



Verity Resources Limited

ACN 122 995 073

FINANCIAL REPORT
FOR THE HALF-YEAR ENDED
31 DECEMBER 2025

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CORPORATE DIRECTORY

Directors:	Patrick A Volpe Paul Dickson Elvis Mosweu
Company Secretary:	Patrick A Volpe
Registered Office:	832 High Street Kew East VIC 3102
Share Registry:	Automic Group Level 2/267 St Georges Terrace Perth WA 6000 Telephone 1300 288 664
Auditor:	BDO Audit Pty Ltd Level 9 Mia Yellagonga Tower 2 5 Spring Street Perth WA 6000
ASX Code:	VRL
FSE Code:	48B0

DIRECTORS' REPORT

The Directors of Verity Resources Limited ("Verity" or "the Company") present their report, together with the financial statements on the consolidated entity consisting of Verity Resources Limited and its controlled entities for the half-year ended 31 December 2025 ("the Period").

It is recommended that the Directors' report be read in conjunction with the annual financial statements for the year ended 30 June 2025 and considered together with any public announcement made by the Company during the period and up to the date of this report.

1. DIRECTORS

The names of the Company's Directors who held office during the period and until the date of this report are set out below. The Directors were in office for this entire period unless otherwise stated.

Director	Position	Duration of Appointment
Mr Patrick Volpe	Non-Executive Director	Appointed 28 February 2024
Mr Paul Dickson	Non-Executive Director	Appointed 19 March 2025
Mr Elvis Mosweu	Non-Executive Director	Appointed 21 November 2024

2. PRINCIPAL ACTIVITIES

The Group's principal activities during the period were exploration at the Monument Gold Project (Western Australia), the Pimenta and Lithium Valley rare earths and lithium projects (Brazil), and the Dibete Cu-Ag, Airstrip Cu-Ag and Maibele North Ni-Cu-PGE (Botswana). On 3 December 2025, the Group completed the consolidation of ownership of the Botswana projects held under joint venture with BCL Limited and obtained 100% ownership interest in those joint venture projects.

3. REVIEW OF OPERATIONS AND ACTIVITIES

EXPLORATION

MONUMENT GOLD PROJECT, LAVERTON GOLD DISTRICT, WESTERN AUSTRALIA

The Monument Gold Project located in the world-class Laverton Gold District of Western Australia, approximately 40km west of Laverton. The Company holds 100% ownership of the project, which now encompasses approximately ~405km² of prospective tenure following the grant of a significant new exploration licence during the period, expanding from ~195 km² to ~405 km².

The Monument Project is strategically located directly adjacent to and along strike of Genesis Minerals' (ASX: GMD) 3.3Moz Laverton Gold Project, which includes an operating 3.1Mtpa processing mill.

The project's current JORC (2012) Mineral Resource Estimate (**MRE**) stands at:

Deposit	Tonnes (Mt)	Grade (g/t Au)	Contained Gold (oz)
Korong	3.034	1.4	139,000
Waihi	0.223	2.1	15,000
TOTAL	3.257	1.4	154,000

Table 1: Monument Gold Project – Current Mineral Resource Estimate (JORC 2012, Inferred)

Note: MRE declared 2 August 2021. An updated MRE is in preparation, incorporating results from the ~11,000m infill drilling campaign completed during the half year. The Company is targeting an upgrade of a portion to Indicated classification to support future scoping studies.

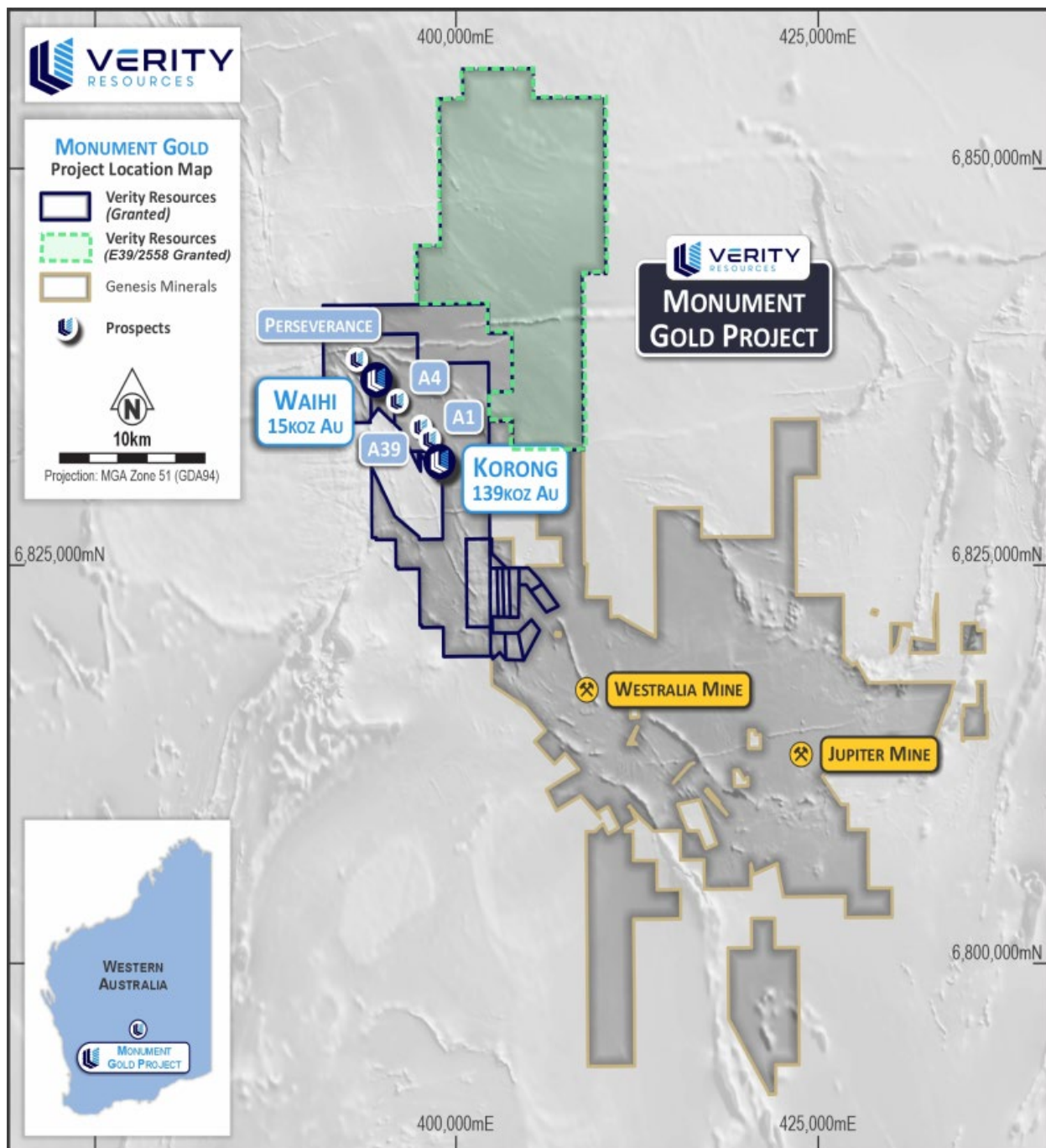


Figure 1. Monument Gold Project location in the Laverton Gold District amongst major gold deposits.

Data Validation Study

Prior to commencing the resource upgrade drilling campaign, the Company completed a comprehensive data validation study covering over 16,000m of historical drilling at the Korong and Waihi deposits. The study standardised legacy exploration datasets from multiple previous operators including Carpentaria Exploration, Dominion Mining, and WMC Exploration – dating back to the 1970s, bringing them into compliance with JORC (2012) standards.

Key outcomes of the data validation study included:

- Standardisation of drill hole collar coordinates, orientation surveys, downhole assay intervals and lithological logs from multiple historic operators into a single unified database compliant with JORC (2012)

DIRECTORS' REPORT

- Confirmation of multiple high-grade intercepts within the existing resource shell, with multiple intercepts above 1g/t Au across the full Korong-Waihi resource envelope
- Identification of the priority portions of the 154,000 oz Korong-Waihi resource with the highest confidence and greatest potential to deliver value in the resource upgrade process.

Phase 1 Resource Upgrade Drilling – Korong Deposit

Verity commenced its Phase 1 resource upgrade drilling program at the Korong deposit in August 2025, with the program consisting of 3,630m of RC infill and twin drilling across 54 drill holes. Holes were drilled on a 25m x 25m grid spacing specifically designed to underpin a JORC (2012) upgrade of the Korong resource from Inferred to Indicated classification.

The Phase 1 program delivered outstanding results, with gold mineralisation confirmed across all holes through the principal BIF lode system. Results demonstrated consistent gold grades above 1 g/t Au across the mineralised envelope, with multiple high-grade intercepts confirming the continuity and quality of the deposit.

Hole ID	From (m)	Width (m)	Grade (g/t Au)	Including (m)	Grade (g/t Au)
KORC25016	78	7.7	6.37 g/t Au	1.0	38.0 g/t Au
KORC25023	96	3.9	6.35 g/t Au	1.0	15.3 g/t Au
KORC25031	76	4.8	2.79 g/t Au	1.0	11.3 g/t Au
KORC25032	97	4.8	2.79 g/t Au	-	-
KORC25039	48	9.7	1.79 g/t Au	-	-
KORC25044	64	7.7	2.25 g/t Au	-	-
KORC25015	62	5.8	2.95 g/t Au	-	-
KORC25046	54	7.7	1.9 g/t Au	1.0	9.26 g/t Au
KORC25029	37	3.9	3.45 g/t Au	-	-
KORC25040	71	6.8	1.47 g/t Au	-	-
KORC25030	57	6.8	1.45 g/t Au	-	-

Table 2: Monument Gold Project – Phase 1 RC Drilling Highlight Results (Korong Deposit)

Note: Widths reported represent downhole intervals. All results are subject to QAQC protocols. Hole IDs and full collar coordinates are reported in the Company's ASX announcements dated 25 September 2025 and 23 October 2025.

Phase 2 Resource Upgrade Drilling – Korong and Waihi Deposits

Building on the success of Phase 1, Verity commenced a Phase 2 drilling campaign totalling 6,400m of RC and diamond holes at both the Korong and Waihi deposits. The Phase 2 program comprised:

- RC infill drilling across 80 holes for ~6,000m within the existing Korong and Waihi resource shells on 25m x 25m spacing
- Diamond drilling of 7 holes for ~1,230m intersecting the target BIF stratigraphy at depth at both Korong and Waihi, including zones outside the current 154,000 oz resource envelope
- Step-out RC drilling across 18 holes for ~1,476m at the Perseverance, A1, Korong Extension and Waihi Extension prospects

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Hole ID	From (m)	Width (m)	Grade (g/t Au)	Including (m)	Grade (g/t Au)
KORC25056	43	3.9	5.76 g/t Au	2.0	9.55 g/t Au
KORC25060	114	6.8	4.84 g/t Au	3.0	9.89 g/t Au
KORC25061	116	3.9	2.82 g/t Au	1.0	7.14 g/t Au
KORC25062	131	3.8	2.72 g/t Au	-	-
KORC25059	122	3.9	1.89 g/t Au	-	-
KORC25064	131	4.8	1.45 g/t Au	-	-
KORC25058	124	1.91	2.63 g/t Au	-	-
KORC25068	79	6.7	1.9 g/t Au	-	-
KORC25069	102	6.8	1.36 g/t Au	-	-
KORC25070	83	5.9	1.28 g/t Au	-	-
KORC25056	80	2.9	2.25 g/t Au	-	-

Table 3: Monument Gold Project – Phase 2 Progress Highlight Results (Korong Deposit)

Note: Hole IDs and full collar coordinates are reported in the Company's ASX announcements dated 18 December 2025 and 21 January 2026. The complete dataset will be incorporated into an updated Mineral Resource Estimate.

The diamond drilling component intersected the Korong BIF lode approximately 319m downhole, confirming that the mineralised system persists well below the current resource envelope and highlighting significant depth extension potential.

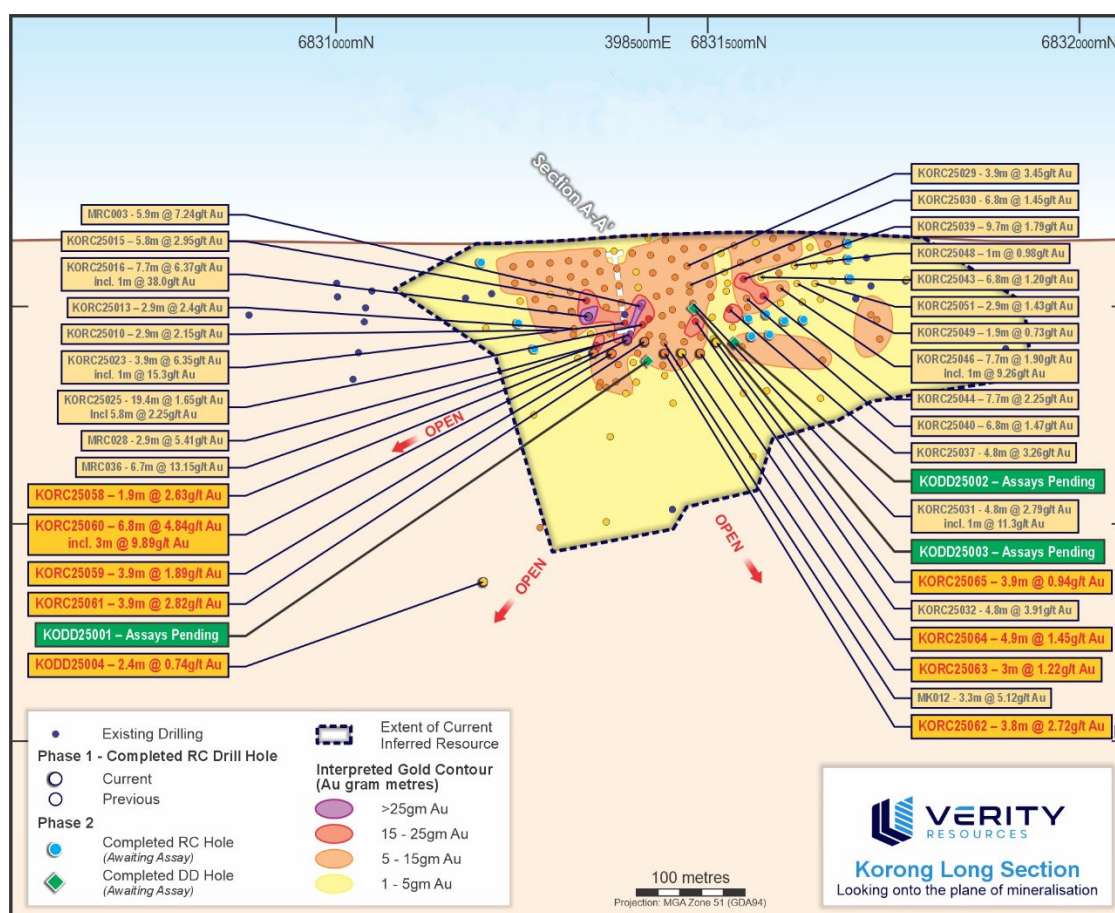


Figure 2. Long section of completed Phase 1 drilling and Phase 2 diamond (green) and RC drilling (blue)

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Perseverance Prospect and IP Survey

During the period, Verity also completed an Induced Polarisation (IP) geophysical survey over 500m of strike at the Perseverance prospect, located approximately 2km along strike northwest of the Waihi deposit. The survey was designed to define gold sulphide target zones from surface to 250m depth and will underpin a follow-up drilling program at this untested prospect.

Perseverance lies at the northwestern end of the 20km Korong-Waihi BIF corridor. Historical rock-chip sampling at Perseverance previously returned results up to 21.5 g/t Au over 1.4km of strike, while similar sampling from the adjacent A1-Perseverance corridor returned anomalous results of approximately 1.0 g/t Au from mineralised BIF outcrops.

BOTSWANA CRITICAL METALS PORTFOLIO

Verity holds a highly prospective portfolio of critical metals projects in Botswana's Limpopo Mobile Belt – a world-class district hosting major nickel and copper producing operations. During the period, the Company made a significant strategic acquisition to consolidate to 100% ownership of the portfolio, materially strengthening its position in this important critical metals jurisdiction.

Strategic Acquisition – 100% Ownership Consolidated

In October 2025, Verity exercised its pre-emptive right under the farm-in joint venture agreement to acquire the remaining 34% interest held by BCL Investments (a Botswana Government subsidiary under liquidation) in the Company's Botswana polymetallic JV. The acquisition was completed for a consideration of US\$206,060 (approximately A\$309,000), at a low cost relative to the portfolio's value and historical exploration investment.

The acquisition was completed through the Company's Botswana subsidiary, African Metals (Pty) Limited, on 3 December 2025. The Company now holds 100% ownership of the entire Botswana portfolio, consolidating its position and providing greater flexibility to pursue future exploration and corporate activities.

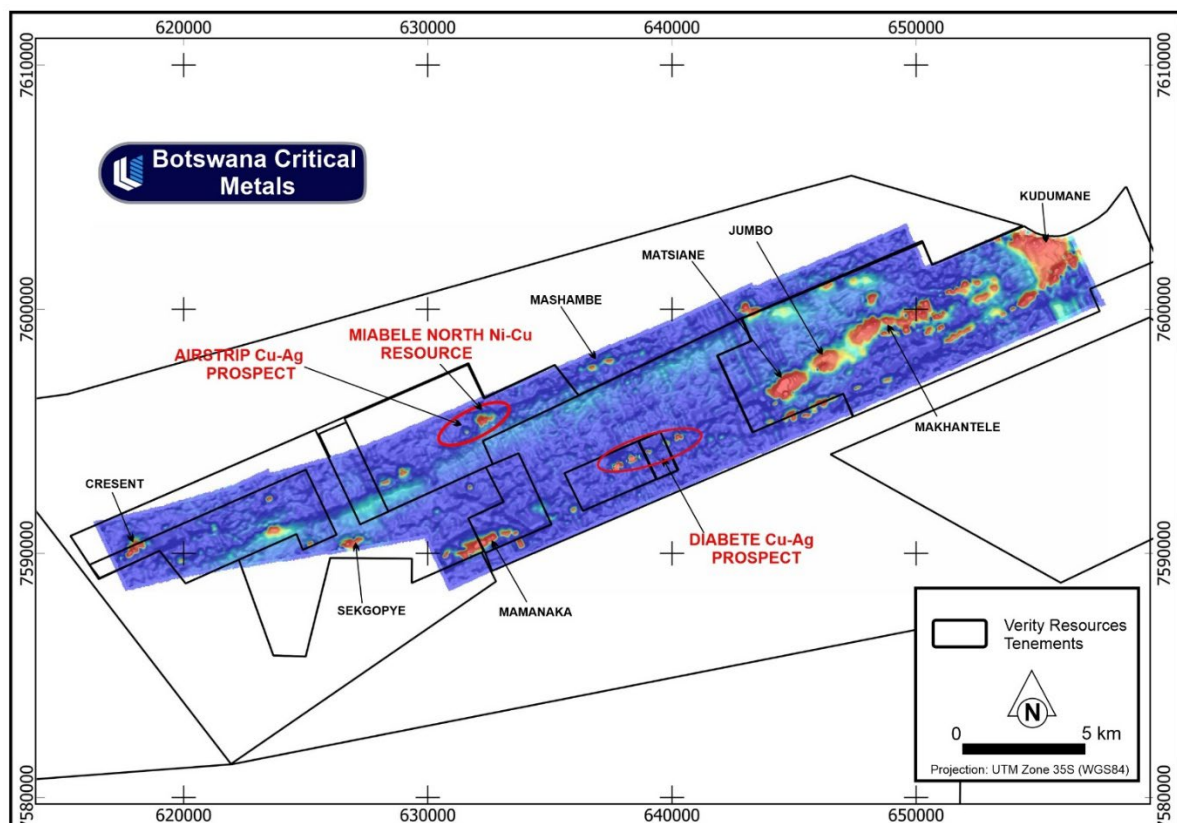


Figure 3. Airstrip, Dibete and Maibele North Projects overlaid on regional VTEM. Numerous additional early-stage prospects and multiple VTEM anomalies are future exploration targets

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Maibele North – Mineral Resource

The Maibele North project hosts a JORC (2012) Maiden Inferred Mineral Resource of 2.4 million tonnes at 0.72% Nickel and 0.21% Copper, with additional platinum group element (PGE), cobalt and gold credits. The mineralisation style is broadly similar to world-class mobile belt deposits including the Nova-Bollinger (ASX: IGO), Julimar (ASX: CHN) and the globally significant Thompson Belt in Canada.

Mt	Ni (%)	Cu (%)	Pt (g/t)	Pd (g/t)	Rh (g/t)	Ru (g/t)	Au (g/t)
2.38	0.72	0.21	0.08	0.36	0.04	0.05	0.10

Table 4: Maibele North Inferred Mineral Resource Estimate

Note: JORC (2012) Inferred Resource was calculated at Maibele North by MSA South Africa in 2015 (see Table 1) using a 0.30% Nickel cut-off grade. See the ASX announcement on 28 April 2015 “Maiden Inferred Resource for Maibele North” for further information

The project is located within 50km of the Selebi-Phikwe nickel-copper complex recently acquired by NexMetals Mining Corp (NASDAQ: NEXM). In July 2025, NexMetals received a US\$150 million Letter of Interest from the US Export-Import Bank to support the re-development of the Selebi and Selkirk nickel-copper-cobalt-PGE mines, underscoring the strategic importance and significant government support for the district.

Airstrip and Dibete – High-Grade Copper-Silver Projects

The Airstrip and Dibete projects are copper-silver projects located along the Limpopo Mobile Belt. Both projects have returned high-grade copper-silver intersections from previous drilling programs.

Hole ID	From (m)	Width (m)	Grade (% Cu, g/t Ag)	Including (m)	Grade (% Cu, g/t Ag)
ACRC003	52	11.0	7.63% Cu, 462 g/t Ag	7.0	11.81% Cu, 717 g/t Ag
ACRC003	52	11.0	7.63% Cu, 462 g/t Ag	3.0	22.74% Cu, 1,379 g/t Ag
ACRD029	55	1.13	21.58% Cu, 1,023 g/t Ag	-	-
ACRD033	64	0.60	25.27% Cu, 1,283 g/t Ag	-	49.06% Cu, 2,493 g/t Ag

Table 5: Airstrip Copper-Silver Highlight Results

Hole ID	From (m)	Width (m)	Grade (% Cu, g/t Ag)	Including (m)	Grade (% Cu, g/t Ag)
DBRD117	12	36.0	1.37% Cu, 70 g/t Ag	2.5	7.41% Cu, 456 g/t Ag
DBRC028	33	11.0	4.50% Cu, 229.9 g/t Ag	-	-
DBRC124	27	25.0	2.17% Cu, 77 g/t Ag	-	-

Table 6: Dibete Copper-Silver Highlight Results

Note: Hole IDs and full collar coordinates for highlighted Dibete and Airstrip intercepts are reported in the Company's ASX announcement dated 3 December 2025.

With the portfolio now 100% owned, Verity is actively evaluating near-term work programs across all three projects to advance the assets toward further resource definition and value realisation. The Company expects to release updated exploration plans for the Botswana portfolio in the coming months.

BRAZIL CRITICAL METALS PORTFOLIO – PIMENTA REE PROJECT

Verity holds a 70% interest in the Pimenta Project in Minas Gerais, Brazil – a potentially significant rare earth element (REE) discovery located within the Jacinto Granite Complex in eastern Minas Gerais. The Company also holds a 50% joint venture interest in a portfolio of nine additional Brazilian projects covering REE, gold, lithium, and other base

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and precious metals, including projects at the Caldera region and Poços de Caldas Alkaline complex in southern Minas Gerais, and licences in the 'Lithium Valley' in northern Minas Gerais.

Pimenta Project – Discovery Overview

The Pimenta Project represents a potentially large-scale, allanite-hosted REE discovery with a geological and mineralisation style analogous to American Rare Earths' (ASX: ARR) Halleck Creek Project, one of the largest allanite-hosted REE deposits in the United States (2.63 billion tonnes @ 3,292 ppm TREO). The project benefits from excellent infrastructure, including proximity to sealed roads, hydroelectric power, and an experienced local workforce.

A reconnaissance surface sampling program completed in early calendar year 2025 collected 137 samples across a >20km airborne thorium radiometric anomaly zone. The program confirmed widespread, high-grade REE enrichment at surface consistent with a residual weathering enrichment model (REE geochemistry remains consistent between fresh granite and overlying regolith).

The REE mineralisation is enriched in high-value magnet rare earth elements (MREOs), which comprise approximately 25% of the total REE content. The MREO suite – neodymium (Nd), praseodymium (Pr), dysprosium (Dy) and terbium (Tb) – is critical for permanent magnet manufacturing for electric vehicles and renewable energy turbines, commanding the highest price premiums in the REE market.

Auger Drilling Program

Following the exceptional surface sampling results, Verity commenced a maiden auger drilling program at the Pimenta Project in June 2025. The program comprises approximately 20 auger holes targeting two priority zones within the >20km airborne thorium anomaly where surface sampling identified the strongest geochemical correlation and highest concentrations of TREO, Ga₂O₃ and TiO₂.

The program was designed to:

- Test the vertical and lateral continuity of REE, gallium and titanium mineralisation within the saprolite zone
- Confirm the depth extent of the allanite-hosted REE enrichment profile
- Provide a dataset to support future resource delineation studies

Hole ID	From (m)	Width (m)	Grade (TREO)	MREO/TREO (%)	Including (m)	Grade (TREO)
PMT-AUG-011	0	4.0	2,053 ppm	25%	1.0	4,171 ppm
PMT-AUG-014	0	5.0	2,250 ppm	26%	-	-
PMT-AUG-016	0	4.0	2,204 ppm	26%	-	-
PMT-AUG-020	0	4.0	2,683 ppm	26%	-	-
PMT-AUG-039	0	4.0	2,322 ppm	24%	-	-
PMT-AUG-043	0	5.0	2,329 ppm	25%	-	-
PMT-AUG-044	0	7.0	2,193 ppm	28%	-	-

Table 7: Pimenta Project – Auger Drilling Highlight Results

Note: Hole IDs and full collar coordinates for highlighted Pimenta intercepts are reported in the Company's ASX announcement dated 16 October 2025.

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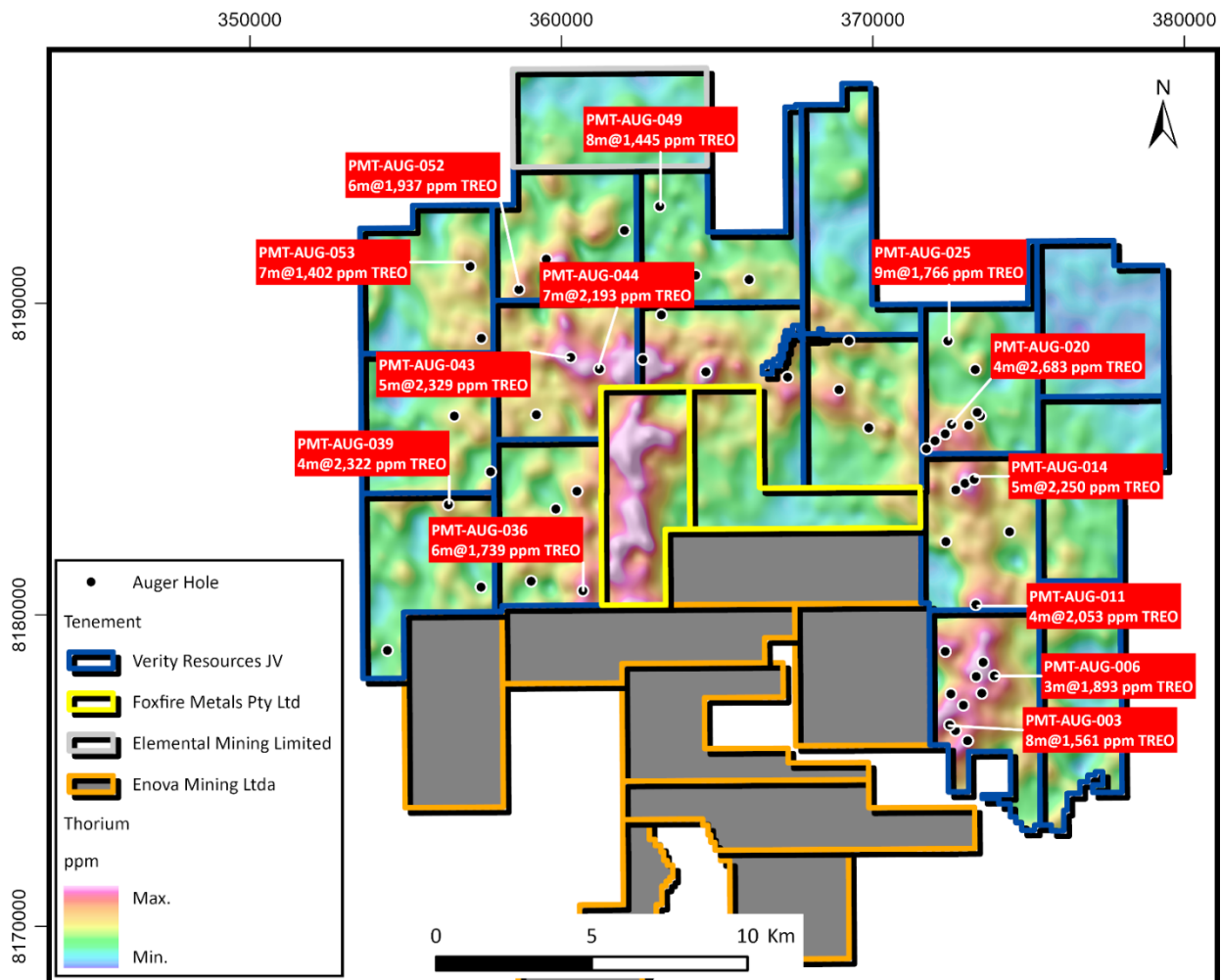


Figure 4. Pimenta Project with significant TREO intercepts, over airborne radiometric image.

Other Brazilian Projects

In addition to Pimenta, Verity holds a 50% JV interest in a portfolio of nine Brazilian exploration licences through its JV partner. Key assets include:

- **Caldera and Caldera South Projects:** Located within the Poços de Caldas Alkaline Complex in southern Minas Gerais, adjacent to Meteoric Resources (ASX: MEI) and Viridis Mining and Metals (ASX: VMM) REE projects. These projects are in a prolific ionic clay and carbonatite-hosted REE district.
- **Lithium Valley Licences:** Exploration licences in northern Minas Gerais 'Lithium Valley', one of the world's most prominent lithium-producing districts.
- **Additional Gold, PGE and Base Metal Projects:** Covering prospective ground across Ceará State.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements, and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

CORPORATE

Frankfurt Stock Exchange Listing

On 17 July 2025, Verity Resources achieved a dual listing on the Frankfurt Stock Exchange (FSE: 48B0). The dual listing provides the Company with access to European institutional and retail capital markets, enhances shareholder

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liquidity, and positions Verity to benefit from growing European demand for critical minerals exposure following the EU's Critical Raw Materials Act (CRMA).

Share Placement

On 4 September 2025, the Company announced it had received firm commitments to raise A\$3.0 million (before costs) via a two-tranche placement of ordinary shares (**Placement**). Tranche 1 (\$1.7 million before costs) was completed in September 2025 and Tranche 2 (\$1.3 million before costs) was completed in November 2025 following shareholder approval at a general meeting held on 7 November 2025. Approximately 125 million new shares were issued at \$0.024 per share under the Placement, with one free attaching option for every three shares subscribed (options exercisable at \$0.048, expiring two years from issue). The placement was well-supported by both new and existing shareholders, including participation by the Company's directors that subscribed for a total of \$250,000 under Tranche 2.

Annual General Meeting

The Company held its Annual General Meeting of Shareholders on 26 November 2025. All resolutions were passed on a poll.

4. SIGNIFICANT CHANGES TO THE STATE OF AFFAIRS

Other than as outlined above, there have been no significant changes to the state of affairs during the half-year ended 31 December 2025.

5. FINANCIAL RESULTS

The financial results of the Company for the half year ended 31 December 2025 are:

	31-Dec-25	30-Jun-25
Cash and cash equivalents (\$)	860,292	891,616
Net assets (\$)	1,209,322	1,790,486

	31-Dec-25	31-Dec-24
Net loss after tax (\$)	(3,475,217)	(792,548)
Loss per share (cents)	(1.03)	(1.30) ¹

¹ on a post 20-for-1 consolidation basis.

6. EVENTS OCCURRING AFTER REPORTING DATE

On 11 March 2026, the Company completed a non-renounceable entitlement offer (**Offer**) of one (1) fully paid ordinary share for every five (5) shares held by eligible shareholders on the Record Date at an issue price of \$0.025 each, together with one (1) free attaching unlisted option for every (1) New Share subscribed for and issued (exercisable at \$0.036 and expiring 5 years from the date of issue), raising approximately \$2.0 million (before costs). The Offer was partially underwritten by two of the Company's directors (via their associated entities) and closed fully subscribed raising the full amount.

Funds raised under the Offer will be applied towards advancing the Monument Gold Project through the next phase in development including scoping level mine planning and optimisation work, re-commencing exploration programs at the high grade copper-silver projects in Botswana, follow up test work at the Pimenta REE project in Brazil, costs of the Offer, working capital requirements and assessment of potential additional opportunities.

Other than as stated above, no other matters or circumstances have arisen since the end of the half-year which significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in subsequent financial periods.

7. AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration under s 307C of the Corporations Act 2001 is set out on page 12 for the half-year ended 31 December 2025.

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

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Mr Patrick Volpe
Director and Company Secretary

13 March 2026



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DECLARATION OF INDEPENDENCE BY PHILLIP MURDOCH TO THE DIRECTORS OF VERITY RESOURCES LIMITED

As lead auditor for the review of Verity Resources Limited for the half-year ended 31 December 2025, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Verity Resources Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'P. Murdoch', with a long horizontal flourish extending to the right.

Phillip Murdoch

Director

BDO Audit Pty Ltd

Perth

13 March 2026

VERITY RESOURCES LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

	Note	31-Dec-25 \$	31-Dec-24 \$
Other Income		9,133	5,877
Administrative and corporate expenses		(177,725)	(162,212)
Other expenses		-	(47,343)
Directors' remuneration and fees		(31,486)	(82,533)
Professional fees		(238,674)	(56,223)
Marketing		(85,361)	(4,716)
Depreciation		(8,211)	(153)
Share based payments	5(a)	(128,555)	-
Exploration expenses		(2,814,338)	(445,245)
Loss before income tax for the period		(3,475,217)	(792,548)
Income tax expense		-	-
Loss after income tax for the period		(3,475,217)	(792,548)
Other comprehensive loss that may be subsequently reclassified to profit or loss			
Exchange differences from translation of foreign operations		(53,543)	676
Total comprehensive loss for the period attributable to members of Verity Resources Limited		(3,528,760)	(791,872)
Loss per share for the period attributable to the members of Verity Resources Limited:			
Basic and diluted loss per share (post-consolidation, cents)	3	(1.03)	(1.30)

The Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the notes to the financial statements.

VERITY RESOURCES LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

	Note	31-Dec-25 \$	30-Jun-25 \$
ASSETS			
Current Assets			
Cash and cash equivalents		860,292	891,616
Trade and other receivables		188,385	45,013
Total Current Assets		1,048,677	936,629
Non-Current Assets			
Property, plant and equipment		64,399	73,616
Exploration and evaluation expenditure		1,198,714	1,198,714
Total Non-Current Assets		1,263,113	1,272,330
TOTAL ASSETS		2,311,790	2,208,959
LIABILITIES			
Current Liabilities			
Trade and other payables		1,102,468	418,473
Total Current Liabilities		1,102,468	418,473
TOTAL LIABILITIES		1,102,468	418,473
NET ASSETS		1,209,322	1,790,486
EQUITY			
Issued capital	4	38,467,609	35,648,568
Reserves	5	809,851	734,839
Accumulated losses		(38,068,138)	(34,592,921)
TOTAL EQUITY		1,209,322	1,790,486

The Consolidated Statement of Financial Position should be read in conjunction with the notes to the financial statements.

VERITY RESOURCES LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 31 DECEMBER 2025

	Issued Share Capital \$	Share-based Payments Reserve \$	Foreign Currency Translation Reserve \$	Accumulated Losses \$	Total Equity \$
Balance at 1 Jul 2025	35,648,568	1,039,392	(304,553)	(34,592,921)	1,790,486
Net loss for the half-year	-	-	-	(3,475,217)	(3,475,217)
Other comprehensive income for the half-year	-	-	(53,543)	-	(53,543)
Total comprehensive income for the period	-	-	(53,543)	(3,475,217)	(3,528,760)
Transactions with owners in their capacity as owners:					
Shares issued during the period	3,017,152	-	-	-	3,017,152
Share issue costs	(198,110)	-	-	-	(198,110)
Share-based payment transactions	-	128,555	-	-	128,555
Balance at 31 Dec 2025	38,467,610	1,167,947	(358,096)	(38,068,138)	1,209,322
Balance at 1 Jul 2024	33,752,761	1,273,964	(292,076)	(33,272,790)	1,461,859
Net loss for the half-year	-	-	-	(792,548)	(792,548)
Other comprehensive income for the half-year	-	-	676	-	676
Total comprehensive income for the period	-	-	676	(792,548)	(791,872)
Transactions with owners in their capacity as owners:					
Shares issued during the period	596,545	-	-	-	596,545
Share issue costs	(32,275)	-	-	-	(32,275)
Share-based payment transactions	-	-	-	-	-
Balance at 31 Dec 2024	34,317,030	1,273,964	(291,400)	(34,065,338)	1,234,256

The Consolidated Statement of Changes in Equity should be read in conjunction with the notes to the financial statements.

VERITY RESOURCES LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 31 DECEMBER 2025

	31-Dec-25 \$	31-Dec-24 \$
Cash flows used in operating activities		
Interest received	8,822	5,871
Payments to suppliers and employees	(624,357)	(242,958)
Payments for exploration and evaluation	(2,234,830)	(445,245)
Net cash flows used in operating activities	(2,850,365)	(682,332)
Cash flows from investing activities		
Payment for purchase of plant and equipment	-	(2,244)
Net cash flows used in investing activities	-	(2,244)
Cash flows from financing activities		
Issue of share capital	2,998,129	596,545
Payments of share capital issue costs	(179,088)	(32,276)
Proceeds from short term loans	-	200,000
Net cash flows used in financing activities	2,819,041	764,269
Net increase in cash and cash equivalents	(31,324)	79,693
Cash and cash equivalents at the beginning of the period	891,616	271,116
Foreign currency effect on cash held	-	676
Cash and cash equivalents at the end of the period	860,292	351,485

The Consolidated Statement of Cash Flows should be read in conjunction with the notes to the financial statements.

VERITY RESOURCES LIMITED

Notes to the Consolidated Interim Financial Statements

NOTE 1: MATERIAL ACCOUNTING POLICIES

These general purpose interim financial statements for half-year reporting period ended 31 December 2025 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: Interim Financial Reporting. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Verity Resources Limited. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2025, together with any public announcements made during the following half-year.

Accounting Policies

The interim financial statements have been prepared in accordance with the accounting policies applied in the previous financial year and those of the corresponding interim reporting period, other than as detailed below.

New and amended Accounting Standards that are effective for the current period

The Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current half-year.

Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Going Concern

The financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The Company incurred a net loss of \$3,475,217 for the half-year ended 31 December 2025 and had a net cash outflow from operations of \$2,850,365 for the half-year. Notwithstanding this, the financial report has been prepared on a going concern basis which the Directors consider to be appropriate based upon the factors described below.

NOTE 2: OPERATING SEGMENTS

The consolidated entity operates within three geographical segments within mineral exploration being Australia, Botswana and Brazil. The segment information provided to the chief operating decision maker is as follows:

	Australia \$	Botswana \$	Brazil \$	Total \$
Period Ended 31 December 2025				
Revenue and other income	9,133	-	-	9,133
Result (loss)	(2,876,759)	(410,191)	(188,267)	(3,475,217)
Total assets	2,236,590	36,589	38,611	2,311,790
Total liabilities	(1,102,454)	(14)	-	(1,102,468)
Period Ended 31 December 2024				
Revenue and other income	5,871	6	-	5,877
Result (loss)	(526,984)	(85,588)	(179,976)	(792,548)
Period Ended 30 June 2025				
Total assets	2,133,106	37,242	38,611	2,208,959
Total liabilities	(419,131)	(658)	-	(418,473)

VERITY RESOURCES LIMITED

Notes to the Consolidated Interim Financial Statements

NOTE 3: EARNINGS PER SHARE

	31 Dec 2025 \$	31 Dec 2024 \$
Loss after income tax attributable to owners of Verity Resources Limited	(3,475,217)	(792,548)
Weighted average number of ordinary shares	337,293,081	61,737,255
Basic loss per ordinary share (cents)	(1.03)	(1.30)

NOTE 4: ISSUED CAPITAL

	31 Dec 2025 \$	30 Jun 2025 \$
Issued and paid-up Capital		
406,532,464 ordinary shares fully paid (30 June 2025: 279,423,468)	38,467,609	35,648,568

	Date	Issue Price	No. of Shares	\$
Movement in ordinary shares on issue				
Balance at the beginning of the period	1-Jul-24	-	2,577,859,425	33,752,761
Issue of shares	28-Oct-24	\$0.001 ⁽¹⁾	398,432,581	398,433
Issue of shares	19-Nov-24	\$0.001 ⁽²⁾	162,000,000	162,000
Share consolidation (20:1)	11-Dec-24		(2,981,376,440)	
Issue of shares	23-Dec-24	\$0.02 ⁽³⁾	1,800,000	36,000
Issue of shares	19-Mar-25	0.012 ⁽⁴⁾	25,624,995	307,500
Issue of shares	5-May-25	0.012 ⁽⁵⁾	62,860,392	754,325
Issue of shares	9-May-25	0.012 ⁽⁶⁾	29,225,827	350,710
Issue of shares	22-May-25	0.022 ⁽⁷⁾	83,332	1,833
Issue of shares	2-Jun-25	0.022 ⁽⁷⁾	117,856	2,593
Issue of shares	10-Jun-25	0.022 ⁽⁷⁾	1,525,500	33,561
Issue of shares	11-Jun-25	0.022 ⁽⁷⁾	270,000	5,940
Issue of shares	12-Jun-25	0.022 ⁽⁷⁾	1,000,000	22,000
Share issue costs			-	(179,088)
Balance at the end of the period	30-Jun-25	-	279,423,468	35,648,568
Balance at the beginning of the period	1-Jul-25	-	279,423,468	35,648,568
Issue of shares	21-Jul-25	\$0.022 ⁽⁸⁾	207,000	4,554
Issue of shares	14-Aug-25	\$0.022 ⁽⁸⁾	265,000	5,830
Issue of shares	11-Sep-25	\$0.024 ⁽⁹⁾	69,973,867	1,695,727
Issue of shares	17-Oct-25	\$0.022 ⁽⁸⁾	137,000	3,014
Issue of shares	13-Nov-25	\$0.024 ⁽⁹⁾	55,026,129	1,308,026
Issue of shares	13-Nov-25	Nil ⁽¹⁰⁾	1,500,000	Nil
Share issue costs	-	-	-	(198,110)
Balance at the end of the period	31-Dec-25	-	406,532,464	38,467,609

VERITY RESOURCES LIMITED

Notes to the Consolidated Interim Financial Statements

- (1) On 28 October 2024, the Company issued 398,432,581 shares at \$0.001 per share (pre consolidation) to shareholders, following a Non-renounceable Pro-rata Entitlement Offer.
- (2) On 11 December 2024, the Company issued 162,000,000 additional shares at \$0.001 under the Shortfall Offer pursuant to the Non-renounceable Pro-rata Entitlement Offer.
- (3) On 23 December 2024, the Company issued 1,800,000 additional shares at \$0.02 (post consolidation) under the Shortfall Offer pursuant to the Non-renounceable Pro-rata Entitlement Offer.
- (4) On 19 March 2025, the Company issued 25,624,995 shares at \$0.012 per share with one free attaching option for every two shares subscribed pursuant to Tranche 1 of a share placement.
- (5) On 5 May 2025, the Company issued 62,860,392 shares at \$0.012 per share with one free attaching option for every two shares subscribed pursuant to a pro rata entitlement offer or one new share for every two shares held at the record date
- (6) On 9 May 2025, the Company issued 29,225,827 shares at \$0.012 per share with one free attaching option for every two shares subscribed pursuant to a shortfall offer under the entitlement offer.
- (7) The company issued 2,996,688 shares at \$0.022 per share upon various exercises of unlisted options.
- (8) The company issued 609,000 shares at \$0.022 per share upon various exercises of unlisted options.
- (9) On 11 September 2025 and 13 November 2025, the Company issued a total of 125,000,000 shares at \$0.024 pursuant to a share placement to professional and sophisticated investors.
- (10) On 13 November 2025, the Company issued 1,500,000 shares to Director Paul Dickson for nil consideration following approval from shareholders at a general meeting held on 7 November 2025.

NOTE 5: RESERVES

The share based payments reserve is used to recognise the fair value of share options granted.

	31 Dec 2025 \$	30 Jun 2025 \$
Share base payments reserve (a)	1,167,947	1,039,392
Foreign currency translation reserve	(358,096)	(304,553)
	809,851	734,839

(a) Share based payments reserve

The share-based payment reserve is used to record the value of share-based payments provided to outside parties, and share-based remuneration provided to employees and directors.

	31 Dec 2025 \$	30 Jun 2025 \$
Movements in share based payments		
Balance at beginning of reporting period	1,039,392	1,273,964
Expiry of VRLOF Options	-	(234,572)
Issue of Incentive Options to Directors	11,333	-
Issue of Incentive Options to consultant	4,722	-
Issue of Lead Manager Options	112,500	-
	1,167,947	1,039,392

VERITY RESOURCES LIMITED
Notes to the Consolidated Interim Financial Statements

(b) Summary of options granted

Class	Recipient	# Options	Exercise price	Vesting / conditions	Expiry Date
Incentive Options	Directors (3 grants)	12,000,000	\$0.00	Market condition: 10-day VWAP ≥ \$0.036	13 Nov 2028
Incentive Options	Consultant	5,000,000	\$0.00	Market condition: 10-day VWAP ≥ \$0.036	13 Nov 2028
Lead Manager Options	Lead manager	7,500,000	\$0.036	Immediately vested / service-based issuance	3 Dec 2028

During the period the Company granted options to directors, a consultant and the lead manager. All options have a 3-year contractual term from date of issue.

(c) Fair value of options granted and valuation assumptions

Using an independent expert, the Black-Scholes option pricing model, based on the assumptions set out below

	Incentive Options	Lead Manager Options
Grant date	7 November 2025	7 November 2025
Share price (\$)	\$0.018	\$0.018
Exercise price (K)	\$0.00	\$0.036
Term	3.0 years	3.0 years
Risk-free rate	3.579%	3.634%
Expected volatility	170%	170%
Dividend yield	n/a	0%
Fair value per option	\$0.017	\$0.015

NOTE 6: CONTINGENCIES AND COMMITMENTS

Following the acquisition of BCL Limited's 34% interest in the Botswana joint venture during the period, the Group's exposure to the 5% net profit royalty payable to Mineral Holdings (Pty) Ltd over Prospecting Licences PL2477/2023, PL2478/2023 and PL2479/2023 (**Prospecting Licences**) has increased from 66% to 100%. However, as the Prospecting Licences have not yet generated net profits and the likelihood of the royalty materialising remains limited, this continues to be disclosed as a contingent liability with no change in the assessed likelihood of outflow.

There are no other changes in the Company's commitments or contingencies since 30 June 2025.

NOTE 7: DIVIDENDS

No dividends were paid or proposed to be paid to members during the half year ended 31 December 2025.

VERITY RESOURCES LIMITED
Notes to the Consolidated Interim Financial Statements

NOTE 8: RELATED PARTIES TRANSACTIONS

Details relating to related party transactions, including remuneration paid, include the following:

	31 Dec 2025	30 Jun 2025
	\$	\$
Key management personnel compensation		
Short term benefits (i)	(139,533)	(206,023)
Related Party Transactions		
Foxfire Metals Pty Ltd (ii)	(182,259)	(256,320)
CAP Holdings Pty Ltd ATF CAP Trust (iii)	(112,000)	-

- (i) Mr Patrick A Volpe and Mr Paul Dickson agreed to accrued director and company secretary fees until the Company has raised sufficient capital to settle the accrued amounts
- (ii) Mr Patrick A Volpe is a Director and substantial shareholder of Foxfire Metals Pty Ltd. Transactions with Foxfire Metals Pty Ltd comprise \$182,2590 in Joint Venture exploration expenditure
- (iii) Mr Patrick John Volpe is a Director and beneficiary of CAP Holdings Pty Ltd ATF CAP Trust ("CAP Trust"). Transactions with CAP Trust comprise corporate and consulting fees provided by Patrick John Volpe, a related party to Patrick A Volpe. These fees have been accrued until the Company has raised sufficient capital to settle the accrued amounts

There have been no other changes to related party arrangements since the financial year ended 30 June 2025.

NOTE 9: EVENTS AFTER THE END OF THE INTERIM PERIOD

On 11 March 2026, the Company completed a non-renounceable entitlement offer (**Offer**) of one (1) fully paid ordinary share for every five (5) shares held by eligible shareholders on the Record Date at an issue price of \$0.025 each, together with one (1) free attaching unlisted option for every (1) New Share subscribed for and issued (exercisable at \$0.036 and expiring 5 years from the date of issue), raising approximately \$2.0 million (before costs). The Offer was partially underwritten by two of the Company's directors (via their associated entities) and closed fully subscribed raising the full amount.

Funds raised under the Offer will be applied towards advancing the Monument Gold Project through the next phase in development including scoping level mine planning and optimisation work, re-commencing exploration programs at the high grade copper-silver projects in Botswana, follow up test work at the Pimenta REE project in Brazil, costs of the Offer, working capital requirements and assessment of potential additional opportunities.

No other matters or circumstances have arisen since the end of the half-year which significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in subsequent financial periods.

VERITY RESOURCES LIMITED

DIRECTORS' DECLARATION

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2025 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable, subject to matters disclosed in note 1.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors,



Patrick Volpe
Director and Company Secretary
13 March 2026

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Verity Resources Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Verity Resources Limited (the Company) and its subsidiaries (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, material accounting policy information and 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 accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- i. Giving a true and fair view of the Group's financial position as at 31 December 2025 and of its financial performance for the half-year ended on that date; and
- ii. 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 the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibility of the directors for the financial report

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



Auditor's responsibility for the review of the financial report

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

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

BDO Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'P. Murdoch', is written over a horizontal line. Above the signature, the letters 'BDO' are handwritten in a small, simple font.

Phillip Murdoch
Director

Perth, 13 March 2026