



Talonx Resources Limited

(Formerly Mount Burgess Mining NL)

ABN 31 009 067 476

Half-year Financial Report

31 December 2025

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 Talonx Resources Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

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Corporate Directory

Directors:	Dr Stephen Lennon, PhD, MSc (Eng), BSc (Chem)(Natal). <i>(appointed 15 May 2025)</i> Mr William Belbin, MSc BSc <i>(appointed 13 October 2025)</i> Mr Scott Glasson, CA, B.Comm <i>(appointed 25 February 2026)</i> Mr Nigel Raymond Forrester, FCA (ICAEW) <i>(resigned 15 May 2025)</i> Mr Robert Brougham, FAusIMM BSc <i>(resigned 4 July 2025)</i> Mr Ian Barclay McGoerge, CGeol MSc BSc <i>(resigned 4 July 2025)</i> Mr Jacob Thamage, MBA BEM <i>(resigned 13 October 2025)</i> Mr Harry Warries, FAusIMM Ms Mine Eng <i>(resigned 25 February 2026)</i>
Company Secretary	Mr Chris Marshall, LLB FGIA FCIS
Registered office & Principal place of business	Suite 2, Level 1, 1292 Hay Street West Perth WA 6005 Telephone: +61 478 19 665 Email: admin@talonx.com
Share Register	Automic Group Level 5, 191 St Georges Tce Perth, Western Australia, 6000 Telephone: 1300 288 664 (within Australia) +61 2 9698 5414 (outside Australia) Email: hello@automicgroup.com.au Website: www.automicgroup.com.au
Auditor:	Hall Chadwick WA Audit Pty Ltd 283 Rokeby Road Subiaco, Western Australia, 6008
Stock exchange listing	Australian Securities Exchange (ASX code: TXR (previously MTB))
Website	www.talonx.au

Directors' report

The Directors of Talonx Resources Limited ("the Company") submit herewith the financial report of Talonx Resources Limited and its subsidiaries ("the Group") for the half-year ended 31 December 2025. The Company was formerly known as Mount Burgess Mining N.L., with the name change effective 2 January 2026. In order to comply with the provisions of the *Corporations Act 2001*, the Directors' report as follows:

DIRECTORS

The following persons were directors of Talonx Resources Limited during the half-year and up to the date of this report:

Dr Stephen Lennon (appointed 15 May 2025)

William Belbin (appointed 13 October 2025)

Scott Glasson (appointed 25 February 2026)

Nigel Raymond Forrester (resigned 15 May 2025)

Robert Brougham (resigned 4 July 2025)

Ian Barclay McGeorge (resigned 4 July 2025)

Jacob Thamage (resigned 13 October 2025)

Harry Warries (resigned 25 February 2026)

REVIEW OF OPERATIONS

Principal activities and Strategy

The Group's principal activities during the half-year were mineral exploration and project acquisition/assessment, with a strategic focus on building a Western Australian gold portfolio alongside review of its Botswana assets. The period saw the execution and progression of binding acquisitions of the Viking Gold Project (near Norseman) and the Blair North Project (near Kalgoorlie), supported by capital raising and a balance-sheet restructure.

Western Australian gold projects

Acquisition of Viking and Blair North (announced August 2025)

The Company signed binding sale agreements to acquire 100% of the Viking Gold Project and 100% of the Blair North Project from Metal Hawk Limited (ASX:MHK) and Falcon Metals Limited (ASX:FAL). Viking is a high-grade opportunity with prior intercepts including 6m @ 64 g/t Au from 50m (among others), while Blair North includes notable drilling results such as 5.9m @ 6.7 g/t Au from 244.4m.

Viking drilling (December 2025)

During the December quarter, the Company commenced reverse circulation (RC) drilling at Viking targeting the shallow oxide gold zone at Beaker 2, with the program designed to evaluate resource potential and build on historic high-grade intercepts. A subsequent Company update in December confirmed the maiden RC campaign at Viking was completed, with assay results expected in January 2026, and that drilling at Blair North was scheduled for Q1 2026.

Botswana assets (Kihabe-Nxuu)

A review of the project was undertaken. This included a review of the current geological understanding, resource status, processing options, principal risks, and outlook. It was concluded that the project presents clear opportunities to advance the zinc, lead, silver opportunity through a structured work programme creating clear value catalysts.

The potential for regional copper mineralisation and a lack of previous work was highlighted. The project includes several untested copper anomalies over large target areas. Planning of the next steps remains underway.

OPERATIONS AND PRINCIPAL ACTIVITIES

- (a) The main business activity of the Group during the six months to 31 December 2025 consisted of securing and planning for the Western Australian Gold projects and assessing the way forward for the Botswana project. This included investigating the potential to exploit additional known metal credits such as Copper, Vanadium, Gallium and Germanium and investigating various metallurgical processes that could be applied to enhance the potential for on-site beneficiation of metal production.

Funds applied to the various exploration activities were as follows:

	Half year to 31 Dec 2025 \$	2025 \$	2024 \$	2023 \$	2022 \$
Resource development of gold in Western Australia	99,119	-	-	-	-
Resource development for base metals in Botswana	48,758	298,367	403,426	368,645	559,181

- (b) As the Group was involved in exploration and resource development over the Kihabe-Nxuu Project during the six months to 31 December 2025, there were not any returns to shareholders by way of dividends and increase in shareholder funds. Between 2022 and 2025 the Company's shares traded as follows:

Half year Dec 2025		2025		2024		2023		2022	
Low cents	High Cents	Low cents	High cents	Low cents	High cents	Low cents	High cents	Low cents	High cents
0.1	2.0	0.1	0.7	0.1	0.4	0.2	0.7	0.5	0.9

Since the Group regained title to its Kihabe-Nxuu base metals project through the renewal of PL43/2016, the Company has been in a far more favourable position to raise funds for ongoing resource development and exploration expenditure for the project.

- (c) Compliance with Covid-19 restrictions imposed by the Government of Botswana, did impact upon the ability to access the project site during 2020 and 2021. However, this allowed for time to be applied to operations, as outlined in (a) above.

FINANCIAL CONDITIONS

- (a) Further resource exploration requirements beyond the Group's current cash resources can only be funded from further share and loan capital raisings or the sale or joint venture of equity in the projects.
- (b) At the end of the half year ended 31 December 2025, the Group had cash resources of \$619,035.
- During the financial period, following the shareholders' approval on the Extraordinary General Meeting held on 13 October 2025, 86,413,282 new ordinary shares and 4,685,563 unlisted options have been issued to the lenders to extinguished borrowings of \$4,685,562 (Note 3.3).
- (c) As the Group was mainly involved in exploration and resource development over the Viking, Blair North and Kihabe-Nxuu projects during the half year, then later assessing the way forward for the projects, there was not any cash generated from operations.
- (d) The financial condition of the Group was not impacted by any legislation or other external requirements during the reporting period. It is not currently foreseen that the financial condition will be materially affected by such issues in future reporting periods.

- (e) The Review Report as at 31 December 2025 issued by the Group's auditor, contains a "Material uncertainty related to going concern" paragraph in relation to the Group's ability to continue as a going concern. The directors are of the opinion that the use of the going concern basis of accounting is appropriate as they are confident in the ability of the Group to be successful in securing additional funds through debt or equity issues as and when the need to raise working capital arises.

SUBSEQUENT EVENTS

Subsequent to the reporting date, on 2 January 2026, the Company changed its name from Mount Burgess Mining NL to Talonx Resources Limited.

Subsequent to the reporting date, Mr Harry Warries resigned as a non-executive Director of the Company, effective 25 February 2026. The Board appointed Mr Scott Glasson as a non-executive Director on 25 February 2026. The Directors acknowledge the contribution made by Mr Warries during his tenure.

No other matters or circumstances of which the Directors are aware, other than those referred to in the condensed financial statements or notes thereto, have arisen since the end of the half-year which significantly affect, or may significantly affect the operations, results or state of affairs of the consolidated entity in subsequent financial periods.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration is included on Page 6 of the half-year financial report.

Signed in accordance with a resolution of directors made pursuant to s.306 (3) of the *Corporations Act 2001*.

On behalf of the Directors



Dr Steve Lennon
Executive Chair

Perth, 26 February 2026

To the Board of Directors,

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

As lead audit director for the audit of the financial statements of Talonx Resources Limited and its controlled entities for the year ended 31 December 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours Faithfully

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD



CHRIS NICOLOFF FCA
Director

Dated this 26th day of February 2026
Perth, Western Australia

For the half-year ended 31 December 2025

Condensed Consolidated Statement of Profit and Loss and Other Comprehensive Income

		Consolidated	
	Note	Half year ended 31 Dec 2025 \$	Half year ended 31 Dec 2024 \$
Other income	2.2	3,232,896	727
Personnel expenses	2.2	(1,199,572)	(135,919)
General and administrative expenses	2.2	(1,508,849)	(185,255)
Finance costs		(1,184)	(33,761)
Depreciation		-	-
Profit / (Loss) before income tax		523,291	(354,208)
Income tax benefit / (expense)		-	-
Profit / (Loss) after income tax for the half year		523,291	(354,208)
Other comprehensive income		-	-
Total comprehensive profit / (loss) for the half year attributable to the owners of Talonx Resources Limited		523,291	(354,208)
Profit / (Loss) per share for the period attributable to the members of Talonx Resources Limited:			
Basic and diluted Profit / (Loss) per Share (cents per share)		0.08	(0.11)

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

Condensed Consolidated Statement of Financial Position

	Note	Consolidated	
		Half year ended 31 Dec 2025 \$	Full year ended 30 June 2025 \$
CURRENT ASSETS			
Cash and cash equivalents	3.1	619,035	240,964
Trade and other receivables		17,176	7,108
TOTAL CURRENT ASSETS		636,211	248,072
NON CURRENT ASSETS			
Plant and equipment		2,466	4,911
Exploration interests	4.1	8,498,786	3,512,624
TOTAL NON CURRENT ASSETS		8,501,252	3,517,535
TOTAL ASSETS		9,137,463	3,765,607
CURRENT LIABILITIES			
Trade and other payables	3.2	205,051	2,997,638
Borrowings	3.3	-	1,708,630
Provisions		74,549	461,122
TOTAL CURRENT LIABILITIES		279,600	5,167,390
NON-CURRENT LIABILITIES			
Borrowings	3.3	200,000	-
TOTAL LIABILITIES		479,600	5,167,390
NET ASSETS / (LIABILITIES)		8,657,863	(1,401,783)
EQUITY			
Issued capital	5.1	54,264,241	48,417,509
Reserves		4,179,640	490,017
Accumulated losses		(49,786,018)	(50,309,309)
TOTAL EQUITY / (DEFICIENCY)		8,657,863	(1,401,783)

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

For the half-year ended 31 December 2025

Condensed Consolidated Statement of Changes in Equity

	Note	Issued Capital \$	Employee Equity Settled Benefits Reserve \$	Share Option Reserve \$	Assets Realisation Reserve \$	Accumulated Losses \$	Total \$
Balance at 1 July 2024		48,081,022	380,045	-	109,972	(49,682,103)	(1,111,064)
Loss for the half year		-	-	-	-	(354,208)	(354,208)
Total comprehensive loss for the half year		-	-	-	-	(354,208)	(354,208)
Transactions with owners, recorded directly in equity:							
Issue of ordinary shares	5.1	60,000	-	-	-	-	60,000
Balance at 31 December 2024		48,141,022	380,045	-	109,972	(50,036,311)	(1,405,272)
Balance at 1 July 2025		48,417,509	380,045	-	109,972	(50,309,309)	(1,401,783)
Gain for the half year		-	-	-	-	523,291	523,291
Total comprehensive loss for the half year		-	-	-	-	523,291	523,291
Transactions with owners, recorded directly in equity:							
Issue of ordinary shares	5.1	900,000	-	-	-	-	900,000
Debt conversion	5.1	1,382,612	-	70,207	-	-	1,452,819
Acquisition of exploration assets	5.1	3,466,667	-	1,371,618	-	-	4,838,285
Share-based payment transactions	5.1	97,453	1,488,133	759,665	-	-	2,345,251
Balance at 31 December 2025		54,264,241	1,868,178	2,201,490	109,972	(49,786,018)	8,657,863

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

Condensed Consolidated Statement of Cash Flows

	Note	Consolidated	
		Half year ended 31 Dec 2025 \$	Half year ended 31 Dec 2024 \$
Cash flows from operating activities			
Payments to suppliers and employees		(417,896)	(139,912)
Other income and interest income received		153	727
Interest paid		(1,129)	-
Net cash outflow from operating activities		(418,872)	(139,185)
Cash flows from investing activities			
Payments for exploration and evaluation expenditure		(75,294)	(58,339)
Net cash outflow from investing activities		(75,294)	(58,339)
Cash flows from financing activities			
Proceeds from issued of equity securities		900,000	-
Payment for share issue costs		(27,733)	-
Repayment of borrowings		-	(36,029)
Net cash inflow / (outflow) from financing activities		872,267	(36,029)
Net increase / (decrease) cash and cash equivalents		378,101	(233,553)
Cash and cash equivalents at the beginning of the half year		240,964	367,265
Effects of exchange rate changes on the balance of cash held in foreign currencies		(30)	242
Cash and cash equivalents at the end of the half year		619,035	133,954

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

Notes to the Condensed Consolidated Financial Statements

SECTION 1 BASIS OF PREPARATION

The half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

The half-year financial report does not include all notes of the type normally included within the annual financial report. It cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Company as the full financial report and should be read in conjunction with the 30 June 2025 annual financial report of Talonx Resources Limited (formerly Mount Burgess Mining NL).

It is also recommended that the half-year financial report to be considered together with any public announcements made by Talonx Resources Limited (formerly Mount Burgess Mining NL) during the half-year ended 31 December 2025 in accordance with the continuous disclosure obligations arising under *Corporations Act 2001*.

The half-year financial reports have been prepared on the accrual basis and are based on historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's annual financial report for the year ended 30 June 2025.

1.1 MATERIAL ACCOUNTING POLICIES

New accounting standards and Interpretation applicable to 31 December 2025

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

As a result of this review, the Directors have determined that there is no material impact on the Company of any new and revised Standards and Interpretations and therefore no material change is necessary to accounting policies.

New accounting standards and interpretations issued but not yet effective for the period ending to 31 December 2025

The Directors have also reviewed all the new and revised Standards and Interpretations in issue, not yet adopted, that are relevant to the Company and effective for the half-year reporting periods beginning on or after 1 January 2026.

As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations in issue, not yet adopted, on the Company and therefore no material change is necessary to accounting policies.

1.2 MATERIAL ACCOUNTING POLICIES

The preparation of interim financial reports requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this interim financial report, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended 30 June 2025.

1.3 GOING CONCERN

The financial report has been prepared on the 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 Consolidated Entity has incurred net profit before tax of \$523,291 (net losses 31 December 2024: \$354,208) and net cash outflows from operating and investing activities of \$494,166 (31 December 2024: \$197,524) for the half year ended 31 December 2025. As of 31 December 2025, the Consolidated Entity had a working capital equity of \$8,657,863 (deficiency 30 June 2025: \$1,401,783) and cash equivalents of \$619,035 (30 June 2025: \$240,964).

The ability of the Consolidated Entity to continue as a going concern is dependent upon continued financial support from its Directors' related parties and creditors, and on securing additional funding through capital raising to continue to meet its working capital requirements in the next 12 months. These conditions indicate a material uncertainty that may cast significant doubt that the Consolidated entity will continue as a going concern and therefore that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Directors believe the Consolidated entity will continue as a going concern and be able to pay its debts as and when they fall due, for the following reasons:

- (a) During the financial period, following the shareholders' approval on the Extraordinary General Meeting held on 13 October 2025, 86,413,282 new ordinary shares and 4,685,563 unlisted options have been issued to the lenders to extinguished borrowings of \$4,685,562 (Note 3.3).
- (b) The Company has the ability to raise funds through equity issues. In relation to additional funding via capital raisings, initial discussions have commenced with potential brokers;
- (c) In addition, the Directors have also embarked on a strategy to reduce costs in line with the funds available to the Consolidated Entity; and
- (d) The Directors are of the opinion that the use of going concern basis of accounting is appropriate as they are confident in the ability of the Consolidated Entity to be successful in securing additional funds through debt or equity issues as and when the need to raise working capital arises.

Should the Consolidated Entity be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different from those stated in the financial report. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that may be necessary should the Consolidated Entity be unable to continue as a going concern.

SECTION 2 RESULTS FOR THE PERIOD

This section focuses on the results and performance of the Company, with disclosures including components of the operating loss.

2.1 OPERATING SEGMENTS

AASB 8 *Operating Segments* requires that operating segments be identified based on internal reports that are regularly reviewed by the Chief Operating Decision Maker (CODM) to assess performance and allocate resources.

In the Company, the CODM is the Board of Directors, who review internal management reports on a monthly basis. These reports are consistent with the information presented in the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income, Condensed Consolidated Statement of Financial Position, and Condensed Consolidated Statement of Cash Flows.

During prior periods, the Company operated as a single operating segment, and no separate segment disclosures were required. During the current period, following the acquisition of an exploration project in Australia in October 2025, the Group now operates two operating segments based on project location:

- Australia – exploration focus on gold
- Botswana – exploration focus on base metals

The Australian segment is in the early stage of exploration and incurred minimal expenditure during the period.

Geographical Segments

	Consolidated	
	Half year ended 31 Dec 2025	Half year ended 31 Dec 2024
	\$	\$
Segment Revenue		
Australia	-	-
Botswana	-	-
Total of all segments	-	-
Unallocated corporate revenue	3,232,896	727
Consolidated total revenue	3,232,896	727
Segment Results		
Australia	-	-
Botswana	-	-
Total of all Segment	-	-
Unallocated corporate revenue	3,232,896	727
Unallocated corporate expenses	(2,709,605)	(354,935)
Loss before income tax expense	523,291	(354,208)
Income tax expense	-	-
Consolidated net loss for the period	523,291	(354,208)

2.2 RESULTS FOR THE PERIOD

		Consolidated	
		Half year ended 31 Dec 2025	Half year ended 31 Dec 2024
		\$	\$
Other Income			
		3	2
		150	725
	3.3	3,232,743	-
		3,232,896	727
Personnel expenses			
		110,634	75,919
	6.1	167,515	-
	5.1	13,453	-
		5,897	-
	5.1	84,000	60,000
	6.1	818,073	-
		1,199,572	135,919
General and administrative expenses			
	6.1	1,262,210	-
		4,000	-
		44,032	9,011
		55,543	25,328
		13,115	59,683
		129,949	91,233
		1,508,849	185,255

SECTION 3 WORKING CAPITAL DISCLOSURES

This section focuses on the cash funding available to the Company and working capital position at period end.

3.1 CASH AND CASH EQUIVALENTS AND NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

Reconciliation of Cash and Cash Equivalents

For the purpose of the condensed cash flow statement, cash includes cash on hand and in banks. Cash and cash equivalents at the end of the financial year as shown in the condensed cash flow statement are reconciled to the related items in the condensed consolidated statement of financial position as follows:

		Consolidated	
		Half year ended 31 Dec 2025	Full year ended 30 June 2025
		\$	\$
		619,035	240,964
		619,035	240,964

3.2 TRADE AND OTHER PAYABLES

	Consolidated	
	Half year ended 31 Dec 2025	Full year ended 30 June 2025
	\$	\$
Trade payables	123,670	96,861
Accruals (i)	81,037	2,900,433
Other payables	344	344
	205,051	2,997,638

- (i) During the last financial period, included in accruals are unpaid salaries for a director and his related parties amounting to \$2,874,220. This amount had been reclassified to loan from a former Director and subsequently extinguished during the financial period (Note 3.3).

3.3 BORROWINGS

	Note	Consolidated	
		Half year ended 31 Dec 2025	Full year ended 30 June 2025
		\$	\$
Unsecured – at amortised cost			
Loan from a former Director's related company (i)		-	1,051,671
Loan from a former Director (ii)		200,000	580,006
Loan from a Director (iii)		-	60,223
Loan from a former Director (iv)		-	16,730
		200,000	1,708,630
Current		-	1,708,630
Non-current		200,000	-

For the half-year ended 31 December 2025

3.3 BORROWINGS (Continued)

Movement in borrowings:

	Balance at 1 July 2025 \$	Movement		Balance at 31 Dec 2025 \$	Issued of Shares No	Forgiveness of Debt			
		Addition \$	Write off			Shares Valuation \$	Issued of Options No	Option valuation \$	Gain on loan forgiveness \$
Loan from a former Director's related company (i)	1,051,671	10,732 ¹	(1,062,403)	-	19,674,126	314,786	1,062,403	15,936	731,681
Loan from a Director (ii)	580,006	3,166,173 ²	(3,546,179)	200,000	65,669,981	1,050,720	3,546,179	53,193	2,442,266
Loan from a Director (iii)	60,223	14 ³	(60,237)	-	836,622	13,386	60,237	843	46,008
Loan from a former Director (iv)	16,730	13 ³	(16,743)	-	232,553	3,720	16,744	235	12,788
	1,708,630	3,176,932	(4,685,562)	200,000	86,413,282	1,382,612	4,685,563	70,207	3,232,743

Note:

¹ Amount being foreign currency translation² Amount being transferred from accruals, provision of annual leave and provision of long service leave³ Amount being interest accruals

3.3 BORROWINGS (Continued)

(i) Loan from a former Director's related company

The loan comprised two components, both of which were extinguished during the half-year ended 31 December 2025:

- a) A non-interest-bearing loan of £20,618, equivalent to \$32,549 outstanding at 30 June 2025, provided to the wholly owned subsidiary, Mount Burgess (Botswana) Proprietary Ltd
- b) A loan of £255,000, equivalent to \$535,290 outstanding at 30 June 2025 on which interest accrued at a rate of 4% above the Australian Bank Bill Rate from 1 July 2010 until repayment.

The balance at 30 June 2025 included accrued interest of £230,486, equivalent to \$483,832.

No balance remained outstanding at 31 December 2025.

(ii) Loan from a former Director

The loan was provided by NR and JE Forrester. Mr NR Forrester is a former Director of the Company.

During the half-year ended 31 December 2025, the majority of the loan was extinguished through debt forgiveness and settlement via the issue of equity instruments.

A balance of \$200,000 remained outstanding at 31 December 2025.

The remaining loan balance is non-interest-bearing and has no fixed repayment date and has therefore been classified as non-current.

(iii) Loan from a Director

The loan was provided by Mr Harry Warriess, a Director of the Company.

The loan, including all accrued interest, was fully extinguished during the half-year ended 31 December 2025, with no balance outstanding at reporting date.

(iv) Loan from a former Director

The loan was provided by Mr Chris Campbell-Hicks, a former Director of the Company

The loan, including all accrued interest, was fully extinguished during the half-year ended 31 December 2025, with no balance outstanding at reporting date.

Extinguishment of Directors / former Directors' related loans

During the half-year ended 31 December 2025, the Company extinguished loans payable to certain directors and director-related entities. The carrying value of the loans was \$4,685,562.

The extinguishment was effected through a combination of debt forgiveness and settlement and provision for Annual leave and Long service leave via the issue of equity instruments.

SECTION 4 ASSETS AND LIABILITIES SUPPORTING EXPLORATION AND EVALUATION

This section focuses on the assets and liabilities which form the core of the ongoing business, including those assets and liabilities which support ongoing exploration and evaluation as well as capital and other commitments existing at 31 December 2025.

Key estimates and assumptions in this section

Indicators of impairment for exploration and evaluation assets

The Company has reviewed exploration and evaluation assets for indicators of impairment in accordance with AASB 6. In making this evaluation, management is required to make assessments on the status of each project and the future plans towards successful development and commercial exploitation, or alternatively sale, of the respective areas of interest.

4.1 EXPLORATION INTEREST

	Consolidated	
	Half year ended 31 Dec 2025 \$	Full year ended 30 June 2025 \$
Costs carried forward in respect of areas of interest		
Exploration and evaluation expenditure	8,498,786	3,512,624
Movements for the period/year		
Opening Balance	3,512,624	3,249,956
Tenements acquisitions – via share based payments (i)	4,838,285	-
Capitalised expenditure	147,877	298,367
R&D tax incentives (ii)	-	(35,699)
Closing balance	8,498,786	3,512,624

(i) On 15 October 2025, the Company issued \$3,466,667 worth of fully paid shares to Metal Hawk Limited (“MHK”) and Falcon Metals Limited (“FAL”) to acquire a 100% interest in the Bereheaven and Viking Projects. The consideration comprised:

- a. 216,666,667 fully paid ordinary shares (Note 5.1); and
- b. 108,333,334 unquoted options (Note 6.1), consisting of:
 - i. 54,166,667 Consideration Options with an exercise price of \$0.01 and expiring on a date that is three (3) years from the date of issue; and
 - ii. 54,166,667 Consideration Options with an exercise price of \$0.015 and expiring on a date that is four (4) years from the date of issue

(ii) During the last financial year, the R&D tax rebate is a cash rebate from Australian Tax Office in respect of research and development expenditure incurred during the year ended 30 June 2025.

SECTION 5 EQUITY AND FUNDINGS

This section focuses on the debt and equity funding available to the Company at period end, most notably covering share capital.

5.1 ISSUE CAPITAL

	Ordinary Shares			
	Amount		Number of Shares	
	Half year ended 31 Dec 2025 \$	Full year ended 30 Jun 2025 \$	Half year ended 31 Dec 2025 No.	Full year ended 30 Jun 2025 No.
Balance at 1 July	48,417,509	48,081,022	425,638,332	1,298,146,786
Shares issued and expensed during the period:				
Issue of fully paid shares for cash	900,000	276,551	128,571,428	86,100,886
Issued of ordinary shares in lieu (i)	97,453	60,000	6,207,192	15,000,000
Issued of ordinary shares – debt conversion (ii)	1,382,612	-	86,413,282	-
Issued of ordinary shares to purchase exploration tenements (iii)	3,466,667	-	216,666,667	-
Share consolidation	-	-	-	(973,609,340)
Capital raising costs	-	(64)	-	-
	54,264,241	48,417,509	863,496,901	425,638,332

(i) Issue of ordinary shares in lieu of directors' fees

During the financial period, at the Extraordinary General Meeting held on 13 October 2025, shareholders approved the issue of fully paid ordinary shares in lieu of directors' fees and under salary sacrifice arrangements. The shares were issued at the volume weighted average price (VWAP) of the five ASX trading days prior to the issue. No cash was received. The allocation of shares was as follows:

Dr S Lennon	\$13,453 worth at 1.57 of a cent	856,874
Mr J Thamage	\$12,000 worth at 1.57 of a cent	764,331
Mr I McGeorge	\$12,000 worth at 1.57 of a cent	764,331
Ms J Forrester	\$12,000 worth at 1.57 of a cent	764,331
M R Brougham	\$12,000 worth at 1.57 of a cent	764,331
Mr H Warriess	\$12,000 worth at 1.57 of a cent	764,331
Ms S Chau	\$24,000 worth at 1.57 of a cent	1,528,663
		<u>6,207,192</u>

(ii) Issue of ordinary shares – Debt conversion

During the financial period, the Company issued 86,413,282 ordinary shares to directors and director-related entities in settlement of loans. Details of the transaction are disclosed in Note 3.3 – Borrowings.

(iii) On 13 October 2025, the Company issued "Consideration Shares" forming part of consideration payable to Metal Hawk Limited and Falcon Metals Limited to acquire a 100% interest in the Bereheaven and Viking Projects. Please refer to Note 4.1 for details.

SECTION 6 OTHER DISCLOSURES

The disclosures in this section focus on share schemes in operation and financial risk management of the Company. Other mandatory disclosures, such as details of related party transactions, can also be found here.

6.1 SHARE BASED PAYMENTS

The share-based payment expense included within the financial statements can be broken down as follows:

	Half year ended 31 Dec 2025 \$	Full year ended 30 Jun 2025 \$
Recognised in other income		
Forgiveness of debt	70,207	-
Expensed in personnel expenses		
Options issued to Directors	818,073	-
Options issued to Employees	167,515	-
	985,588	-
Expensed in General and administrative expenses		
General consultant fees	1,262,210	-
Expensed in Statement of Profit or Loss and Other Comprehensive Income	2,318,005	-
Capitalised within exploration and evaluation		
Options issued to vendors	1,371,618	-
	3,689,623	-
Recognised in Share options reserve	2,201,490	
Recognised in Employee Equity Settled Benefits Reserve	1,488,133	
	3,689,623	-

6.2 OPTIONS

As at 31 December 2025, a summary of the Company options issued and not exercised are as follows. Options are settled by the physical delivery of shares:

Grant date	Vesting date	Expiry date	Exercise Price (cents)	Balance at the start of the period	Granted during the period	Exercised during the period	Expired/lapsed during the period	Balance at the end of the period	Vested and exercisable at the end of the period
5/12/2023	5/12/2023	12/12/2025	4.0	1,250,000	-	-	1,250,000	-	-
9/12/2024	9/12/2024	10/12/2026	2.0	1,250,000	-	-	-	1,250,000	1,250,000
13/10/2025	13/10/2025	13/10/2028	1.0	-	126,566,667	-	-	126,566,667	126,566,667
13/10/2025	13/10/2025	13/10/2029	1.5	-	84,166,667	-	-	84,166,667	84,166,667
13/10/2025	13/10/2025	13/10/2030	0.5	-	4,608,582	-	-	4,608,582	4,608,582
13/10/2025	13/10/2025	13/10/2029	0.53	-	76,981	-	-	76,981	76,981
24/11/2025	24/11/2025	24/11/2028	1.77	-	50,000,000	-	-	50,000,000	50,000,000
24/11/2025	24/11/2025	24/11/2029	2.36	-	50,000,000	-	-	50,000,000	50,000,000
TOTAL				2,500,000	315,418,897	-	-	316,668,897	316,668,897
Weighted Average Exercise Price (cents)				3.0				1.5	

The weighted average remaining contractual life of options outstanding at period end was 3.27 years (30 June 2025: 0.95 years)

6.2 OPTIONS (Continued)

On 13 October 2025, the Company issued 42,400,000 options to a current Director and a former Director. The Company also issued 54,166,667 options as Consideration Options forming part of consideration payable to Metal Hawk Limited and Falcon Minerals Limited for acquisition of a 100% interest in Berehaven and Viking Projects. The Company also issued 30,000,000 options to consultants as a consideration for the provision of corporate advisory services. These options are exercisable at \$0.015 per option and expire on 13/10/2029. No cash was paid for the options. The issue of options was approved by shareholders at an Extraordinary General Meeting held on 13 October 2025 in accordance with ASX Listing Rule 10.11 and section 208 of the Corporations Act 2001.

Options granted during the period have been valued using the Black-Scholes Option Valuation model, which takes account of factors including the option exercise price, the current level and volatility of the underlying share price, the risk-free interest rate, expected dividends on the underlying share, current market price of the underlying share and the expected life of the option. See below for the assumptions used for grants made during the period.

	Directors' options	Consideration options	Consultants options
Number of options	42,400,000	54,166,667	30,000,000
Exercise price (cents)	1.0	1.0	1.0
Grant date	13/10/2025	13/10/2025	13/10/2025
Expiry date	13/10/2028	13/10/2028	13/10/2028
Life of the options (years)	3	3	3
Volatility	126.53%	126.53%	126.53%
Risk free rate	3.47%	3.47%	3.47%
Fair value of the grant date (cents)	1.53	1.28	1.28
Share price of the grant date (cents)	1.6	1.6	1.6

The options vest immediately. The directors' options and the consultant options were valued at \$650,558 and \$383,430 respectively with the share-based payment expense of \$1,033,988 recognised the Statement of Profit or Loss and Other Comprehensive Income. The Consideration options were valued at \$692,305 with the share-based payment expense recognised as Exploration and Evaluation Asset.

6.2 OPTIONS (Continued)

On 13 October 2025, the Company issued 54,166,667 options as Consideration Options forming part of consideration payable to Metal Hawk Limited and Falcon Minerals Limited for acquisition of a 100% interest in Berehaven and Viking Projects. The Company also issued 30,000,000 options to consultants as a consideration for the provision of corporate advisory services. These options are exercisable at \$0.015 per option and expire on 13/10/2029. No cash was paid for the options. The issue of options was approved by shareholders at an Extraordinary General Meeting held on 13 October 2025 in accordance with ASX Listing Rule 10.11 and section 208 of the Corporations Act 2001.

Options granted during the period have been valued using the Black-Scholes Option Valuation model, which takes account of factors including the option exercise price, the current level and volatility of the underlying share price, the risk-free interest rate, expected dividends on the underlying share, current market price of the underlying share and the expected life of the option. See below for the assumptions used for grants made during the period.

	Consideration options	Consultants options
Number of options	54,166,667	30,000,000
Exercise price (cents)	1.5	1.5
Grant date	13/10/2025	13/10/2025
Expiry date	13/10/2029	13/10/2029
Life of the options (years)	4	4
Volatility	117.32%	117.32%
Risk free rate	3.68%	3.68%
Fair value of the grant date (cents)	1.25	1.25
Share price of the grant date (cents)	1.6	1.6

The options vest immediately. The consultant options were valued at \$376,235 with the share-based payment expense recognised to the Statement of Profit or Loss. The Consideration options were valued at \$679,313 with the share-based payment expense recognised as Exploration and Evaluation Asset.

6.2 OPTIONS (Continued)

On 13 October 2025, the Company issued 4,608,582 options to a former director related party and a former director related entity in settlement of a portion of loan. The remaining balance of the loan was forgiven. The options are exercisable at \$0.005 per option and expire on 13/10/2030. No cash was paid for the options. The issue of options was approved by shareholders at an Extraordinary General Meeting held on 13 October 2025 in accordance with ASX Listing Rule 10.11 and section 208 of the Corporations Act 2001.

Options granted during the period have been valued using the Black-Scholes Option Valuation model, which takes account of factors including the option exercise price, the current level and volatility of the underlying share price, the risk-free interest rate, expected dividends on the underlying share, current market price of the underlying share and the expected life of the option. See below for the assumptions used for grants made during the period.

	Debt forgiveness options
Number of options	4,608,582
Exercise price (cents)	0.50
Grant date	13/10/2025
Expiry date	13/10/2030
Life of the options (years)	5
Volatility	100%
Risk free rate	4.70%
Fair value of the grant date (cents)	1.5
Share price of the grant date (cents)	1.6

The options vest immediately. The options were valued at \$69,129 with the share-based payment expense recognised in the Statement of profit or Loss.

The fair value of the options at the grant date was recognised as a reduction of the loan liability.

Details of the transaction are disclosed in Note 3.3 – Borrowings

6.2 OPTIONS (Continued)

On 13 October 2025, the Company issued 76,981 options to a director and a former director in settlement of a portion of loan. The remaining balance of the loan was forgiven. The options are exercisable at \$0.0053 per option and expire on 13/10/2029. No cash was paid for the options. The issue of options was approved by shareholders at an Extraordinary General Meeting held on 13 October 2025 in accordance with ASX Listing Rule 10.11 and section 208 of the Corporations Act 2001.

Options granted during the period have been valued using the Black-Scholes Option Valuation model, which takes account of factors including the option exercise price, the current level and volatility of the underlying share price, the risk-free interest rate, expected dividends on the underlying share, current market price of the underlying share and the expected life of the option. See below for the assumptions used for grants made during the period.

	Debt forgiveness options
Number of options	76,981
Exercise price (cents)	0.53
Grant date	13/10/2025
Expiry date	13/10/2029
Life of the options (years)	4
Volatility	100%
Risk free rate	4.70%
Fair value of the grant date (cents)	1.4
Share price of the grant date (cents)	1.6

The options vest immediately. The options were valued at \$1,078 with the share-based payment expense recognised in the Statement of profit or Loss.

The fair value of the options at the grant date was recognised as a reduction of the loan liability.

Details of the transaction are disclosed in Note 3.3 – Borrowings

6.2 OPTIONS (Continued)

On 24 November 2025 the Company granted 10,000,000 options to a Director, as approved by shareholders at the Company's AGM held on 17 November 2025. The Company also granted 40,000,000 employee options to employees & consultant under the Company's Employee Securities Incentive Plan. These options are exercisable at \$0.0177 each expiring on 24 November 2028.

Options granted during the period have been valued using the Black-Scholes Option Valuation model, which takes account of factors including the option exercise price, the current level and volatility of the underlying share price, the risk-free interest rate, expected dividends on the underlying share, current market price of the underlying share and the expected life of the option. See below for the assumptions used for grants made during the period

	Director Options	Employee Options
Number of options	10,000,000	40,000,000
Exercise price (cents)	1.77	1.77
Grant date	24/11/2025	24/11/2025
Expiry date	24/11/2028	24/11/2028
Life of the options (years)	3	3
Volatility	128.34%	128.34%
Risk free rate	3.67%	3.67%
Fair value of the grant date (cents)	0.84	0.84
Share price of the grant date (cents)	1.2	1.2

The options vest immediately. The options were valued at \$417,774 with the share-based payment expense recognised in the Statement of profit or Loss.

On 24 November 2025 the Company granted 10,000,000 options to a Director, as approved by shareholders at the Company's AGM held on 17 November 2025. The Company also granted 40,000,000 employee options to employees & consultant under the Company's Employee Securities Incentive Plan. These options are exercisable at \$0.0236 each expiring on 24 November 2029.

Options granted during the period have been valued using the Black-Scholes Option Valuation model, which takes account of factors including the option exercise price, the current level and volatility of the underlying share price, the risk-free interest rate, expected dividends on the underlying share, current market price of the underlying share and the expected life of the option. See below for the assumptions used for grants made during the period

	Director Options	Employee Options
Number of options	10,000,000	40,000,000
Exercise price (cents)	2.36	2.36
Grant date	24/11/2025	24/11/2025
Expiry date	24/11/2029	24/11/2029
Life of the options (years)	4	4
Volatility	118.65%	118.65%
Risk free rate	3.85%	3.85%
Fair value of the grant date (cents)	0.84	0.84
Share price of the grant date (cents)	1.2	1.2

The options vest immediately. The options were valued at \$419,801 with the share-based payment expense recognised in the Statement of profit or Loss.

6.3 RELATED-PARTY TRANSACTIONS

During the financial period, at the Extraordinary General Meeting of shareholders held on 13 October 2025, approval was given for the issue of fully paid ordinary shares in the Company in lieu of director fees to Directors or their nominees and their related party, as disclosed above in Note 5.1.

During the financial period, the Company issued 86,413,282 ordinary shares and 4,685,563 options to directors and director-related entities in settlement of loans. Details of the transaction are disclosed in Note 3.3 – Borrowings.

During the financial period, Company issued 42,400,000 options to a current Director. Dr Steve Lennon and a former Director, Mr Rob Brougham, as disclosed above in Note 6.2.

During the financial period, at the Annual General Meeting of shareholders held on 17 November 2025, approval was given for the issue of to issue up to 20,000,000 Options to Mr William Belbin (or his nominee/s), the Director of the Company, as disclosed above in Note 6.2.

6.4 CONTINGENT ASSETS AND CONTINGENT LIABILITIES

As at reporting date there are no known contingent assets and liabilities.

6.5 COMMITMENTS FOR EXPENDITURE

As at reporting date there were no changes from 30 June 2025 financial report.

6.6 EVENTS OCCURRING AFTER REPORTING PERIOD

Subsequent to the reporting date, on 2 January 2026, the Company changed its name from Mount Burgess Mining NL to Talonx Resources Limited.

Subsequent to the reporting date, Mr Harry Warriess resigned as a non-executive Director of the Company, effective 25 February 2026. The Board appointed Mr Scott Glasson as a non-executive Director on 25 February 2026. The Directors acknowledge the contribution made by Mr Warriess during his tenure.

No other matters or circumstances of which the Directors are aware, other than those referred to in the condensed financial statements or notes thereto, have arisen since the end of the half-year which significantly affect, or may significantly affect the operations, results or state of affairs of the consolidated entity in subsequent financial periods.

Directors' Declaration

In accordance with a resolution of the Directors of Talonx Resources Limited (formerly Mount Burgess Mining N.L.), the Directors of the Company declare that:

1. the financial statements and notes, as set out, are in accordance with the Corporations Act 2001 and:
 - a. comply with Australian Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards (IFRS); and
 - b. give a true and fair view of the financial position as at 31 December 2025 and of the performance for the year ended on that date of the consolidated group.
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; and
3. the Directors have been given the declarations required by s 295A of the Corporations Act 2001 from the Chief Executive Officer and Chief Financial Officer

Signed in accordance with a resolution of the Directors made pursuant to s.295 (5) of the Corporations Act 2001.

On behalf of the Directors



Dr Steve Lennon
Executive Chair
Perth, 26 February 2026

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF TALONX RESOURCES LIMITED

Conclusion

We have reviewed the accompanying half-year financial report of Talonx Resources Limited (“the Company”) and Controlled Entities (“the Consolidated Entity”) which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of material accounting policies and other selected explanatory notes, 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 Talonx Resources Limited and Controlled Entities does not comply with the *Corporations Act 2001* including:

- a. Giving a true and fair view of the Talonx Resources Limited 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 *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* that are relevant to our 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 in the same terms if given to the directors as at the time of this auditor's review report.

Material Uncertainty Related to Going Concern

We draw attention to Note 1.3 in the financial report, which indicates that the Consolidated Entity incurred a net gain of \$523,291 during the half year ended 31 December 2025. As stated in Note 1.3, these events or conditions, along with other matters as set forth in Note 1.3, indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Responsibility of the Directors for the Financial Report

The directors of the Talonx Resources Limited 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 control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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 Consolidated Entity'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.



HALL CHADWICK WA AUDIT PTY LTD



CHRIS NICOLOFF FCA
Director

Dated this 26th day of February 2026
Perth, Western Australia