closing net book value	11,804	26,407	38,211
At 30 June 2024			
Cost	165,036	118,304	283,340
Accumulated depreciation	(153,232)	(91,897)	(245,129)
Net book value	11,804	26,407	38,211

8. Capitalised exploration expenditure

	30 June 2025	30 June 2024
	\$	\$
Opening balance	572,076	1,108,180
Current year expenditure	831,936	14,599
Exploration Costs Expensed (a)	(825,210)	
Sale of exploration asset (b)	-	(550,703)
Closing balance	578,802	572,076

- a) **Egypt Exploration Costs:** The Company announced subsequent to years end in September the entering of a binding heads of agreement for a gold concession in southern Egypt. During the year the Company had a number of commercial-in-confidence discussions with respect of project acquisition in Egypt. The company incurred additional costs for exploration and other costs relating to that project venture with a locally based Egyptian company. The Company has taken the conservative approach due to the location and more broadly geopolitical risk of expensing all costs. On 22 September the Company announced the entering of a binding heads of agreement for a gold concession in southern Egypt. The company becomes responsible for maintaining the project costs on a cost recovery basis. The Company is to receive 100% priority cost recovery from operations and a 44% profit share after costs.
- b) **Sale of Tenement:** The recoupment of cost carried forward in relation to areas of interest in the exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas. The exploration asset relates to a 20% share held by Nex Metals Explorations Limited in the Kookynie and Yundamindra Joint Venture ("JV").

8. Capitalised exploration expenditure (Continued)

Sale of 29% Interest in the Kookynie and Yundamindra Project

The Company and Metalicity announced on 21 December 2023 the signing and execution of all final agreements in relation to settling all matters between the parties. As previously announced by Nex and Metalicity (ASX Release 29 September 2023), on completion of the matters set out in the agreements, MCT will hold an 80% interest in the JV (currently 51%) with NEX retaining the remaining 20%, with both parties to contribute to future expenditure in accordance with their respective interests (or be diluted), and NEX will acquire 100% of certain non-core prospecting licences along with the tailing rights. The signing of the Formal Agreements between the two parties completes the first stage of matters set out in the Term Sheet, which broadly includes execution of the following:

- Settlement Agreement – being agreement of specific details of matters agreed and set out in the Term Sheet, including settlement of disputes between the two parties;
- Amendment of JV Agreement – being amendment of matters including, but not limited to:
 - Amendment of dilution clause to reflect an industry standard;
 - First right of refusal given to each party;
 - Confirmation of JV commencement date of 20 May 2019; and
 - Removal of area of influence.
- Mineral Rights Agreement - providing NEX with the sole right to the Kookynie Tailings, including the right to treat and process the tailings and be liable for environmental and rehabilitation obligations in respect of the tailings, and for MCT to retain the priority right to explore the area where the tailings are located as reasonably required.

Both Companies announced subsequent to year end on 12 July 2024 the finalisation of formal agreements ("Nex and Metalicity Finalise Formal Agreement"), being:

Approvals: Each of NEX and MCT having obtained all authorisations of any governmental or administrative agency or commission, which are necessary to implement the transactions contemplated by the Terms Sheet and the Formal Agreement. These approvals are of a standard nature; and

Share Cancellation: The Company obtained shareholder approval for the cancellation of 100% of shares held by Metalicity Ltd and its subsidiary at a general meeting held on 24 June 2024. The shares were cancelled on 23 July 2024. The effect of which 91,365,685 fully paid ordinary shares were to be cancelled from the share registry of Nex Metals Explorations Ltd.

The Company obtained shareholder approval for the cancellation of 100% of shares held by Metalicity Ltd and its subsidiary at a general meeting held on 24 June 2024. The shares were cancelled on 23 July 2024. The effect of which 91,365,685 fully paid ordinary shares were to be cancelled from the share registry of Nex Metals Explorations Ltd.

As the Company met the substantive conditions of the agreement at 30 June 2024 and shareholder approval was obtained the Company accounted for the reduction in the exploration asset at 30 June 2024 of \$550,703 representing the 29% disposal of the Company's share in Kookynie and Yundamindra Project plus acquiring the 100% of certain non-core prospecting licences and the tailings rights. The consideration received being the share cancellation of 91,365,685 fully paid ordinary shares was accounted for as a reduction in share capital. The amount debited to share capital is the net amount of consideration paid being \$550,703, as AASB 132 requires that consideration received is directly recognised in equity with no gain or loss recorded

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

	30 June 2025	30 June 2024	
	\$	\$	
9. Payables			
Current			
Trade payables and accruals (i)	631,612	507,669	
Accrued director fees (ii)	906,260	700,538	
Share applicable monies (iii)	328,000	328,000	
	<u>1,865,872</u>	<u>1,536,207</u>	
(i) Trade payables are non-interest-bearing and are normally settled on 30–60-day terms. Included in this amount is \$527,248 owing to a director-related entity refer to Note 18. (ii) Amount of \$906,260 is payable to the current Directors of the consolidated entity. The Directors have agreed to not seek cash payments for their unpaid balances of until the consolidated entity is in a financial position to pay. (iii) This represents share application monies from Raja Mohd Azmi bin Raja Razali. Mr Ken Allen has provided a written confirmation that he will cover the payment of this amount.			
	30 June 2025	30 June 2024	
	\$	\$	
10. Borrowings			
Current			
Loans – related parties (a)	<u>137,837</u>	<u>517,663</u>	
	<u>137,837</u>	<u>517,663</u>	
(a) During the year 379,826 was repaid during the year to Allens Business Group Pty Ltd. (b) This loan is interest free and is with Allens Business Group Pty Ltd, an entity controlled by Mr Ken Allen. Allens Business Group Pty Ltd have agreed to not seek cash payments for their unpaid balances until the consolidated entity is in a financial position to pay.			
	30 June 2025	30 June 2024	
	\$	\$	
11. Provisions			
Director Employee entitlements (Note 18)	<u>187,002</u>	<u>175,746</u>	
Balance at beginning of financial year	175,746	268,199	
Movement for year	<u>11,256</u>	<u>(92,453)</u>	
Balance at end of financial year	<u>187,002</u>	<u>175,746</u>	
12. Issued Capital			
Fully paid ordinary shares	<u>29,653,062</u>	<u>27,915,803</u>	
(a) Movements in issued capital:			
	<u>Issue Price</u>	<u>No of Shares</u>	<u>\$</u>
Balance at 1 July 2024		363,643,639	27,915,804
Shares issued **		61,827,845	1,737,258
Shares cancellation*		(91,365,685)	
Balance at 30 June 2025		<u>334,105,799</u>	<u>29,653,062</u>
Balance at 1 July 2023		352,532,527	28,266,507
Shares issued	\$0.018	11,111,112	200,000
Shares cancellation*			(550,703)
Balance at 30 June 2024		<u>363,643,639</u>	<u>27,915,804</u>

*Refer to disclosure in Note 8 for the share cancellation

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

** The Company issued 5,922,848 at 3 cents a share \$177,684 to unrelated parties for consulting and legal services
The Company issued 55,904,99, raising \$1,559,574 in cash.

13. Reserves	30 June 2025 \$	30 June 2024 \$
Option reserve	2,260,245	2,260,245

Option reserve

Balance at beginning of financial year	2,260,245	2,260,245
Balance at end of financial year	2,260,245	2,260,245

This option issue reserve is used to recognise both the fair value or issue price of options issued.

As at 30 June 2025, there are 1,082,477 unlisted options on issue, with an exercise price of \$0.10, expiring on 31 October 2025.

	30 June 2025 Cents Per Share	30 June 2024 Cents Per Share
14. Loss per share		
Basic and diluted loss per share:	(0.61)	(0.16)

The loss for the year and the weighted average number of ordinary shares used in the calculation of basic loss per share are as follows:

	30 June 2025 \$	30 June 2024 \$
Loss for the year after income tax	(1,844,575)	(579,112)
	No	No
Weighted average number of ordinary shares for the purposes of basic loss per share	303,163,163	353,777,214

15. Commitments for expenditure	30 June 2025 \$	30 June 2024 \$
(a) <u>Exploration commitments</u>		

The consolidated entity has certain commitments to meet minimum expenditure requirements on the mineral exploration assets it has an interest in. Outstanding exploration commitments are as follows:

Not later than 1 year	35,709	60,134
Later than 1 year and not later than 2 years	35,709	60,134
Later than 2 years and not later than 5 years	107,227	168,288
	178,645	288,556

- (i) The consolidated entity has various royalty commitments in relation to tenements acquired in the Kookynie and Yundamindra area. These commitments vary. Based on average grades and the budgeted areas to be mined, the Directors consider that royalties payable for the next 2-3 years will be insignificant.
- (ii) In order to maintain current contractual rights concerning its mineral projects, the Group has certain commitments to meet minimum expenditure requirements on the mineral exploration assets in which it has an interest.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

- (iii) If the Group decides to relinquish certain leases and/or does not meet these obligations, assets recognised in the balance sheet may require review to determine the appropriateness of carrying values. The sale, transfer, or farm-out of exploration rights to third parties will reduce or extinguish these obligations.
- (iv) Pursuant to the binding heads of agreement announced subsequent to years end with respect to a gold project in Egypt the company becomes responsible for maintaining the project costs on a cost recovery basis. The Company is to receive 100% priority cost recovery from operations and a 44% profit share after costs.

16. Contingencies

The Group does not have any contingent liabilities at 30 June 2025.

17. Key Management Personnel Disclosures

Refer to Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of the company's Key Management Personnel for the year ended 30 June 2025.

Compensation of Key Management Personnel

	30 June 2025	30 June 2024
	\$	\$
Short term employee benefits	369,102	184,504
Post-employment benefits	39,497	20,295
	<u>408,599</u>	<u>204,799</u>

18. Related Party Disclosures

	30 June 2025	30 June 2024
	\$	\$
(a) <i>Transactions with director related entities</i>		
Transactions with director related entities are on commercial terms no more favorable than those available to other persons unless otherwise stated.		
(i) Accounting, administration, rent & labour hire fees paid to Allens Business Group Pty Ltd, a related company of Kenneth Allen	84,427	84,427
(b) <i>Aggregate amounts payable to directors and former directors and their director related entities at balance date</i>		
<i>Current liabilities</i>		
Accrued directors' fees		
• Accrued Directors Fees	906,260	700,538
• Accrued office rent and accounting services payable to Allens Business Group Pty Ltd, a related company of Kenneth Allen	527,248	451,725
Share applicable monies ^	328,000	328,000
	<u>1,761,508</u>	<u>1,480,263</u>

^ This represents share application monies from Raja Mohd Azmi Bin Raja Razali.

- (c) *Director's loans*
Loans existed during the year between the consolidated entity and Allens Business Group Pty Ltd an entity controlled by Mr Ken Allen and as at balance date the balance was \$137,837 (2024: \$517,663).
- (d) *Other related party transactions*
Paddick Investments Pty Ltd is a related party of Kenneth Allen. The consolidated entity has a receivable of \$1,029 (2024: NIL) from Paddick Investments Pty Ltd.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

19. Controlled Entity

Name	Country of Incorporation	Percentage Interests Held		Cost of Parent Entity Investment	
		2025	2024	2025	2024
				\$	\$
Ausnational Investments Pty Ltd	Australia	100%	100%	1	1
Nex Gold International Pty Ltd	Australia	100%	-	1	1

Nex Gold International Pty Ltd was set up relation to the Egypt Project

20 Cash Flow Information

	30 June 2025	30 June 2024
	\$	\$
(a) Reconciliation of cash and cash equivalents		
Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:		
Cash and cash at bank	150,905	292,286
	<u>150,905</u>	<u>292,286</u>
(b) Reconciliation of loss for the year to net cash flows from operating activities		
Loss for the year	(1,844,575)	(579,112)
Depreciation	7,184	9,279
Exploration costs	825,210	-
Changes in assets and liabilities		
Prepayments	3,719	(5,411)
Other assets	663	-
Payables and provisions	518,606	151,601
Net cash (used in)/provided by operating activities	<u>(489,193)</u>	<u>(423,643)</u>
(c) Non cash		
Issue of shares for services provided	177,684	-
	<u>177,684</u>	<u>-</u>

21. Financial risk management and policies

The consolidated entity's exploration activities are being funded by equity and are not exposed to significant financial risks. There are no speculative or financial derivative instruments. Funds are invested for various short term periods to match forecast cash flow requirements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

The consolidated entity holds the following financial instruments:

	30 June 2025	30 June 2024
	\$	\$
Financial assets		
Cash and cash equivalents	150,905	292,286
	<u>150,905</u>	<u>292,286</u>
Financial liabilities		
Payables	1,865,872	1,536,207
Borrowings	137,837	517,663
	<u>2,003,709</u>	<u>2,053,870</u>

The consolidated entity's principal financial instruments comprise cash and short-term deposits. The main purpose of these financial instruments is to fund the consolidated entity's operations.

21. Financial risk management and policies (continued)

It is, and has been throughout the period under review, the consolidated entity's policy that no trading in financial instruments shall be undertaken. The main risks arising from the consolidated entity are credit risk, capital risk and liquidity risk. The director's reviews and agrees policies for managing each of these risks and they are summarised below:

(a) Credit risk

Management does not actively manage credit risk.

The consolidated entity has no significant exposure to credit risk from external parties at year end. The maximum exposure to credit risk at the reporting date is equal to the carrying value of financial assets at 30 June 2025.

Cash at bank is held with internationally regulated banks.

Other receivables are of a low value and all amounts are current.

(b) Capital risk

The consolidated entity's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Refer to Note 1 (b) of the financial report going concern for further details.

(c) Liquidity risk

Maturity profile of financial instruments

Prudent liquidity risk management implies maintaining sufficient cash balances and access to equity funding.

The consolidated entity's exposure to the risk of changes in market interest rates relate primarily to cash assets and floating interest rates. The consolidated entity does not have significant interest-bearing assets and is not materially exposed to changes in market interest rates.

The directors monitor the cash-burn rate of the consolidated entity on an on-going basis against budget and the maturity profiles of financial assets and liabilities to manage its liquidity risk.

The following table sets out the carrying amount, by maturity, of the financial instruments including exposure to interest rate risk:

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

As at 30 June 2025	< 1 month	1 – 3 months	3 months – 1 year	1 – 5 years	Over 5 years	Total	Weighted average effective interest rate %
Financial Assets:							
Cash	150,905	-	-	-	-	150,905	0%
	150,905	-	-	-	-	150,905	-
Financial Liabilities:							
Payables			1,865,872			1,865,872	-
Borrowings – interest free			137,837			137,837	0%
		-	-	-	-	-	-
		-	2,003,709	-	-	2,003,709	-

21. Financial risk management and policies (continued)

As at 30 June 2024	< 1 month	1 – 3 months	3 months – 1 year	1 – 5 years	Over 5 years	Total	Weighted average effective interest rate %
Financial Assets:							
Cash	292,286	-	-	-	-	292,286	0%
	292,286	-	-	-	-	292,286	-
Financial Liabilities:							
Payables		-	1,536,207	-	-	1,536,207	-
Borrowings – interest free		-	517,663	-	-	517,663	0%
		-	2,053,870	-	-	2,053,870	-

Sensitivity analysis – interest rates

The sensitivity effect of possible interest rate movements have not been disclosed as they are immaterial.

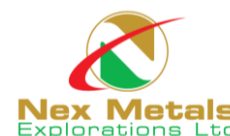
Fair value

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

22. Segment Reporting

The consolidated entity has identified its operating segments based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The consolidated entity operates predominantly in one business segment which is mineral mining and exploration and predominantly in one geographical area which is Western Australia. The company is domiciled in Australia. All revenue from external parties is generated from Australia only. All the assets are located in Australia.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025



23. Events Subsequent to Reporting Date

On 7 July 2025, the Company announced the appointment of Non-Executive Director Gregory Barns SC

On 21 August 2025 the Company announced that a binding term sheet signed with the Aboriginal custodians, the Nyalpa Pirniku people who are custodians of 30,000 square kilometres of the north eastern goldfields operating under the prescribed body corporation Wangkatja Tjungula Aboriginal Corporation (WTAC). The agreement covers the re-processing of historical mine tailings at NME Kookynie Gold tailings Project. 35 % profit share of net ore-sale proceeds to be paid to WTAC after reimbursable costs with 65% held by Nex. Parties will jointly design and implement best-practice site rehabilitation, incorporating Wangkatja Tjungula Aboriginal Corporation's cultural knowledge and land-stewardship principles. Agreement empowers both parties to select a third-party processor committed to First Nations engagement, environmental excellence and transparent ESG reporting. New training facility to be co-established on WTAC lands, delivering on-the-job training in mining and environmental skill sets; parties will jointly pursue State and Commonwealth funding to support its construction and operation. Reflects the Company's principle that the resources of the land belong first to its traditional custodians. Commercial success, cultural heritage protection and capacity-building go hand-in-hand.

On 22 September the Company announced the entering of a binding heads of agreement for a gold concession in southern Egypt. The company becomes responsible for maintaining the project costs on a cost recovery basis. The Company is to receive 100% priority cost recovery from operations and a 44% profit share after costs.

There has been no other matters or circumstance that has arisen after balance date 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 subsequent financial years.

24. Parent Entity Disclosures

	2025 \$	2024 \$
<i>Financial Position</i>		
Assets		
Current assets	153,626	299,389
Non-current assets	609,828	610,287
Total assets	763,454	909,676
Liabilities		
Current liabilities	2,190,711	2,229,616
Total liabilities	2,190,711	2,229,616
Equity		
Issued capital	29,653,062	27,915,803
Reserves	2,260,245	2,260,245
Accumulated losses	(33,340,564)	(31,495,988)
Total deficit	(1,427,257)	(1,319,940)
<i>Financial Performance</i>		
Loss for the year	(1,844,575)	(579,112)
Other comprehensive income		-
Total comprehensive income	(1,844,575)	(579,112)

25. Company Details

The registered office and principal place of business of the Company is:
45 Guthrie Street
OSBORNE PARK WA 6017

Independent Auditor's Report To the Members of Nex Metals Explorations Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Nex Metals Explorations Limited and its subsidiaries ('the Group') which, comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other 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 consolidated financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of Nex Metals Explorations Limited is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Group's financial position as at 30 June 2025, and of its financial performance for the year then ended and;
- 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 *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants* ("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 directors of the Group, 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.

Material Uncertainty Regarding Going Concern

We draw attention to Note 1 (b) in the financial report, which indicates that the Group the consolidated entity, incurred a net loss of \$1,844,575 and had net cash outflows from operating activities of \$489,193 for the year ended 30 June 2025. As of that date, the consolidated entity had net current liabilities of \$2,037,085 and net liabilities of \$1,427,257. As stated in Note 1 (b), these events or conditions, along with other matters as set forth in Note 1 (b), indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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 year. 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 separated opinion on these matters.

Key Audit Matter

How our audit addressed the key audit matter

Exploration Assets (Note 8)

At 30 June 2025, the Company's carrying value of exploration and evaluation assets was \$578,802.

The exploration and evaluation assets are required to be assessed for impairment when facts and circumstances suggest that the carrying amount may exceed their recoverable amount. Any impairment losses are then measured in accordance with AASB 136 *Impairment of Assets*.

This area is a key audit matter as significant judgement is required in determining whether:

Facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount in accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources*

Our Procedures, amongst others, included:

- Confirming whether the rights to tenure for the areas of interest were current at the reporting date as well as confirming that the rights to tenure are expected to be renewed for tenements that will expire in the near future;
- Obtaining evidence of the Company's intention to carry out exploration and evaluation activities in the relevant areas of interest;
- Evaluating Company documents such as announcements made by the Company to the ASX and board minutes to check that the Group had not decided to discontinue exploration and evaluation activities at its area of interest.;
- Obtaining evidence to check for decisions or intent by the Consolidated Entity to discontinue activities in the specific area of interest due to lack of commercially viable quantities of resources.
- Obtaining evidence to check for any data indicating that, although a development in the specific area is likely to proceed, the carrying amount of the exploration asset is unlikely to be recovered in full from successful development or sale.
- Assessing the appropriateness of the accounting treatment and disclosure in terms of AASB 6

Information Other than the Financial Report and Auditor's Report Thereon

The Directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2025 but does not include the financial report and our 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
- 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 Company 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 Company or to cease operations, or has 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 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/ar1_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 11 to 14 of the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Nex Metals Explorations Limited for the year ended 30 June 2025 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Group 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.

*Armada Audit
& Assurance*

ARMADA AUDIT & ASSURANCE PTY LTD



Nigel Dias
Director Perth, 30 September 2025

Corporate Governance Statement

Corporate Governance Statement

The Board is responsible for establishing the Company's corporate governance framework, the key features of which are set out below. In establishing its corporate governance framework, the Board has referred to the 4th edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

In accordance with ASX Listing Rule 1.1 Condition 13, the corporate governance statement set out below discloses the extent to which the Company follows the recommendations. The Company will follow each recommendation where the Board has considered the recommendation to be an appropriate benchmark for its corporate governance practices. Where the Company's corporate governance practices will follow a recommendation, the Board has made appropriate statements reporting on the adoption of the recommendation. In compliance with the "if not, why not" reporting regime, where, after due consideration, the Company's corporate governance practices will not follow a recommendation, the Board has explained its reasons for not following the recommendation and disclosed what, if any, alternative practices the Company will adopt instead of those in the recommendation.

Principle 1: Lay solid foundations for management and oversight

Recommendation 1.1

The Company has established the respective roles and responsibilities of its Board and management, and those matters expressly reserved to the Board and those delegated to management. Due to the small size of the Company, they have not been formally documented.

The responsibilities of the Board include but are not limited to:

- (a) setting and reviewing strategic direction and planning;
- (b) reviewing financial and operational performance;
- (c) identifying principal risks and reviewing risk management strategies; and
- (d) considering and reviewing significant capital investments and material transactions.

In exercising its responsibilities, the Board recognises that there are many stakeholders in the operations of the Company, including employees, shareholders, co-ventures, the government and the community.

The Board has delegated responsibility for the business operations of the Company to the Managing Director.

Recommendation 1.2

The Company undertakes appropriate checks before appointing a person, or putting forward to shareholders a candidate for election as a director and provides shareholders with all material information in its possession relevant to a decision on whether or not to elect a director.

Recommendation 1.3

The Company has a written agreement with each of the Directors setting out the terms of their appointment. The material terms of any employment, service or consultancy agreement the Company has entered into with its Managing Director, any of its directors, and any other person or entity who is a related party of the Managing Director or any of its directors will be disclosed in accordance with ASX Listing Rule 3.16.4 (taking into consideration the exclusions from disclosure outlined in that rule).

Recommendation 1.4

The Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board. The Company Secretary is responsible for the application of best practice in corporate governance and also supports the effectiveness of the Board by:

- (a) ensuring a good flow of information between the Board, its committees, and Directors;
- (b) monitoring policies and procedures of the Board;
- (c) advising the Board through the Chairman of corporate governance policies; and
- (d) conducting and reporting matters of the Board, including the dispatch of Board agendas, briefing papers and minutes.

Corporate Governance Statement

Recommendation 1.5

The Company values diversity and recognises the benefits it can bring to the organisation's ability to achieve its goals. Diversity is not limited to gender, age, ethnicity and/or cultural backgrounds.

The Board considers that the Company is not currently of a size, or its affairs of such complexity, that the formation of a diversity policy is justified at this time.

The Company has one (1) female employee who represents approximately 25% of total employees. There are currently no female members of the Board of the Company.

The Board intends to set measurable objectives for achieving diversity, specifically including gender diversity and will review and report on the effectiveness and relevance of these measurable objectives. However, due to the current size of the Board and management, these measurable objectives have not yet been set.

Recommendation 1.6

Given the Company's size and nature there is no formal process for evaluating the performance of the board, its committees and individual directors. Should the size of the Company change, the Board will consider establishing a formal process. The Board Policy sets out how the company addresses succession issues.

During the current reporting period, the Company has not conducted an evaluation of its Managing Director

Recommendation 1.7

Given the Company's size and nature there is no formal process for evaluating the performance of the board, its committees and individual directors. Should the size of the Company change, the Board will consider establishing a formal process. The Board Policy sets out how the company addresses succession issues.

During the current reporting period, the Company has not conducted an evaluation of its Managing Director.

Recommendation 1.8

Given the Company's size and nature there is no formal process for evaluating the performance of its senior executives. Should the size of the Company change, the Board will consider establishing a formal process. The Board Policy sets out how the company addresses succession issues.

Principle 2: Structure the board to add value

Recommendation 2.1

Due to the size of the Board, the Company does not have a separate nomination committee. The roles and responsibilities of a nomination committee are currently undertaken by the Board.

Recommendation 2.2

The mix of skills and diversity which the Board is looking to achieve in its composition is:

- (a) a broad range of business experience; and
- (b) technical expertise and skills required to discharge duties

Recommendation 2.3

The Board of the Company currently consists of two non-executive directors and one executive director.

Mr Thomas Percy KC is a non-executive director and satisfies the tests of independence.

Mr Ken Allen is an executive director and currently fills the role of managing director and company secretary.

Mr Hock Hoo Chua is a non-executive director and satisfies the tests of independence.

Corporate Governance Statement

The skills, experience, expertise, qualification, and terms of office of each director in office at the date of the annual report is included in the Directors' Report.

The board has been structured such that its composition and size will enable it to effectively discharge its responsibilities and duties. The directors have the relevant industry experience and specific expertise relevant to the Company's business and operations.

Recommendation 2.4

The majority of the Board are independent directors.

Recommendation 2.5

The Chairman of the Board, Mr. Thomas Percy KC, is an independent, non-executive Director.

Recommendation 2.6

It is a policy of the Company, that new Directors undergo an induction process in which they are given a full briefing on the Company.

In order to achieve continuing improvement in Board performance, all Directors are encouraged to undergo continual professional development. Specifically, Directors are provided with the resources and training to address skills gaps where they are identified.

Principle 3: Act ethically and responsibly

Recommendation 3.1

A copy of the Company's code of conduct is available on the Company's website.

Principle 4: Safeguard integrity in corporate reporting

Recommendation 4.1

There is no separate Audit Committee. The full Board carries out the role of the Audit Committee in accordance with the Audit Committee Charter. The Company's financial statements are prepared by external accountants and are reviewed in detail by the full Board. The Board also relies on the functions and capabilities of its external auditors to ensure proper audit of financial statements. While the Board considers this process sufficient to ensure integrity in financial reporting in the current circumstances, it will continue to monitor whether any further safeguards are required and make changes as appropriate.

Recommendation 4.2

Due to the size of the Company, the Managing Director is responsible to provide a declaration to the Board in accordance with section 295A of the Corporations Act as the Company does not have a Chief Executive Officer (or equivalent) or Chief Financial Officer (or equivalent). Accordingly, the Board will seek to ensure that the Managing Director puts in place sound systems of risk management and internal control and that the system is operating effectively in all material respects in relation to financial risk.

Recommendation 4.3

The Company has included in each of its periodic reports (to the extent that the information contained in the following is not audited or reviewed by an external auditor):

1. annual reports or on its website, a description of the process it undertook to verify the integrity of the information in its annual directors' report;
2. quarterly reports, or in its annual report or on its website, a description of the process it undertook to verify the integrity of the information in its quarterly reports;
3. integrated reports, or in its annual report (if that is a separate document to its integrated report) or on its website, a description of the process it undertook to verify the integrity of the information in its integrated reports;

Corporate Governance Statement

4. periodic corporate reports, or in its annual report or on its website, a description of the process it undertook to verify the integrity of the information in these reports

Principle 5: Make timely and balanced disclosure

Recommendation 5.1

The Company has complied with this recommendation.

A disclosure policy is available on the Company's website.

Principle 6: Respect the rights of security holders

Recommendation 6.1

The Company provides information about itself and its governance to investors via its website at www.nexmetals.com.

Recommendation 6.2

The Company has not established a formal Shareholder communication strategy.

While the Company has not established a formal Shareholder communication strategy, it actively communicates with its Shareholders in order to identify their expectations and actively promotes shareholder involvement in the Company via announcements lodged with the ASX. Shareholders with internet access are encouraged to provide their email addresses in order to receive electronic copies of information distributed by the Company. Alternatively, hard copies of information distributed by the Company are available on request.

Recommendation 6.3

The Board encourages full participation of Shareholders at meetings to ensure a high level of accountability and identification with the Company's strategies and goals.

However, due to the size and nature of the Company, the Board does not consider a policy outlining the policies and processes that it has in place to facilitate and encourage participating at meetings of shareholders to be appropriate at this stage.

Recommendation 6.4

Shareholders are given the option to receive communications from, and send communication to, the Company and its share registry electronically. To ensure that shareholders can obtain all relevant information to assist them in exercising their rights as shareholders, the Company has made available a telephone number and relevant contact details (via the website) for shareholders to make their enquiries.

Principle 7: Recognise and manage risk

Recommendation 7.1

The Company has not established a risk committee.

Due to the size of the Company, it does not have a published risk management policy. A Board member is responsible for the day-to-day management of the Company and communicates directly with the other Board members, this ensures that any potential risk to the Company is dealt with immediately. Should the size of the Company change, the Board will consider establishing a separate risk committee.

Recommendation 7.2

The Board will review the Company's risk management framework annually to satisfy itself that it continues to be sound, to determine whether there have been any changes in the material business risks the Company faces and to ensure that the Company is operating within the risk appetite set by the Board

Corporate Governance Statement

Recommendation 7.3

The Company does not have, and does not intend to establish, an internal audit function. To evaluate and continually improve the effectiveness of the Company's risk management and internal control processes, the Board relies on ongoing reporting and discussion of the management of material business risks.

Recommendation 7.4

Given the speculative nature of the Company's business, it is subject to general risks and certain specific risks.

The Company has identified those economic, environmental and/or social sustainability risks to which it has a material exposure and disclosed how it intends to manage those risks.

Principle 8: Remunerate fairly and responsibly

Recommendation 8.1

There is no separate Remuneration Committee. Given the current size and composition of the Company, a separate remuneration committee was not considered to add any efficiency to the process of determining the levels of remuneration for the Directors and key executives. The Board considers that it is more appropriate to set aside time at two Board meetings each year to specifically address matters that would ordinarily fall to a remuneration committee. The full Board will function in accordance with the Remuneration Committee Charter. Remuneration is currently in accordance with the general principals recommended by the ASX. Non-executive Directors receive a fixed fee for their services and do not receive performance-based remuneration.

Recommendation 8.2

Details of the Company's policies on remuneration will be set out in the Company's "Remuneration Report" in each Annual Report published by the Company. This disclosure will include a summary of the Company's policies regarding the deferral of performance-based remuneration and the reduction, cancellation or claw back of the performance-based remuneration in the event of serious misconduct or a material misstatement in the Company's financial statements.

Recommendation 8.3

The Company does not have an equity-based remuneration scheme

Security Trading Policy

In accordance with ASX Listing Rule 12.9, the Company has adopted a trading policy which sets out the following information:

- (a) closed periods in which directors, employees and contractors of the Company must not deal in the Company's securities;
- (b) trading in the Company's securities which is not subject to the Company's trading policy; and
- (c) the procedures for obtaining written clearance for trading in exceptional circumstances.

The Company's Security Trading Policy is available on the Company's website.

SHAREHOLDERS' INFORMATION

Shareholder information

Statement of Quoted Securities

1. Distribution of shareholders and their holdings as at 30 June 2025

Category (size of holding)	Shareholders	Ordinary Shares
1 – 1,000	29	3,012
1,001 – 5,000	51	169,214
5,001 – 10,000	111	909,769
10,001 – 100,000	340	13,121,704
100,001 – and over	230	319,902,100
	761	334,105,799

2. Voting Rights

The voting rights attaching to ordinary shares are governed by the Constitution. On a show of hands every person present, who is a member or representative of a member shall have one vote and, on a poll, every member present in person or by proxy or by attorney or duly authorised representative shall have one vote for each share held. None of the options or performance rights have any voting rights.

3. Substantial Shareholders

Shareholders	Number of Shares	Percentage
Mr. Kenneth M Allen	35,590,151	10.65%
B3 Prospecting Pty Ltd	17,000,000	5.09%
Allens Business Group Pty Ltd	16,133,469	4.83%

4. Twenty Largest fully paid Shareholders as at 30 June 2025 — Ordinary Shares are:

Rank	Name	Units	% of Units
1	MR KENNETH M ALLEN	35,590,151	10.65%
2	B3 PROSPECTING PTY LTD <B3 A/C>	17,000,000	5.09%
3	ALLENS BUSINESS GROUP PTY LTD	16,133,469	4.83%
4	MR GEORGE PAPAMIHAIL	12,184,815	3.65%
5	SCRUBD COMMERCIAL CLEANING PTY LTD	11,111,111	3.33%
6	MRS WENDY ANNE ARNOLD	11,106,004	3.32%
7	CITICORP NOMINEES PTY LIMITED	10,001,588	2.99%
8	STONEFIELD DEVELOPMENTS PTY LTD <STONEFIELD A/C>	10,000,000	2.99%
9	MR THOMAS FRANCIS PERCY	9,771,580	2.92%
10	TRANSOCEAN NOMINEES PTY LTD	6,666,667	2.00%
11	BNP PARIBAS NOMINEES PTY LTD <UOB KH PL>	6,642,568	1.99%
12	LEGALWEST PTY LTD	6,500,000	1.95%
13	GOLDLAW PTY LTD	6,091,775	1.82%
14	MR BRETT ROYLE	5,821,479	1.74%
15	IERACE PTY LTD	4,711,111	1.41%
16	MR ROBERT HARTLEY DOWNEY & MRS STELLA EMILY DOWNEY <THE BMT FAMILY A/C>	3,783,408	1.13%
17	MICHAEL HYDE PTY LIMITED	3,750,000	1.12%
18	OANA LORD	3,703,703	1.11%
19	JASON MADALENA	3,620,758	1.08%
20	MRS LEE ALLEN	3,500,000	1.05%
	Total	187,690,187	56.18%

SHAREHOLDERS' INFORMATION

5. Unquoted Equity Securities

Unquoted equity securities on issue at 26 September 2024 were as follows:

Name	Units	Holders
Unlisted Options Exercisable At \$0.10 Each	1,082,477	39

6. Securities subject to escrow

There are no ordinary shares subject to escrow.

SHAREHOLDERS' INFORMATION

Nex Metals Explorations Ltd
Consolidated Tenement Schedule as at 30 June 2025

Tenement	Registered Holder	Shares Held	Status	Area (ha)	Nature of Interest	Interest ¹
P40/1331	KYM Mining Limited	100/100	Live	161.2	Per Joint Venture	20%
E40/390	KYM Mining Limited	100/100	Live	3,300.0	Per Joint Venture	20%
E40/350	KYM Mining Limited	100/100	Live	2,394.0	Per Joint Venture	20%
E40/357	KYM Mining Limited	100/100	Live	1,194.0	Per Joint Venture	20%
E40/401	KYM Mining Limited	100/100	Live	598.0	Per Joint Venture	20%
P40/1407	KYM Mining Limited	100/100	Live	10.0	Per Joint Venture	20%
P40/1430	KYM Mining Limited	100/100	Live	9.9	Per Joint Venture	20%
P40/1510	Metalicity Limited	100/100	Live	185.0	Per Joint Venture	100%
P40/1511	Metalicity Limited	100/100	Live	176.7	Per Joint Venture	100%
E40/387	Metalicity Limited	100/100	Live	299.0	Per Joint Venture	20%
G40/3	Nex Metals Explorations Limited	100/100	Live	7.2	Direct Holding	20%
L40/9	Nex Metals Explorations Limited	100/100	Live	1.0	Direct Holding	20%
E40/332	Nex Metals Explorations Limited	100/100	Live	600.0	Direct Holding	20%
M40/22	Nex Metals Explorations Limited	100/100	Live	121.7	Direct Holding	20%
M40/27	Nex Metals Explorations Limited	100/100	Live	85.5	Direct Holding	20%
M40/61	Nex Metals Explorations Limited	100/100	Live	832.7	Direct Holding	20%
M40/77	Nex Metals Explorations Limited	100/100	Live	119.2	Direct Holding	20%
P40/1499	Nex Metals Explorations Limited	100/100	Live	8.3	Direct Holding	100%
P40/1500	Nex Metals Explorations Limited	100/100	Live	5.9	Direct Holding	100%
P40/1501	Nex Metals Explorations Limited	100/100	Live	21.1	Direct Holding	20%
E40/289	Paris Enterprises Pty Ltd	100/100	Live	1,222.7	Per Joint Venture	20%
11,353.1						
L39/34	Nex Metals Explorations Limited	100/100	Live	1.0	Direct Holding	20%
L39/52	Nex Metals Explorations Limited	100/100	Live	1.0	Direct Holding	20%
L39/258	Nex Metals Explorations Limited	100/100	Live	3.2	Direct Holding	20%
M39/84	Nex Metals Explorations Limited	100/100	Live	378.0	Direct Holding	20%
M39/274	Nex Metals Explorations Limited	100/100	Live	230.0	Direct Holding	20%
M39/406	Nex Metals Explorations Limited	100/100	Live	124.0	Direct Holding	20%
M39/407	Nex Metals Explorations Limited	100/100	Live	896.0	Direct Holding	20%
M39/408	Nex Metals Explorations Limited	100/100	Live	785.0	Direct Holding	20%
M39/409	Nex Metals Explorations Limited	100/100	Live	966.0	Direct Holding	20%
M39/410	Nex Metals Explorations Limited	100/100	Live	978.0	Direct Holding	20%
M39/839	Nex Metals Explorations Limited	100/100	Live	7.3	Direct Holding	20%
M39/840	Nex Metals Explorations Limited	100/100	Live	9.7	Direct Holding	20%
P39/6126	Nex Metals Explorations Limited	100/100	Live	10.4	Direct Holding	20%
P39/6127	Nex Metals Explorations Limited	100/100	Live	5.6	Direct Holding	20%
E39/1773	Paddick Investments Pty Ltd	100/100	Live	903.0	Per Joint Venture	49%
E39/1774	Paddick Investments Pty Ltd	100/100	Live	2,517.0	Per Joint Venture	49%
7,815.1						

¹ Please refer to ASX announcement dated 29 September 2023 "Nex and Metalicity settles disputes"

SHAREHOLDERS' INFORMATION
