

**REACH RESOURCES LTD
A.B.N. 79 097 982 235
AND CONTROLLED ENTITIES
INTERIM FINANCIAL REPORT
FOR THE HALF-YEAR ENDED
31 DECEMBER 2025**



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Reach Resources Ltd and Controlled Entities
ABN 79 097 982 235
DIRECTORS' REPORT

Your directors submit the financial report of Reach Resources Ltd (the "Company") and its controlled entities (the "Group") for the half year ended 31 December 2025.

Directors

The names of directors who held office during and since the end of the half-year:

Mr Robert Downey	Chairman	Appointed 20 May 2021
Mr Mathew O'Kane	Non Executive Director	Appointed 20 May 2021
Mr Sam Wright	Non Executive Director	Appointed 30 November 2021

Review of Operations

The consolidated loss of the Group for the half-year ended 31 December 2025 after providing for income tax amounted to \$483,585 (2024: loss of \$460,297).

During the six month period to 31 December 2025 the Company's resources, time, costs and major focus were centered on the Murchison South Gold project near Payne's Find in the Murchison region of Western Australia.

Murchison South Gold Project

The start of the financial year from July to October were utilised to analyse the current Mineral Resource Estimate (MRE) and block model produced by independent resource geologists Mining Plus and work through initial mine engineering options including pit shell optimisations and basic costings. The outcome of this work identified gaps in drilling that warranted follow up as a potential opportunity to increase the resource.

During August two diamond drill holes were drilled specifically to assess the metallurgical performance of the gold mineralisation at the project. The outcome of this program, reported 9 February 2026, returned exceptional gold recovery >95% with very low impurities and low reagent use indicating superior performance via a conventional gravity and cyanide leach flowsheet.

In November 2025 the Company commenced an infill and extensional drill program after initial mine engineering studies identified conceptual pits. The program was designed to increase resource confidence within the pit shells and assess gaps for the potential expansion of the MRE. Results announced on 5 March 2026 confirmed mineralization extends along strike, at depth and beneath historic workings. With the continued strong gold price the Company is focused on progressing through the necessary steps required to advance toward potential development of the project.

Competent Person's Statement – Murchison South

Information in this report that relates to exploration results for the Blue Heaven Deposit is based on and fairly represents information and supporting documentation prepared and compiled by Mr David Tsiokos, who is a Member of the Australian Institute of Mining, Metallurgy and Petroleum. Mr Tsiokos is the Principal Geologist for Reach Resources Limited employed on a full-time basis and holds options in the company. Mr Tsiokos has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person, as defined in the 2012 Edition of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves. Mr Tsiokos consents to the inclusion in the announcement of the matters based on this information in the form and context in which it appears.

Reach Resources Ltd and Controlled Entities
ABN 79 097 982 235
DIRECTORS' REPORT

Forward Looking Statements

This report contains forward looking statements concerning the projects owned by Reach Resources Limited. If applicable, statements concerning mining reserves and resources may also be deemed to be forward looking statements in that they involve estimates based on specific assumptions. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward looking statements are based on management's beliefs, opinions and estimates as of the dates the forward looking statements are made and no obligation is assumed to update forward looking statements if these beliefs, opinions, and estimates should change or to reflect other future developments.

No New Information

The Company confirms that it is not aware of any information that has not been announced to the market. The Company confirms that it is complying with the ASX Listing Rules, in particular, Listing Rule 3.1 regarding continuous disclosure.

Events after the Reporting Date

No matter or circumstance has arisen since the end of the half-year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Auditor's Declaration

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* is set out on page 15 for the half-year ended 31 December 2025.

This report is signed in accordance with a resolution of the Board of Directors:



Robert Downey

Chairman

Dated: 12 March 2026

Reach Resources Ltd and Controlled Entities
ABN 79 097 982 235
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

	Consolidated Group	
	31 December	31 December
	2025	2024
	\$	\$
Revenue		
Interest income	68,550	134,701
	68,550	134,701
Employee benefits expenses	(206,261)	(209,756)
Occupancy expenses	(12,000)	(12,000)
Administration expenses	(234,745)	(254,659)
Tenement surrendered	(90,879)	(22,283)
Share based payments expense	(8,250)	(96,300)
Loss before income tax expense	(483,585)	(460,297)
Income tax benefit (expense)	-	-
Loss after income tax	(483,585)	(460,297)
Other comprehensive income	-	-
Total comprehensive income attributable to members of Reach Resources Ltd	(483,585)	(460,297)
Earnings per share attributable to the ordinary equity holders of the company		
- Basic and diluted (cents per share)	\$(0.055)	\$(0.053)

The accompanying notes form part of these financial statements.

Reach Resources Ltd and Controlled Entities
ABN 79 097 982 235
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	Note	Consolidated Group	
		31 December	30 June
		2025	2025
		\$	\$
Current Assets			
Cash and cash equivalents		1,578,487	3,271,919
Trade and other receivables		115,560	61,287
Total Current Assets		1,694,047	3,333,206
Non-Current Assets			
Plant and equipment		39,088	43,781
Exploration assets	3	12,239,728	10,848,785
Total Non-Current Assets		12,278,816	10,892,566
Total Assets		13,972,863	14,225,772
Current Liabilities			
Trade and other payables	4	438,620	222,690
Provision for employee entitlements		32,951	26,455
Total Current Liabilities		471,571	249,145
Total Liabilities		471,571	249,145
Net Assets		13,501,292	13,976,627
Equity			
Issued equity	5	28,891,204	28,891,204
Reserves		580,910	573,327
Accumulated losses		(15,970,822)	(15,487,904)
Total Equity		13,501,292	13,976,627

The accompanying notes form part of these financial statements.

Reach Resources Ltd and Controlled Entities
ABN 79 097 982 235
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

	Contributed	Performance Rights	Options	Accumulated	
	Equity	Reserve	Reserve	Losses	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2024	28,891,204	34,486	297,591	(14,537,606)	14,685,675
Total comprehensive income	-	-	-	(460,297)	(460,297)
Sub-total	28,891,204	34,486	297,591	(14,997,903)	14,225,378
Options issued during the period	-	-	102,050	-	102,050
Performance rights vesting during the period	-	8,250	-	-	8,250
Performance rights forfeited during the period	-	(14,000)	-	-	(14,000)
Balance at 31 December 2024	28,891,204	28,736	399,641	(14,997,903)	14,321,678
Balance at 1 July 2025	28,891,204	36,986	536,341	(15,487,904)	13,976,627
Total comprehensive income	-	-	-	(483,585)	(483,585)
Sub-total	28,891,204	36,986	536,341	(15,971,489)	13,493,042
Options expired during the period	-	-	(667)	667	-
Performance rights vesting during the period	-	8,250	-	-	8,250
Balance at 31 December 2025	28,891,204	45,236	535,674	(15,970,822)	13,501,292

The accompanying notes form part of these financial statements.

Reach Resources Ltd and Controlled Entities
ABN 79 097 982 235
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2025

	Consolidated Group	
	31 December	31 December
	2025	2024
	\$	\$
Cash Flow from Operating Activities		
Payments to suppliers and employees	(500,081)	(659,566)
Interest received	68,550	134,701
	<u>68,550</u>	<u>134,701</u>
Net cash flows used in operating activities	<u>(431,531)</u>	<u>(524,865)</u>
 Cash Flow from Investing Activities		
Payments for exploration & evaluation	(1,261,901)	(1,051,856)
	<u>(1,261,901)</u>	<u>(1,051,856)</u>
Net cash flows used in investing activities	<u>(1,261,901)</u>	<u>(1,051,856)</u>
 Cash Flow from Financing Activities		
Share issue costs	-	(634)
Option issue costs	-	(3,733)
	<u>-</u>	<u>(3,733)</u>
Net cash flows used in financing activities	<u>-</u>	<u>(4,367)</u>
 Net decrease in cash and cash equivalents	(1,693,432)	(1,581,088)
Cash and cash equivalents at the beginning of the period	3,271,919	6,014,564
	<u>3,271,919</u>	<u>6,014,564</u>
Cash and cash equivalents at the end of the period	<u>1,578,487</u>	<u>4,433,476</u>

The accompanying notes form part of these financial statements.

Reach Resources Ltd ABN 79 097 982 235 and Controlled Entities
NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

NOTE 1: Basis of Preparation

This general purpose financial report for the interim half-year reporting period ended 31 December 2025 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2025 and any public announcements made by Reach Resources Limited during the interim period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

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

Going Concern

The financial report has been prepared on the basis of accounting principles applicable to a going concern, which assumes the commercial realisation of the future potential of the Company's assets and discharge of its liabilities in the normal course of business.

The directors consider it is appropriate to prepare the consolidated entity's financial statement on a going concern basis and recognise that additional funding may be required to ensure the consolidated entity can continue its operations for the next twelve months and to fund the continued development of the consolidated entity's exploration assets. This basis has been determined after consideration of the following factors:

- The ability to issue additional share capital under the Corporations Act 2011, if required, by a share purchase plan, share placement or rights issue;

Consequently, the Board considers the Group is a going concern and that it is appropriate to adopt that basis of accounting in the preparation of the financial report.

Adoption of new and revised Accounting Standards

In the half-year ended 31 December 2025, the Group has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2025.

It has been determined by the Group that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to Group accounting policies.

Critical Accounting Estimates and Judgments

Key Estimates – Deferred Exploration and Evaluation Expenditure

The directors evaluate estimates and judgments incorporated into the interim 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 Group.

The Group's policy for deferred exploration and evaluation requires management to make certain assumptions as to future events and circumstances. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised exploration and evaluation expenditure, management concludes that the capitalised amount is unlikely to be recovered by future sale or exploration, then the relevant capitalised amount will be written off through the Statement of Profit or Loss and Other Comprehensive Income. At the date of this report the Group had sufficient reason to believe that the exploration in specific areas of interest will lead to the discovery of viable quantities of mineral resource and the Group has decided to continue such activity in the specific areas. Such capitalised expenditure is carried at reporting date at \$12,239,728 (June 2025: \$10,848,785) and the amount written off through the Statement of Profit or Loss and Other Comprehensive Income as exploration and evaluation written off for projects amounted to \$90,879 (December 2024: \$22,283).

Reach Resources Ltd ABN 79 097 982 235 and Controlled Entities
NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

NOTE 2: Financial assets

	Consolidated Group	
	31 December	30 June
	2025	2025
	\$	\$
Investments at fair value through profit and loss and other comprehensive income		
Investment in REEcycle Holdings Inc (formerly REEgenerate Pty Ltd)	1,867,500	1,867,500
Provision for impairment	(1,867,500)	(1,867,500)
	-	-

The Company maintains its investment in REEcycle Holdings Inc., a North American rare earth elements (REE) recycling company focused on the recovery of rare earths from end-of-life neodymium magnets. No additional investment has been made by the Company during the half-year ended 31 December 2025.

NOTE 3: Deferred exploration expenditure

	Consolidated Group	
	31 December	30 June
	2025	2025
	\$	\$
Exploration and evaluation costs carried forward in respect of exploration areas of interest	12,239,728	10,848,785
	12,239,728	10,848,785
<i>Movement in carrying amounts</i>		
Balance at beginning of year	10,848,785	8,892,204
Exploration expenditure capitalised	1,481,822	1,978,864
Tenement surrendered	(90,879)	(22,283)
Closing balance	12,239,728	10,848,785

Reach Resources Ltd ABN 79 097 982 235 and Controlled Entities
NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

NOTE 4: Trade and other payables

	Consolidated Group	
	31 December	30 June
	2025	2025
	\$	\$
Trade payables	438,620	222,690
	438,620	222,690

NOTE 5: Issued equity

	Consolidated Group	
	31 December	30 June
	2025	2025
	\$	\$
Share Capital		
Fully paid ordinary shares at the beginning of the financial period	28,891,204	28,891,204
	28,891,204	28,891,204

Reach Resources Ltd ABN 79 097 982 235 and Controlled Entities
NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

NOTE 5: Issued equity continues

	Consolidated Group	
	31 December 2025	30 June 2025
	No. Shares	No. Shares
Ordinary Shares		
At the beginning of the financial period	874,431,349	874,431,349
	<u>874,431,349</u>	<u>874,431,349</u>

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held.

At shareholders' meetings, each ordinary share is entitled to one vote when a poll is called; otherwise each shareholder has one vote on a show of hands.

	Consolidated Group	
	31 December 2025	30 June 2025
	No. Options	No. Options
Options		
At the beginning of the financial period	469,407,443	405,407,443
Number of options issued during the period	-	64,000,000
Number of options expired during the period	(32,433,359)	-
	<u>436,974,084</u>	<u>469,407,443</u>

Reach Resources Ltd ABN 79 097 982 235 and Controlled Entities
NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

NOTE 5: Issued equity continues

	Consolidated Group	
	31 December	30 June
	2025	2025
	No. Performance Rights	No. Performance Rights
Performance Rights		
At the beginning of the financial period	3,400,000	4,800,000
Number of performance rights forfeited during the period	-	(1,400,000)
	3,400,000	3,400,000

NOTE 6: Operating segments

The consolidated entity operates in a single business segment being minerals exploration in Australia.

The company is domiciled in Australia. All revenue from external parties is generated from Australia only. All assets are located in Australia.

NOTE 7: Contingent assets and liabilities

There are no contingent liabilities or assets at the reporting date, other than those disclosed below.

1. Westgold Shares

The Company retains the potential for deferred consideration payable on the sale of Albury Health, being an additional \$400,000 and further \$200,000 of cash or Westgold shares, if the Albury Health project achieves performance targets, as outlined in the 23 April 2020 ASX release.

2. M09/101 Contingent Consideration

On 25 October 2023, the Company announced the acquisition of 100% of the Western Australian mining lease M09/101 from Tamas Kapitany ("Seller") for the equivalent of \$100,000 cash and \$100,000 fully paid ordinary shares using the 5-day volume weighted average price of Reach shares for the five trading days preceding completion. 46,361,901 fully paid ordinary shares at an issue price of \$0.00216 per share were issued on 11 March 2024. Stamp Duty payable on the acquisition was \$10,423. Contingent consideration shares will also be issued to the Seller in the event Reach produces a JORC 2012 compliant measured mineral resource on the Mining Lease of greater than 10,000,000 tonnes at greater than 1% Li₂O ("Milestone"). The contingent consideration shares will be a number of Reach fully paid ordinary shares with a total value of \$100,000 using the 5-day volume weighted average price of Reach shares for the five trading days prior to the date following satisfaction of the Milestone. The Seller acknowledges and agrees that the obligation of Reach to issue the contingent share consideration is for the term of the tenement.

Reach Resources Ltd ABN 79 097 982 235 and Controlled Entities
NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

NOTE 8: Event subsequent to balance date

No matter or circumstance has arisen since the end of the half-year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Reach Resources Ltd ABN 79 097 982 235 and Controlled Entities

DIRECTORS' DECLARATION

The directors of Reach Resources Limited (the company) declare that:

1. The accompanying half year interim financial statements and notes:
 - (a) comply with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations; and
 - (b) give a true and fair view of the economic entity's financial position as at 31 December 2025 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors pursuant to section 303(5)(a) of the Corporations Act 2001.



Robert Downey

Chairman

Dated: 12 March 2026

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

To the directors of Reach Resources Ltd:

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2025 there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Reach Resources Ltd and the entities it controlled during the half-year.

In.Corp Audit & Assurance Pty Ltd



Volha Romanchik
Director

12 March 2026

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REACH RESOURCES LTD INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Reach Resources Ltd

Conclusion

We have reviewed the half-year financial report of Reach Resources Ltd ("the Company"), and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 31 December 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 half-year ended on that date, notes to the financial statements including a summary of material accounting policy information, other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group is not in accordance with the *Corporations Act 2001* including:

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

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report.

We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including independence standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical requirements in accordance with the Code.

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

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REACH RESOURCES LTD

INDEPENDENT AUDITOR'S REVIEW REPORT (continued)

Responsibility of the Directors for the Financial Report

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

Auditor's Responsibilities for the Review of the Financial Report

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

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

In.Corp Audit & Assurance Pty Ltd



Volha Romanchik
Director

12 March 2026