



Half Year Financial Report

31 December 2025



Strategic Energy Resources Limited

ABN 14 051 212 429

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Corporate Directory

Directors	Mr Stuart Rechner – Non-Executive Chair Dr David DeTata - Managing Director Mr Daniel Loughnan - Non-Executive Director
Company secretary	Mr Mathew Watkins
Registered office and principal place of business	Suite 2 Level 11, 385 Bourke Street, Melbourne VIC 3000 Ph: 03 9692 7222 Fax: 03 9077 9233
Share register	MUFG Corporate Markets (AU) Limited Tower 4, 727 Collins Street Melbourne, VIC 3008 Ph: 1300 554 474
Auditor	Nexia Perth Audit Services Pty Ltd Level 4, 88 William Street, Perth WA 6000
Stock exchange listing	Strategic Energy Resources Limited shares are listed on the Australian Securities Exchange (ASX code: SER)
Website	www.strategicenergy.com.au

Directors Report

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Consolidated Entity' / 'Group') consisting of Strategic Energy Resources Limited (referred to hereafter as the 'Company', 'SER' or 'parent entity') and the entities it controlled at the end of, or during, the period ended 31 December 2025.

Directors

The following persons were Directors of Strategic Energy Resources Limited during the whole of the financial period and up to the date of this report, unless otherwise stated:

Mr Stuart Rechner - Non-Executive Chairman (transitioned from Executive to Non-Executive on 16 December 2025)

Dr David DeTata - Managing Director

Mr Daniel Loughnan - Non-Executive Director (appointed on 16 December 2025)

Mr Mathew Watkins - Non-Executive Director (appointed on 17 November 2025 and resigned on 16 December 2025) and Company Secretary

Mr Anthony McIntosh - Non-Executive Director (resigned on 17 November 2025)

Principal activities

SER is a specialised undercover mineral explorer and project generator focused on discovery in greenfield frontiers of Australia. During the period the principal continuing activities of the Consolidated Entity consisted of exploration for minerals in Australia.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial period.

Review of operations

SER's vision is "To Create the Future of Undercover Exploration" with the goal of discovering major precious and base metal deposits. During the July-December 2025 reporting period, we continued to execute our discovery strategy of "Search, Explore, Resolve" driven by science-led technical excellence and funded by sharing risks and rewards with our partners.

In the Search for value accretive projects, we announced the 100% acquisition of the advanced Diamantina copper-gold project (QLD) from Anglo American. Diamantina lies south of Cloncurry in Queensland and comes with over \$20M in historical expenditure including a 161m @ 0.4% Cu and 0.11g/t Au intercept at the Elizabeth Springs Prospect. The Project was acquired for \$300k cash and \$300k in SER Shares and is the Company's flagship project and focus for 2026.

In the Exploration space, multiple drilling programs were completed in our search for a major discovery. At the **Canobie Project** (QLD) under a Farm-in Joint Venture Agreement (FJV) with Fortescue (FMG), a \$3M exploration budget funded by FMG was approved for FY26. A gravity survey followed by a two-hole diamond drill program was completed that intersected elevated copper and associated gold, confirming the prospectivity of the project. Additional targets have already been earmarked for testing in the first half of calendar year 2026. The FJV requires FMG to spend \$8M to earn an 80% joint venture interest at Canobie which includes at least 6,000m of basement drilling.

At the **Isa North copper-gold Project** (QLD) a two-hole diamond drill program was completed at the Nardoo Prospect with funding from a \$275k Queensland Government grant. Drilling intersected evidence of a near-miss with trace Cu, Ag and REE intersected.

In support of future exploration programs, SER secured two NSW Critical Minerals and High-Tech Metals Exploration Program grants to drill test a Pb-Zn-Ag target at our **Mundi Project** (\$160k), and to complete a MLEM geophysical survey at the **West Koonenberry Ni-Cu-Co-PGE Project** (\$64,500). These grants reflect both the prospectivity of the projects and SER's proven ability to secure external funding to explore.

Towards the end of the period, the sale of the South Cobar project completed, with \$400k received to advance our copper-focused exploration strategy. Furthermore, immediately post the end of the period, the terms of a non-binding indicative agreement were announced with Sumitomo Metal Mining Oceania Pty Ltd at the Bulimba Project, bringing resolution to two projects during the period.

SER continues to pursue R&D activities as a means of cost-effective exploration and to leverage industry and academic expertise. In the period a \$300k R&D rebate was received which will be used to advance our current portfolio. Meanwhile SER joined the Resources Technology and Critical Minerals (RTCM) Trailblazer Program, to ensure our staff are continually engaged with cutting-edge research programs relevant to our undercover exploration program.

In July 2025, SER raised \$2M through the issue of 400,000,001 Shares at \$0.005 per share with one attaching \$0.01 option for every two Shares issued. The capital raise was to conduct the Isa North drill program along with the acquisition of the advanced Diamantina Project from Anglo American.

In November 2025, Non-Executive Director Anthony McIntosh stepped down from the Board.

In December 2025 Daniel Loughnan was appointed as nominee of a major shareholder.

Meanwhile, our Project Generation work continues under the radar with exciting new projects to be revealed to shareholders in the coming year.

The SER team would like to thank our shareholders for their continued support in our search for Australia's next major discovery.

Review of financial results

The loss for the Consolidated Entity after providing for income tax amounted to \$742,009 (31 December 2024: \$661,228).

The Consolidated Entity's net assets increased by \$1,333,264 to \$7,739,967 as at 31 December 2025 (30 June 2025: \$6,406,703). The Consolidated Entity had net cash outflows from operating activities for the period of \$179,461 (31 December 2024 net cash outflows: \$297,200). Working capital, being current assets less current liabilities, increased by \$512,342 to \$958,875 (30 June 2025: \$446,533).

Significant changes in the state of affairs

On 18 July 2025, the Company announced an agreement with Anglo American Exploration (Australia) Pty Ltd, a subsidiary of Anglo American PLC (LSE: AAL) to acquire 100% of the "**Diamantina**" **Copper-Gold Project** located in western Queensland for a total consideration of \$600,000. The purchase consideration is payable as:

- \$150,000 cash and \$150,000 settled in SER shares upon completion; and
- \$150,000 cash and \$150,000 in SER shares on the first of: a) execution of a conduct and compensation agreement with landholders or b) 12 months after completion

On 6 November 2025, the Company announced the completion of acquisition of the Diamantina Copper-Gold Project as the First of two milestone payments of \$150k cash and \$150k of SER shares settled.

On 31 July 2025, the Company announced a capital raise of \$2,000,000 by way of placement by issuing 400,000,001 fully paid ordinary shares at \$0.005 (0.5 cents) per ordinary share. The Placement of fully paid ordinary shares was undertaken in two tranches. On 7 August 2025, Tranche 1 of the placement was completed by issuing 137,758,325 fully paid ordinary shares. On 29 September 2025, Tranche 2 was completed by issuing 262,241,676 fully paid ordinary shares and 200,000,000 Options to the Placement participants, exercisable at \$0.01 with an expiry date of 18 months from date of issue.

On 1 August 2025, the Company issued 27,900,000 fully paid ordinary shares to its Directors, following exercise of Options granted to them in the prior years.

On 12 August 2025, FMG Resources Pty Ltd approved an exploration budget of \$3,000,000 for the Canobie Project in northwest Queensland, which is being explored under a Farm-in and Joint Venture Agreement for the financial year ending 30 June 2026.

On 5 November 2025, the Company announced the completion of the sale of the South Cobar Project (EL9012) to Australian Gold & Copper (ASX:AGC), and the Company has received the final cash payment of \$350,000.

There were no other significant changes in the state of affairs of the Consolidated Entity during the financial period.

Matters subsequent to the end of the financial period

On 19 January 2026, the Company announced that it entered into a non-binding Exploration Joint Venture with Sumitomo Metal Mining Oceania Pty Ltd (“SMMO” or “Sumitomo”), a wholly owned subsidiary of Sumitomo Metal Mining Co. Ltd for the 100% owned Bulimba Gold Project in Queensland. Key terms include:

- Within 14 days of executing the binding JV Agreement, SMMO will reimburse SER for a portion of expenditure committed to date (\$100,000).
- SMMO will commit to a minimum expenditure of \$600,000 in the first 12 months before it can withdraw (in which case SER retains 100% of the Project).
- SMMO can earn an initial 51% of the Project through the expenditure of \$3M over three years which must include a minimum of 2,500m of drilling.
- SMMO can earn up to 80% of the Project through the expenditure of \$3M over two years which must include a minimum of 5,000m of drilling in addition to the 2,500m drilling from the First earn-in.
- SMMO can earn a 90% interest upon the completion of a Definitive Feasibility Study (DFS) on >1Moz AuEq resource during a 5-year period.
- SER will be free carried until SMMO elects to enter the pro-rata expenditure period upon completion of the first, second or third earn-in periods. At this point, if either party’s interest drops below 10%, the interest converts to a 2% NSR.
- SER will manage and operate the JV and will receive a 10% Operator fee on all exploration

expenditure.

On 12 February 2026, the Company announced that it is undertaking a restructure of the Company's share register by:

- establishing a share sale facility for shareholders who hold a parcel of fully paid ordinary shares in the Company with a market value of less than \$500; and
- seeking shareholder approval to consolidate its issued capital on a one (1) for twenty (20) basis (Consolidation).

This restructure of the Company's share register is expected to be completed on 15 April 2026.

No other matters or circumstances has arisen since 31 December 2025 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial years.

Auditor's independence declaration

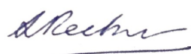
A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this Directors' report.

Rounding of amounts

Strategic Energy Resources Limited is a type of Company that is referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and therefore the amounts contained in this report and in the financial report have been rounded to the nearest dollar.

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Mr Stuart Rechner

Non-Executive Chair

11 March 2026

To the Board of Directors of Strategic Energy Resources Limited

Auditor's Independence Declaration under section 307C of the Corporations Act 2001

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

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

N.P.A.S.

Nexia Perth Audit Services Pty Ltd



Muranda Cornelius
Director

Perth, Western Australia

11 March 2026

Advisory. Tax. Audit.

ACN 145 447 105

Nexia Perth Audit Services Pty Ltd (ABN 27 145 447 105) is a firm of Chartered Accountants. It is affiliated with, but independent from Nexia Australia Pty Ltd. Nexia Australia Pty Ltd is a member of Nexia International, a leading, global network of independent accounting and consulting firms. For more information please see www.nexia.com.au/legal. Neither Nexia International nor Nexia Australia Pty Ltd provide services to clients.

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the period ended 31 December 2025

		Consolidated	
		31	31
		December	December
		2025	2024
	Note	\$	\$
Other income	<u>4</u>	348,749	4,653
Interest income		17,820	25,823
Expenses			
Employee benefits expense		(97,114)	(154,444)
Corporate expenses		(368,406)	(282,086)
Tenement due diligence and other exploration expenses		(575,672)	(170,244)
Share based payments	<u>10</u>	(67,386)	(84,930)
Loss before income tax expense		(742,009)	(661,228)
Income tax expense		-	-
Loss after income tax expense for the period attributable to the Owners of Strategic Energy Resources Limited		(742,009)	(661,228)
Other comprehensive income for the period, net of tax		-	-
Total comprehensive loss for the period attributable to the Owners of Strategic Energy Resources Limited		<u>(742,009)</u>	<u>(661,228)</u>
		Cents	Cents
Basic loss per share	<u>16</u>	(0.08)	(0.10)
Diluted loss per share	<u>16</u>	(0.08)	(0.10)

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

Condensed Consolidated Statement of Financial Position

As at 31 December 2025

		Consolidated	
		31	
		December	30 June
		2025	2025
	Note	\$	\$
Assets			
Current assets			
Cash and cash equivalents	5	1,992,498	675,131
Other receivables		51,556	15,197
Non-current assets classified as held for sale	6	-	400,000
Prepayments		36,121	35,271
Total current assets		2,080,175	1,125,599
Non-current assets			
Equipment		4,384	3,834
Exploration and evaluation assets	7	6,743,476	5,837,801
Other assets		71,000	151,500
Total non-current assets		6,818,860	5,993,135
Total assets		8,899,035	7,118,734
Liabilities			
Current liabilities			
Trade and other payables		203,012	291,815
Employee entitlements		94,099	81,880
Other liabilities	8	824,189	305,371
Total current liabilities		1,121,300	679,066
Non-current liabilities			
Employee entitlements		37,768	32,965
Total non-current liabilities		37,768	32,965
Total liabilities		1,159,068	712,031
Net assets		7,739,967	6,406,703
Equity			
Issued capital	9	45,076,164	42,799,707
Reserves	10	205,444	406,628
Accumulated losses		(37,541,641)	(36,799,632)
Total equity		7,739,967	6,406,703

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

Condensed Consolidated Statement of Changes in Equity

For the period ended 31 December 2025

Consolidated	Issued Capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2024	42,097,670	258,486	(34,737,739)	7,618,417
Loss after income tax expense for the period	-	-	(661,228)	(661,228)
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive loss for the period	-	-	(661,228)	(661,228)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs	734,517	-	-	734,517
Share-based payments	-	88,302	-	88,302
Options issued for capital raising services	(60,480)	60,480	-	-
Transfer of expired and cancelled options	-	(5,625)	5,625	-
Shares issued in lieu of service (note 9)	28,000	-	-	28,000
Transfers upon disposal of investments	-	(36,480)	-	(36,480)
Balance at 31 December 2024	42,799,707	365,163	(35,393,342)	7,771,528

Consolidated	Issued Capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2025	42,799,707	406,628	(36,799,632)	6,406,703
Loss after income tax expense for the period	-	-	(742,009)	(742,009)
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive loss for the period	-	-	(742,009)	(742,009)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 9)	1,840,457	-	-	1,840,457
Shares issued for purchase of tenements (note 9)	120,000	-	-	120,000
Shares issued from exercise of options (note 9)	316,000	(316,000)	-	-
Share-based payments	-	114,816	-	114,816
Balance at 31 December 2025	45,076,164	205,444	(37,541,641)	7,739,967

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

Condensed Consolidated Statement of Cash flows

For the period ended 31 December 2025

	Consolidated	
	31	31
	December	December
	2025	2024
	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees (inclusive of GST)	(546,698)	(424,847)
R&D tax incentive received	348,749	-
Interest received	18,488	27,647
Receipts for extension of the South Cowal Project (EL9368) option agreement	-	100,000
	<u>(179,461)</u>	<u>(297,200)</u>
Net cash used in operating activities		
Cash flows from investing activities		
Payments for equipment	(1,652)	(1,226)
Payments for exploration and evaluation	(1,158,414)	(1,429,226)
Proceeds/Payments for security deposits	80,500	(20,000)
Payments for acquisition of exploration tenement	(150,000)	-
Proceeds from sale of exploration tenement	350,000	-
Proceeds from disposal of investments	-	200,640
Contributions from joint operations - net of exploration expenses	497,394	(378,768)
	<u>(382,172)</u>	<u>(1,628,580)</u>
Net cash used in investing activities		
Cash flows from financing activities		
Proceeds from issue of shares	2,000,000	734,517
Cost of capital raising	(121,000)	-
	<u>1,879,000</u>	<u>734,517</u>
Net cash from financing activities		
Net increase/(decrease) in cash and cash equivalents	1,317,367	(1,191,263)
Cash and cash equivalents at the beginning of the financial period	<u>675,131</u>	<u>2,507,709</u>
Cash and cash equivalents at the end of the financial period	<u>1,992,498</u>	<u>1,316,446</u>

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

Notes to the Half-Year Financial Report

31 December 2025

Note 1. General information

The half-year financial report covers Strategic Energy Resources Limited as a Consolidated Entity consisting of Strategic Energy Resources Limited and the entities it controlled at the end of, or during, the period ended 31 December 2025. The half-year financial report is presented in Australian dollars, which is Strategic Energy Resources Limited's functional and presentation currency.

Strategic Energy Resources Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Suite 2, Level 11
385 Bourke Street,
Melbourne VIC 3000

The half-year financial report was authorised for issue, in accordance with a resolution of Directors, on 11 March 2026. The Directors have the power to amend and reissue the half-year financial report.

Note 2. Material accounting policy information

The accounting policies that are material to the Consolidated Entity are set out either in the respective notes or below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

Basis of preparation

These general-purpose financial statements for the interim half-year reporting period ended 31 December 2025 have been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* ("AASB 134") and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

These general-purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2025 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted, methods of computation and areas of critical accounting judgements, estimates and assumptions are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income and certain classes of property, plant and equipment.

Note 2. Material accounting policy information (continued)

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Consolidated Entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are material to the financial statements, are disclosed in note 2.

Rounding of amounts

Strategic Energy Resources Limited is a type of Company that is referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and therefore the amounts contained in this report and in the financial statements have been rounded to the nearest dollar.

Functional and presentation currency

The financial statements are presented in Australian dollars, which is Consolidated Entity's functional and presentation currency.

Going concern

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

The Consolidated Entity made a loss after tax of \$742,009 during the half-year ended 31 December 2025 (31 December 2024: \$661,228) and had operating & investing cash outflows of \$561,633 (31 December 2024: \$1,925,780). The cash balances as at 31 December 2025 was \$1,992,498 (30 June 2025: \$675,131) and the working capital surplus was \$958,875 (30 June 2025: \$446,533). The continuing viability of the Consolidated Entity and its ability to continue as a going concern is dependent upon the Consolidated Entity being successful in its continuing efforts in exploration projects and accessing additional sources of capital to meet the commitments within one year from the date of signing the financial report.

The Consolidated Entity is involved in exploration for minerals in Australia. Management has prepared a cash flow forecast using their best estimate assumptions covering at least 12 months from the report date, which includes the need for additional capital raising. To meet these funding requirements as and when they fall due the Consolidated Entity may take appropriate steps, including a combination of:

- Raising additional capital through the Company's existing placement capacity;
- Subject to negotiation and approval, minimum work requirements may be varied or suspended, and/or permits may be surrendered or cancelled; and
- Meeting its obligations by farm-out of the Consolidated Entity's exploration interests.

Should the Consolidated Entity be unable to obtain the funding as described above, there is a material uncertainty as to whether the Consolidated Entity will be able to continue as a going concern, and therefore, whether it will 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 adjustment 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. Having assessed the potential uncertainties relating to the Consolidated Entity's ability to effectively fund exploration activities and

Note 2. Material accounting policy information (continued)

operating expenditures, the Directors believe that the Consolidated Entity will continue to operate as a going concern for the foreseeable future. Therefore, the Directors consider it appropriate to prepare the half-year financial report on a going concern basis.

Significant Accounting Judgements and Key Estimates

The preparation of the half-year financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates. In preparing the half-year financial report, the significant judgements and key estimates made by management were the same as those that applied to the annual financial report for the year ended 30 June 2025.

New or amended Accounting Standards and Interpretations adopted

The Consolidated Entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the *Australian Accounting Standards Board* ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Consolidated Entity.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Note 3. Operating segments

AASB 8 Operating Segments requires operating segments to be identified on the basis of internal reports about the components of the Consolidated Entity that are regularly reviewed by the Chief Operating Decision Makers ("CODM") in order to allocate resources to the segment and to assess its performance. The consolidated entity is currently organised into one operating segment: explorer of base precious metals in Australia.

This operating segment is based on the internal reports that are reviewed and used by the Board of Directors (who are the CODM) in assessing performance and in determining the allocation of resources.

Revenue by geographical area

All assets and liabilities and operations are based in Australia.

Note 4. Other income

	Consolidated	
	31	31
	December	December
	2025	2024
	\$	\$
R&D tax refund received	348,749	-
Sundry income	-	4,653
Other income	<u>348,749</u>	<u>4,653</u>

Note 5. Current assets - cash and cash equivalents

	Consolidated	
	31	30 June
	December	2025
	2025	2025
	\$	\$
Cash at bank	970,743	150,771
Cash at bank, held for joint operations	1,021,755	524,360
	<u>1,992,498</u>	<u>675,131</u>

Note 6. Current assets - non-current assets classified as held for sale

	Consolidated	
	31	30 June
	December	2025
	2025	2025
	\$	\$
Exploration assets held for sale	-	400,000
	<u>-</u>	<u>400,000</u>

South Cobar Project

On 10 June 2025, the Company announced the execution of a binding sale agreement with Australian Gold & Copper Limited for the sale of SER's South Cobar Project. The term of the agreement includes \$50,000 cash payable upon execution of the sale agreement and \$350,000 cash payable upon completion of the sale agreement. Completion will be subject to satisfaction agreement terms and any mandatory regulatory approvals. The sale was successfully completed in November 2025.

Note 7. Non-current assets - exploration and evaluation assets

	Consolidated	
	31	30 June
	December	2025
	2025	2025
	\$	\$
Exploration and evaluation assets - at cost	6,743,476	5,837,801
	<u>6,743,476</u>	<u>5,837,801</u>

Note 7. Non-current assets - exploration and evaluation assets (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current period and previous financial year are set out below:

Consolidated	Exploration and evaluation assets
	\$
Balance at 1 July 2025	5,837,801
Expenditure during the period	<u>905,675</u>
Balance at 31 December 2025	<u><u>6,743,476</u></u>

Note 8. Current liabilities - Other liabilities

	Consolidated	
	31 December 2025	30 June 2025
	\$	\$
Advances received in relation to assets held for sale	-	50,000
Advances received from joint operations	<u>824,189</u>	<u>255,371</u>
	<u><u>824,189</u></u>	<u><u>305,371</u></u>

Note 9. Equity - issued capital

	Consolidated			
	31 December 2025	30 June 2025	31 December 2025	30 June 2025
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>1,113,933,331</u>	<u>671,033,330</u>	<u>45,076,164</u>	<u>42,799,707</u>

Movements in ordinary share capital

Details	Date	Shares	Price per share	\$
Balance	1 July 2025	671,033,330		42,799,707
Shares issued from exercise of options	31 July 2025	27,900,000	\$0.0110	316,000
Issue of fully paid ordinary shares	7 August 2025	137,758,325	\$0.0050	688,792
Issue of fully paid ordinary shares	29 September 2025	262,241,676	\$0.0050	1,311,208
Shares issued for purchase of tenements	3 November 2025	15,000,000	\$0.0080	120,000
Capital raising costs				<u>(159,543)</u>
Balance	31 December 2025	<u><u>1,113,933,331</u></u>		<u><u>45,076,164</u></u>

Note 10. Equity - reserves

	Consolidated	
	31	
	December	30 June
	2025	2025
	\$	\$
Options reserve	<u>205,444</u>	<u>406,628</u>

Options reserve

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

Movements in reserves

Movements in each class of reserve during the current financial period are set out below:

Consolidated	Options reserve \$
Balance at 1 July 2025	406,628
Share based payments issued to directors	45,366
Share based payments issued to employee	22,020
Options issued for capital raising service	47,430
Transfer to share capital on exercise of options	<u>(316,000)</u>
Balance at 31 December 2025	<u><u>205,444</u></u>

Note 11. Contingent liabilities

The Consolidated Entity provided security deposits of \$41,000 (30 June 2025: \$121,500) for the various exploration tenements. The Consolidated Entity may forgo these deposits if conditions of return are not met.

There were no other contingent liabilities existing at 31 December 2025 and 30 June 2025.

Note 12. Commitments

	Consolidated	
	31	
	December	30 June
	2025	2025
	\$	\$
<i>Exploration Commitments</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	1,560,998	1,051,606
Two to five years	<u>8,140,670</u>	<u>8,564,807</u>
	<u><u>9,701,668</u></u>	<u><u>9,616,413</u></u>

Note 12. Commitments (continued)

The commitments above represent the minimum spending required for each areas of interest owned by the Consolidated Entity and exclude farmed-out exploration interests, which are not managed by the Consolidated Entity.

In order to maintain current rights to tenure to exploration and mining tenements, the Consolidated Entity has the above exploration expenditure requirements up until expiry of leases. These obligations, which may be varied from time to time and which are subject to renegotiation upon expiry of the lease are not provided for in the half-year financial report as payable.

Within the mineral industry it is common practice for companies to farm-out, transfer or sell a portion of their exploration rights to third parties or to relinquish some exploration and mining tenements altogether, and as a result obligations will be significantly reduced or extinguished altogether. The farm-in partners also expended funds on the permits during the year which can result in work programs for certain years being met.

Note 13. Related party transactions

Transactions with related parties

The following transactions occurred with related parties:

	Consolidated	Consolidated
	31	31
	December	December
	2025	2024
	\$	\$
Payment for goods and services:		
Payment for geological services*	56,849	31,200
Payment for rent**	10,505	6,400

* During the period the Company made payments to Diplomatic Exploration Pty Ltd, a related entity of Mr Stuart Rechner. The entity provided exploration services to the Company and the Consolidated Entity throughout the period.

** During the period the Company made payments to Pillage Investments Pty Ltd, a related entity of Mr. David DeTata. The entity provided rental services to the Company and the Consolidated Entity at market rates.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Note 14. Farm-outs in the exploration and evaluation phase

The Consolidated Entity had interests in unincorporated joint operations at 31 December 2025 as follows:

Mining Tenement	Tenement Description	Location	Interest Owned 31 December 2025	Interest Owned 30 June 2025	Status of Exploration commitment
EPM26439	Isa North 1	Queensland	100.00%	100.00%	
EPM26440	Isa North 2	Queensland	100.00%	100.00%	
EPM26442	Isa North 3	Queensland	100.00%	100.00%	
EPM28855	Isa North 4	Queensland	100.00%	-	
EPM28877	Bulimba 1	Queensland	100.00%	100.00%	
EPM28878	Bulimba 2	Queensland	100.00%	100.00%	
EPM28879	Bulimba 3	Queensland	100.00%	100.00%	
EPM28880	Bulimba 4	Queensland	100.00%	100.00%	
EPM27378	Saxby North	Queensland	100.00%	100.00%	
EPM15398	Saxby	Queensland	100.00%	100.00%	
EPM27586	Saxby 1	Queensland	100.00%	100.00%	
EPM27587	Saxby 2	Queensland	100.00%	100.00%	
EPM27588	Saxby 3	Queensland	100.00%	100.00%	
EPM27638	Saxby 4	Queensland	100.00%	100.00%	
EPM27676	Saxby 5	Queensland	100.00%	100.00%	
EPM28180	Saxby 6	Queensland	100.00%	100.00%	
EPM28864	Saxby 7	Queensland	100.00%	100.00%	
EPM28865	Saxby 8	Queensland	100.00%	100.00%	
EPM 27134	Diamantina 1	Queensland	100.00%	-	Note 2
EPM 27135	Diamantina 2	Queensland	100.00%	-	Note 2
EL6140	Myall Creek	South Australia	100.00%	100.00%	Note 1
EL5898	Roopena	South Australia	100.00%	100.00%	Note 1
EL9368	South Cowal	New South Wales	100.00%	100.00%	
EL9362	Mundi 1	New South Wales	100.00%	100.00%	
EL9388	Mundi 2	New South Wales	100.00%	100.00%	
EL9629	Mundi 3	New South Wales	100.00%	100.00%	
EL9621	Koonenberry West	New South Wales	100.00%	100.00%	
R70/4793	Ambergate	Western Australia	100.00%	100.00%	
R70/5012	Ambergate West	Western Australia	100.00%	100.00%	

Note 1

In 2019, the Company signed a farm-in and JV agreement with FMG covering the Myall Creek Project (EL 5898 and EL 6140). Mining tenement expenditure commitment for this exploration interest was not fulfilled due to factors beyond management's and operators control. In September 2025, FMG withdrew from the farm-in and JV agreement.

Note 2

In November 2025, the Company acquired the exploration licenses for Diamantina project, covering tenements EPM27134 and EPM27135.

Note 14. Farm-outs in the exploration and evaluation phase (continued)

There were no significant changes in commitments for the remaining tenements compared to 30 June 2025.

Summarised financial information in relation to the joint operation are set out as follows:

	31 December 2025 \$	30 June 2025 \$
Current Assets		
Cash and cash equivalents	1,021,755	524,360
Trade and other receivables	11,763	15,270
	<u>1,033,518</u>	<u>539,630</u>
Current Liabilities		
Trade and other payables	112,195	131,626
Other current liabilities	824,189	255,371
	<u>936,384</u>	<u>386,997</u>

Note 15. Events after the reporting period

On 19 January 2026, the Company announced that it entered into a non-binding Exploration Joint Venture with Sumitomo Metal Mining Oceania Pty Ltd (“SMMO” or “Sumitomo”), a wholly owned subsidiary of Sumitomo Metal Mining Co. Ltd for the 100% owned Bulimba Gold Project in Queensland. Key terms include:

- Within 14 days of executing the binding JV Agreement, SMMO will reimburse SER for a portion of expenditure committed to date (\$100,000).
- SMMO will commit to a minimum expenditure of \$600,000 in the first 12 months before it can withdraw (in which case SER retains 100% of the Project).
- SMMO can earn an initial 51% of the Project through the expenditure of \$3M over three years which must include a minimum of 2,500m of drilling.
- SMMO can earn up to 80% of the Project through the expenditure of \$3M over two years which must include a minimum of 5,000m of drilling in addition to the 2,500m drilling from the First earn-in.
- SMMO can earn a 90% interest upon the completion of a Definitive Feasibility Study (DFS) on >1Moz AuEq resource during a 5-year period.
- SER will be free carried until SMMO elects to enter the pro-rata expenditure period upon completion of the first, second or third earn-in periods. At this point, if either party’s interest drops below 10%, the interest converts to a 2% NSR.
- SER will manage and operate the JV and will receive a 10% Operator fee on all exploration expenditure.

Note 15. Events after the reporting period (continued)

On 12 February 2026, the Company announced that it is undertaking a restructure of the Company's share register by:

- establishing a share sale facility for shareholders who hold a parcel of fully paid ordinary shares in the Company with a market value of less than \$500; and
- seeking shareholder approval to consolidate its issued capital on a one (1) for twenty (20) basis (Consolidation).

This restructure of the Company's share register is expected to be completed on 15 April 2026.

No other matters or circumstances has arisen since 31 December 2025 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial years.

Note 16. Loss per share

	Consolidated	
	31	31
	December	December
	2025	2024
	\$	\$
Loss after income tax attributable to the Owners of Strategic Energy Resources Limited	<u>(742,009)</u>	<u>(661,228)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>943,222,413</u>	<u>661,784,615</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>943,222,413</u>	<u>661,784,615</u>
	Cents	Cents
Basic loss per share	(0.08)	(0.10)
Diluted loss per share	(0.08)	(0.10)

Note 17. Share-based payments

On 29 September 2025, the Company issued 200,000,000 free attaching options and 20,000,000 unlisted options as part consideration to the lead manager, at \$0.01 (cents) per share, expiring on 28 March 2027. The grant of these options were approved by shareholders at the extraordinary general meeting held on 25 September 2025.

On 13 October 2025, the Company issued 9,000,000 unlisted options to employees at a nil exercise price. Of these, 6,000,000 options expire on 8 October 2028, and the remaining 3,000,000 options expire on 9 October 2028. The grant of the share options was approved by shareholders at the Annual General Meeting held on 18 November 2025.

The vesting conditions attached to the Options are split between a market-based vesting condition ("T1" and "T2") and non-market based vesting conditions ("T3" and "T4"), as summarised below:

- T1 and T2 Options are subject to performance period which vest based on the Company's share price.
- T3 and T4 Options have performance hurdles incorporated for various proportions.

Set out below are summaries of options granted under the plan:

31 December 2025

Grant date	Expiry date	Exercise price	Balance at the start of the period	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the period
30/11/2022	30/11/2025	\$0.0000	1,500,000	-	(1,500,000)	-	-
07/09/2023	06/09/2026	\$0.0210	3,000,000	-	-	(3,000,000)	-
07/09/2023	06/09/2026	\$0.0000	2,625,000	-	-	-	2,625,000
23/11/2023	23/11/2026	\$0.0000	14,000,000	-	(14,000,000)	-	-
16/07/2024	22/07/2026	\$0.0170	6,000,000	-	-	-	6,000,000
19/11/2024	14/10/2027	\$0.0000	4,000,000	-	-	(400,000)	3,600,000
19/11/2024	02/12/2027	\$0.0000	24,000,000	-	(12,400,000)	(11,600,000)	-
25/09/2025	28/03/2027	\$0.0000	-	220,000,000	-	-	220,000,000
08/10/2025	08/10/2028	\$0.0000	-	6,000,000	-	-	6,000,000
09/10/2025	09/10/2028	\$0.0000	-	3,000,000	-	-	3,000,000
			<u>55,125,000</u>	<u>229,000,000</u>	<u>(27,900,000)</u>	<u>(15,000,000)</u>	<u>241,225,000</u>

30 June 2025

Grant date	Expiry date	Exercise price	Balance at the start of the period	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the period
30/11/2022	30/11/2025	\$0.0000	1,500,000	-	-	-	1,500,000
07/09/2023	06/09/2026	\$0.0210	3,000,000	-	-	-	3,000,000
07/09/2023	06/09/2026	\$0.0000	3,000,000	-	-	(375,000)	2,625,000
23/11/2023	23/11/2026	\$0.0000	22,000,000	-	-	(8,000,000)	14,000,000
16/07/2024	22/07/2026	\$0.0170	-	6,000,000	-	-	6,000,000
19/11/2024	14/10/2027	\$0.0000	-	4,000,000	-	-	4,000,000
19/11/2024	02/12/2027	\$0.0000	-	28,000,000	-	(4,000,000)	24,000,000
			<u>29,500,000</u>	<u>38,000,000</u>	<u>-</u>	<u>(12,375,000)</u>	<u>55,125,000</u>

Note 17. Share-based payments (continued)

The Consolidated Entity valued the options using ESO Model valuation and Black Scholes Model valuation methodologies, with the following inputs used to determine the fair value for options granted during current and previous period:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Risk-free interest rate	Fair value at grant date
25/09/2025	28/03/2027	\$0.0050	\$0.0100	187.71%	3.49%	\$0.003
08/10/2025	08/10/2028	\$0.0055	\$0.0000	100.00%	3.55%	\$0.002
08/10/2025	08/10/2028	\$0.0055	\$0.0000	100.00%	3.55%	\$0.006
09/10/2025	09/10/2028	\$0.0060	\$0.0000	100.00%	3.55%	\$0.002
09/10/2025	09/10/2028	\$0.0060	\$0.0000	100.00%	3.55%	\$0.006

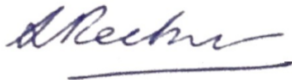
Directors' Declaration

In the Directors opinion

- the attached half-year financial report 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 half-year financial report 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 period 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.

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



Mr Stuart Rechner
Non-Executive Chair

11 March 2026

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Strategic Energy Resources Limited

Report on the Half-year Financial Report for the half-year ended 31 December 2025

Conclusion

We have reviewed the accompanying half-year financial report of Strategic Energy Resources Limited (the "Company") and its controlled entities (the "Consolidated Entity"), which comprises the Condensed Consolidated Statement of Financial Position as at 31 December 2025, the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income, Condensed Consolidated Statement of Changes in Equity and Condensed Consolidated Statement of Cash Flows for the half-year ended on that date, notes comprising 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 Half-year Financial Report of the Consolidated Entity does not comply with the *Corporations Act 2001* including:

- i) giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
- iii) 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* ("ASRE 2410"). Our responsibilities are further described in the Auditor's Responsibility for the Review of the half-year financial report section of our report. We are independent of the Consolidated Entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the "Code") that are relevant to our audit of the 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 Consolidated Entity would be in the same terms if given to the directors as at the time of this auditor's review report.

Advisory. Tax. Audit.

ACN 145 447 105

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Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the half-year financial report, which indicates that the Consolidated Entity made a loss after tax of \$742,009 during the half-year ended 31 December 2025 (31 December 2024: \$661,228) and had operating & investing cash outflows of \$561,633 (31 December 2024: \$1,925,780). The cash balances as at 31 December 2025 were \$1,992,498 (30 June 2025: \$675,131) and the working capital position was \$958,875 (30 June 2025: \$446,533). As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. Our review conclusion is not modified in respect of this matter.

Responsibility of the Directors for the Half-year Financial Report

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

Auditor's Responsibility for the Review of the Half-year 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.



Nexia Perth Audit Services Pty Ltd



Muranda Cornelius
Director

Perth, Western Australia
11 March 2026