



# **Somerset**

## **MINERALS LTD**

**ABN 70 625 645 338**

**SOMERSET MINERALS LIMITED**  
**CONDENSED CONSOLIDATED HALF-YEAR FINANCIAL REPORT**

---

**31 DECEMBER 2025**

## CONTENTS

---

Corporate Directory	3
Director's Report	4
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	15
Condensed Consolidated Statement of Financial Position	16
Condensed Consolidated Statement of Changes in Equity	17
Condensed Consolidated Statement of Cash Flows	18
Notes to the Financial Statements	19
Directors' Declaration	29
Auditor's Independence Declaration	30
Independent Auditor's Review Report	31

**DIRECTORS**

Mr Christopher Hansen	Managing Director
Mr Michael Edwards	Non-Executive Chairman
Ms Melanie Ross	Non-Executive Director

**COMPANY SECRETARY**

Ms Melanie Ross

**REGISTERED OFFICE & PRINCIPAL PLACE OF BUSINESS**

Level 2, 22 Mount Street  
PERTH WA 6000  
Ph: +61 8 6188 8181

**SOLICITORS**

Steinepreis Paganin  
Level 14, QV1 Building, 250 St Georges Terrace  
PERTH WA 6000  
Ph: +61 8 9321 4000

**AUDITORS**

Pitcher Partners BA&A Pty Ltd  
Level 11, 12-14 The Esplanade  
PERTH WA 6000  
Ph: +61 8 9322 2022

**SHARE REGISTRY**

Automatic Registry Services  
Level 5, 191 St Georges Terrace  
PERTH WA 6000  
Telephone: +61 2 8072 1400

**STOCK EXCHANGE**

Australian Securities Exchange (ASX)  
Code: SMM

**WEBSITE**

[www.somersetminerals.com.au](http://www.somersetminerals.com.au)

The directors present their report, together with the half-year financial report, for Somerset Minerals Limited (referred to hereafter as 'Somerset' or the 'Company') and its controlled entities (the 'Group') at the end of, or during the half-year ended 31 December 2025 (the 'period').

**DIRECTORS**

The names of directors in office at any time during or since the end of the period are listed below.

<b>NAME OF PERSON</b>	<b>POSITION</b>
Mr Christopher Hansen	Managing Director
Mr Michael Edwards	Non-Executive Chairman
Ms Melanie Ross	Non-Executive Director

**PRINCIPAL ACTIVITIES**

During the period, the principal activities of the Group consisted of mineral exploration in Canada and Ecuador.

**FINANCIAL RESULTS**

The consolidated net loss of the Group after income tax for the half-year ended 31 December 2025 amounted to \$721,617 (31 December 2024: \$1,088,728).

## REVIEW OF OPERATIONS

During the period, the Company completed the following project work:

### **Coppermine Project (Nunavut, Canada, 100%)**

#### **About the Coppermine Project**

The Coppermine Project is located in the Kitikmeot region of Nunavut and consists of 102 exploration licences and one exclusive exploration right executed with Nunavut Tunngavik Incorporated (NTI), covering 1,665 km<sup>2</sup> in total, serving to position Somerset as the third largest landholder in the Coppermine region. Importantly, the Project covers a significant portion of the Copper Creek Formation which is known to host high-grade copper mineralisation.

The **Coppermine Project hosts 1,515 km<sup>2</sup> of the prospective Copper Creek Formation basalts, and is interpreted to include the strike extensions to White Cliff's high priority targets of Vision, Stark, Thor and Rocket**, with the **prospectivity of the wider project area also supported by extensive surface sampling** and historic exploration. In particular, **Somerset holds the ground entirely around and along strike from White Cliff's recently acquired Danvers prospect** which contains a non-JORC or NI 43-101 resource of **4.16Mt @ 2.96% Cu**.<sup>1</sup>

The Project presents a regional-scale copper-silver exploration opportunity within the Copper Creek basalts, which hosts high-grade structurally controlled sulphide and native copper mineralisation in brecciated sub-vertical fault zones. Copper mineralisation in the Project area principally occurs in three styles: **fissure-hosted (~2.0 – 45% Cu)**, **sediment-hosted (~0.25 – 2.0% Cu)**, and **basalt flow top replacement (~2.0 – 15% Cu)**.<sup>2</sup> The region's geology and mineralisation is analogous to the Keweenaw Peninsula copper deposits in Michigan, which host high-grade native Cu in continental flood basalts and sediments, in basalt flow tops and fault zones.

Please refer to ASX announcement, *Acquisition of High-grade Copper Project Adjacent to ASX-WCN*, dated 10 December 2024 for further information.

#### **Jura Exploration**

During the period, the Company continued its dual-tracked exploration strategy, focussed on resource development at Jura, while concurrently testing the broader 1,665km<sup>2</sup> landholding for coincident geochemical and geophysical anomalies, with potential for multiple copper discoveries across the broader project area.

Over two successive drill campaigns completed over the last six months, a total of twelve (12) reverse circulation drill holes (JURC001–JURC012) have been drilled at Jura, with **all holes intersecting copper mineralisation**. This work has rapidly advanced Jura from a conceptual prospect to a clearly emerging copper system, with thick, continuous zones of sulphide mineralisation hosted within a broader and largely untested ~7 km long, north–south striking fault corridor. Recent drilling and geophysics are now firmly focussed on resource development at Jura, while the **broader 1,665 km<sup>2</sup> landholding is being systematically screened to make new copper discoveries**.

<sup>1</sup> Refer to ASX:WCN 26/11/2024; There is no certainty that further work by the Company will lead to achieving the same size, shape, grade, or form of the comparison resource or project. The Company's project is in a different stage of development and further exploration needs to be undertaken to further prove or disprove any comparison. The historic resource estimate for White Cliff's Danvers prospect is not in accordance with the JORC Code. The Company notes that the estimate and historic drilling results dated 1967 and 1968 are not reported in accordance with the NI 43-101 or JORC Code 2012. A competent person has not done sufficient work to disclose the estimate/results in accordance with the JORC Code 2012. It is possible that following further evaluation and/or exploration work that the confidence in the estimate and reported exploration results may be reduced when reported under the JORC Code 2012. Nothing has come to the attention of the Company that causes it to question the accuracy or reliability of the historical exploration results, but the Company has not independently validated the historical exploration results and therefore is not to be regarded as reporting, adopting or endorsing the historical exploration results

<sup>2</sup> Refer to E.D Kindle, 1972, Classification and Description of Copper Deposits, Coppermine River Area, District of Mackenzie

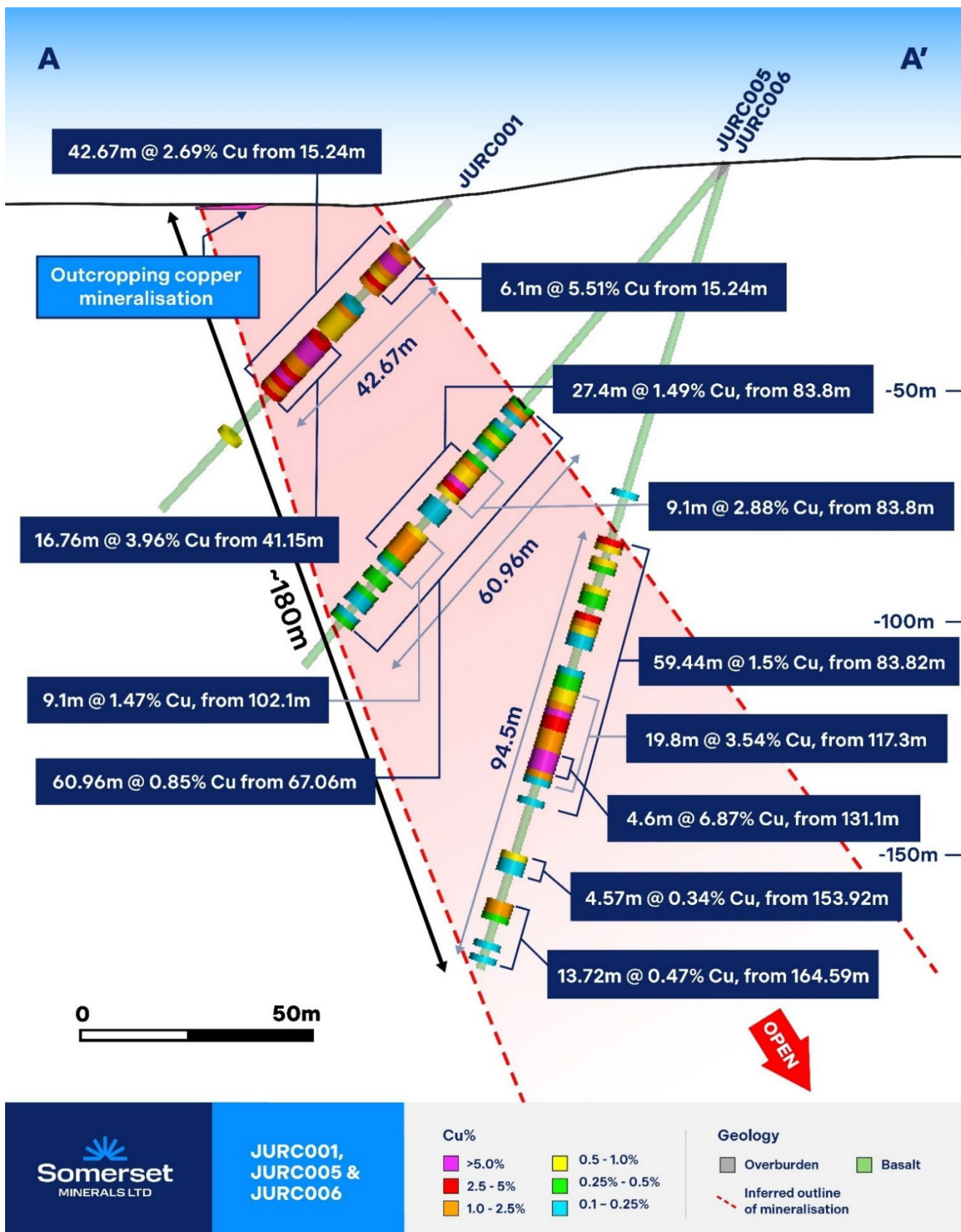


Figure 1: Section line A.

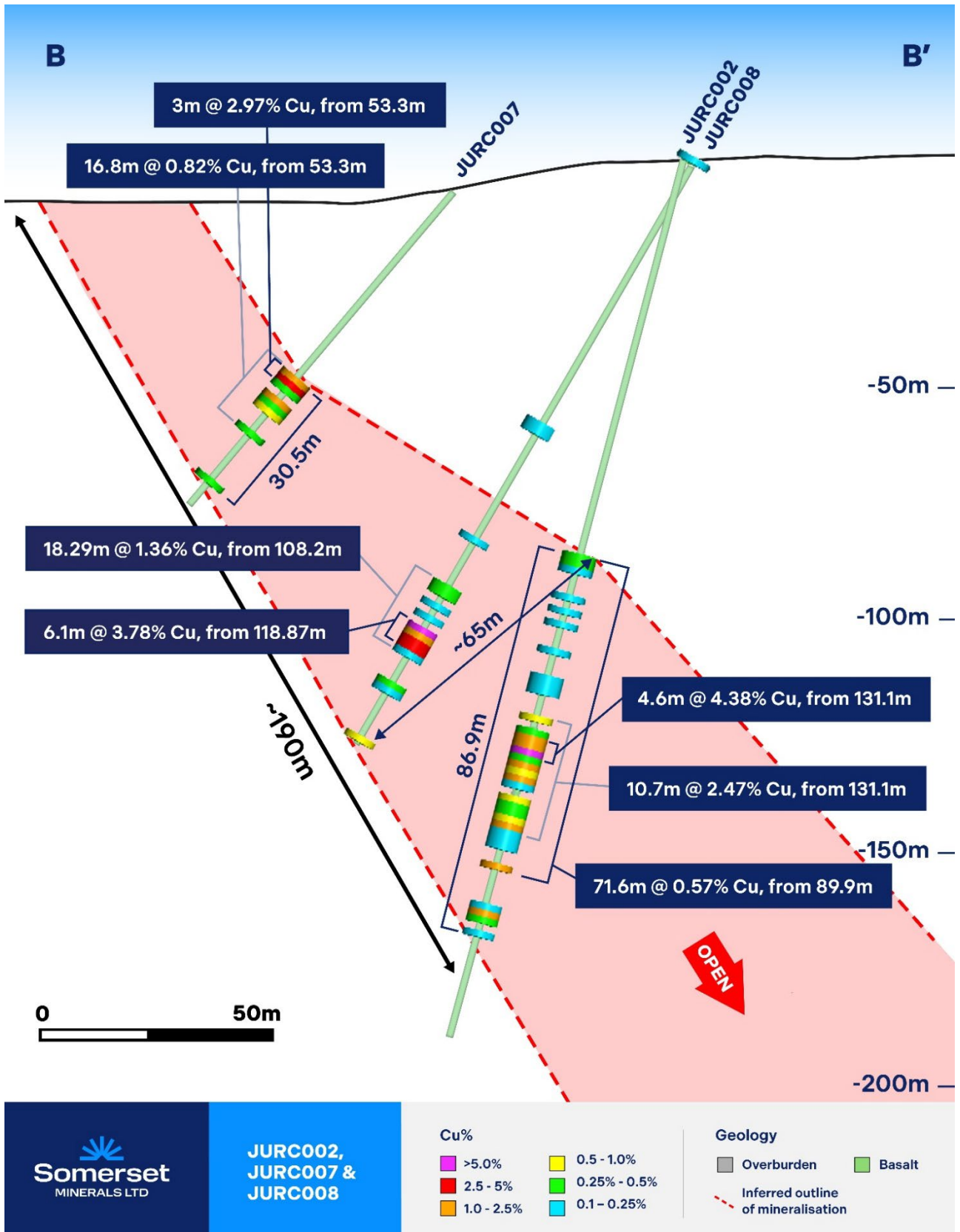


Figure 2: Section line B.

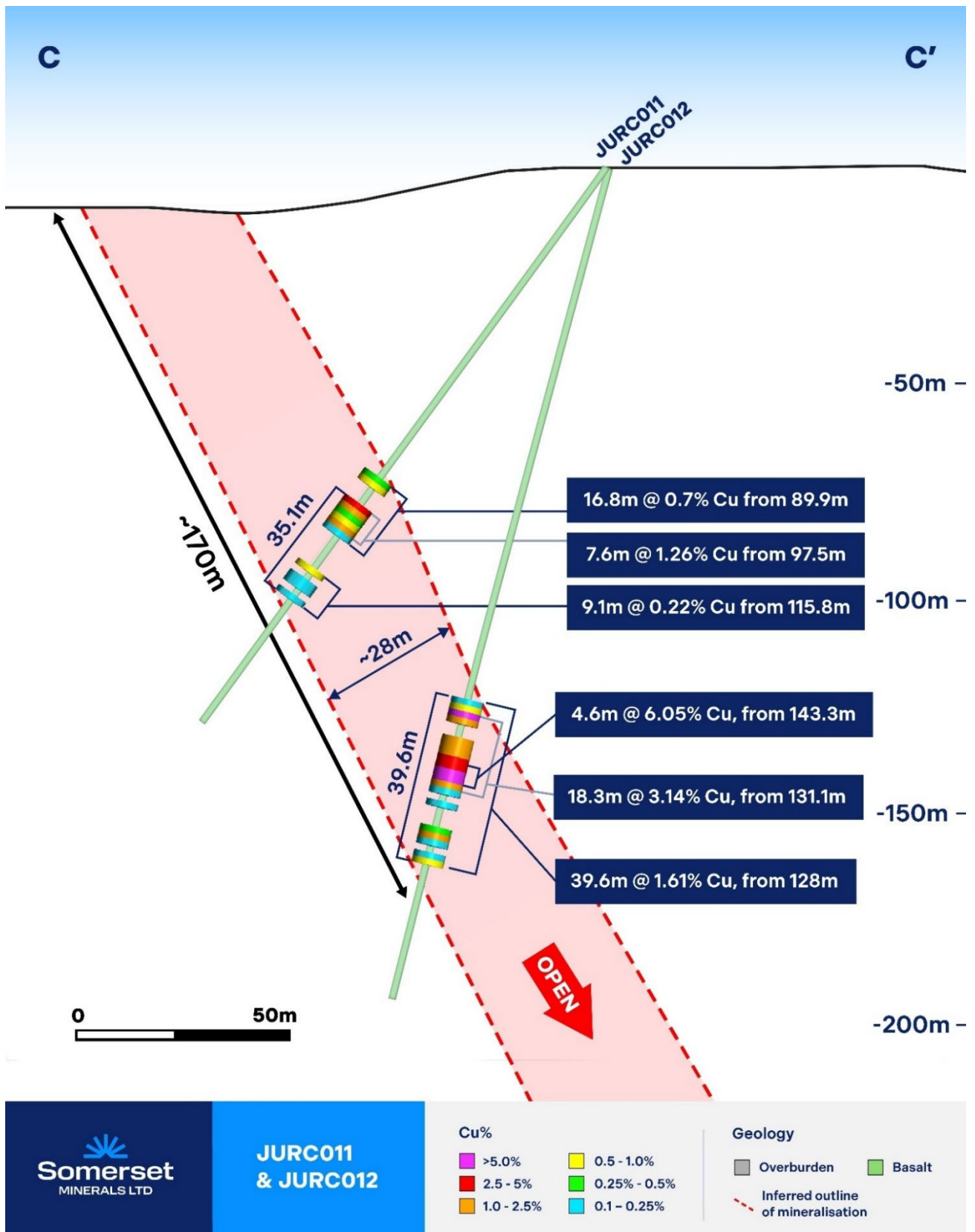


Figure 3: Section line C.

The most recent campaign has concentrated on down-dip and along-strike extensions from the original discovery hole JURC001 (42.7 m @ 2.69% Cu from 15.2 m), confirming that high-grade mineralisation extends to depths of more than 190 m down-dip and appears to thicken with depth. Down-dip holes JURC005 and JURC006 intersected broad, strongly mineralised envelopes, including 61.0 m @ 0.85% Cu from 67.1 m (including 27.4 m @ 1.49% Cu and 9.1 m @ 2.88% Cu) in JURC005, and 59.4 m @ 1.5% Cu from 83.8 m in JURC006 (with 19.8 m @ 3.54% Cu and 4.6 m @ 6.87% Cu). Along strike to the north, follow-up holes JURC012, JURC008 and JURC007 returned similarly robust intercepts, including 39.6 m @ 1.61% Cu from 128 m in JURC012 (18.3 m @ 3.14% Cu, 4.6 m @ 6.05% Cu), 71.6 m @ 0.57% Cu from 89.9 m in JURC008 (10.7 m @ 2.47% Cu, 4.6 m @ 4.38% Cu), and 16.8 m @ 0.82% Cu from 53.3 m in JURC007 (3.0 m @ 2.97% Cu). Step-out holes JURC009, JURC010 and JURC011 have all also intersected multiple zones of mineralisation, demonstrating that mineralisation remains open in all directions. **A recently completed ground IP survey has mapped a large low-resistivity zone extending from the known high-grade mineralisation to over 600 m below surface**, as well as high-chargeability and lookalike resistivity zones that define multiple new drill targets, potential parallel lodes, and an undrilled southern target. Results from the most recent campaign include:

- JURC010: **9.1m @ 1.52% Cu**, from 111.3m, including<sup>3</sup>:
  - **4.6m @ 2.65% Cu**, from 115.8m.
- JURC011: **16.8m @ 0.7% Cu**, from 89.9m, including:
  - **7.6m @ 1.26% Cu**, from 97.5m.

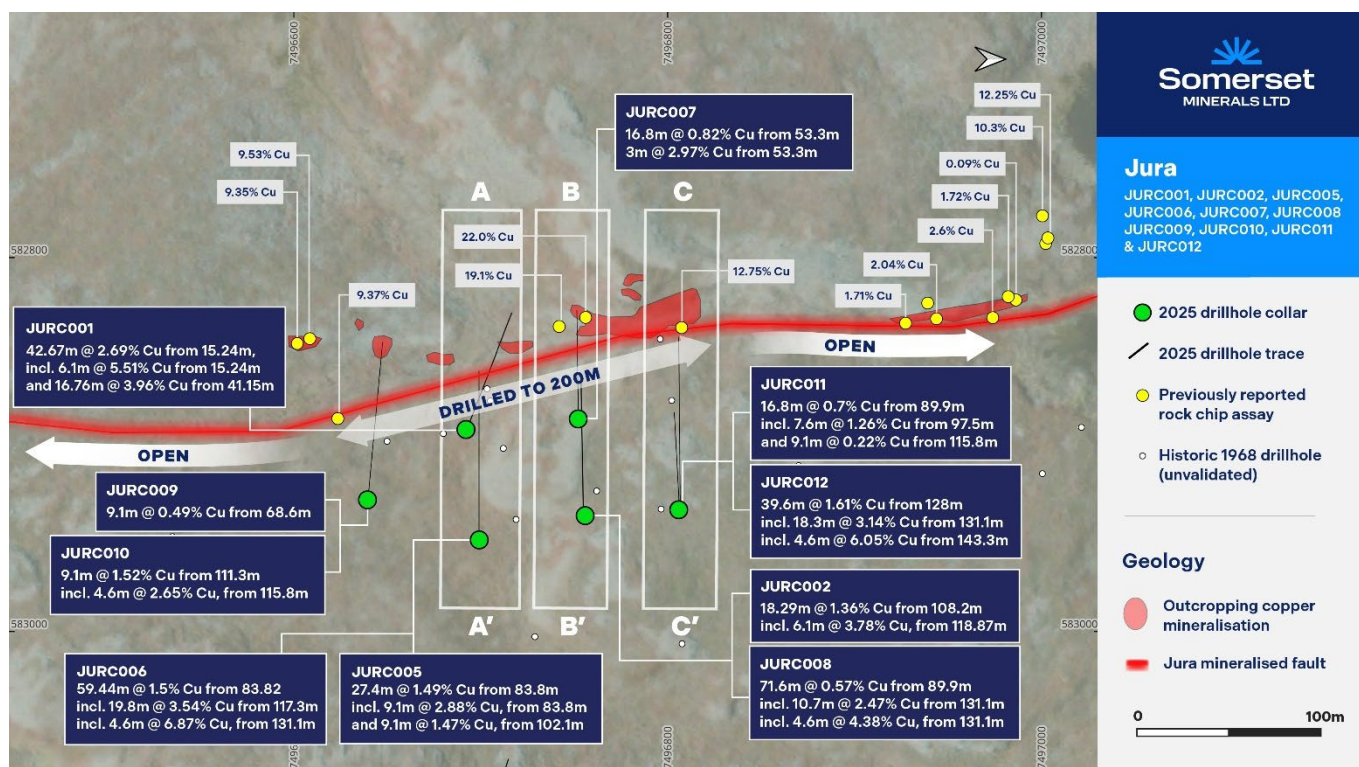


Figure 4: Plan map showing drill hole collar locations and significant intercepts.

These recent results build on the initial Phase-1 RC program, which was designed to validate historic (1968) drilling and test the down-dip and along-strike extent of outcropping copper mineralisation. At Jura North, **JURC001 intersected 42.7 m @ 2.69% Cu from 15.2 m, including 16.8 m @ 3.96% Cu and 6.1 m @ 5.51% Cu**, confirming a thick, high-grade, near-surface copper zone. JURC002, drilled ~70 m away, returned 18.29 m @ 1.36% Cu from 108.2 m, including 6.1 m @ 3.78% Cu, demonstrating continuity of mineralisation at depth and along strike. **Over 3 km to the south, drilling at JURC003 and JURC004 confirmed that the same fault-hosted system persists, with JURC003 intersecting 10.67 m @ 2.55% Cu from 38.1 m, including 4.57 m @ 5.55% Cu.** This work, integrated with eight days of detailed field mapping and rock-chip sampling across the Jura trend, shows that **mineralisation has now been confirmed by drilling over more than 3 km of strike, and together with surface copper occurrences and geophysics, is interpreted to extend for more than 7 km along the Jura Fault Zone with numerous untested targets (Figure 5).**

<sup>3</sup> See ASX:SMM 24/11/2025

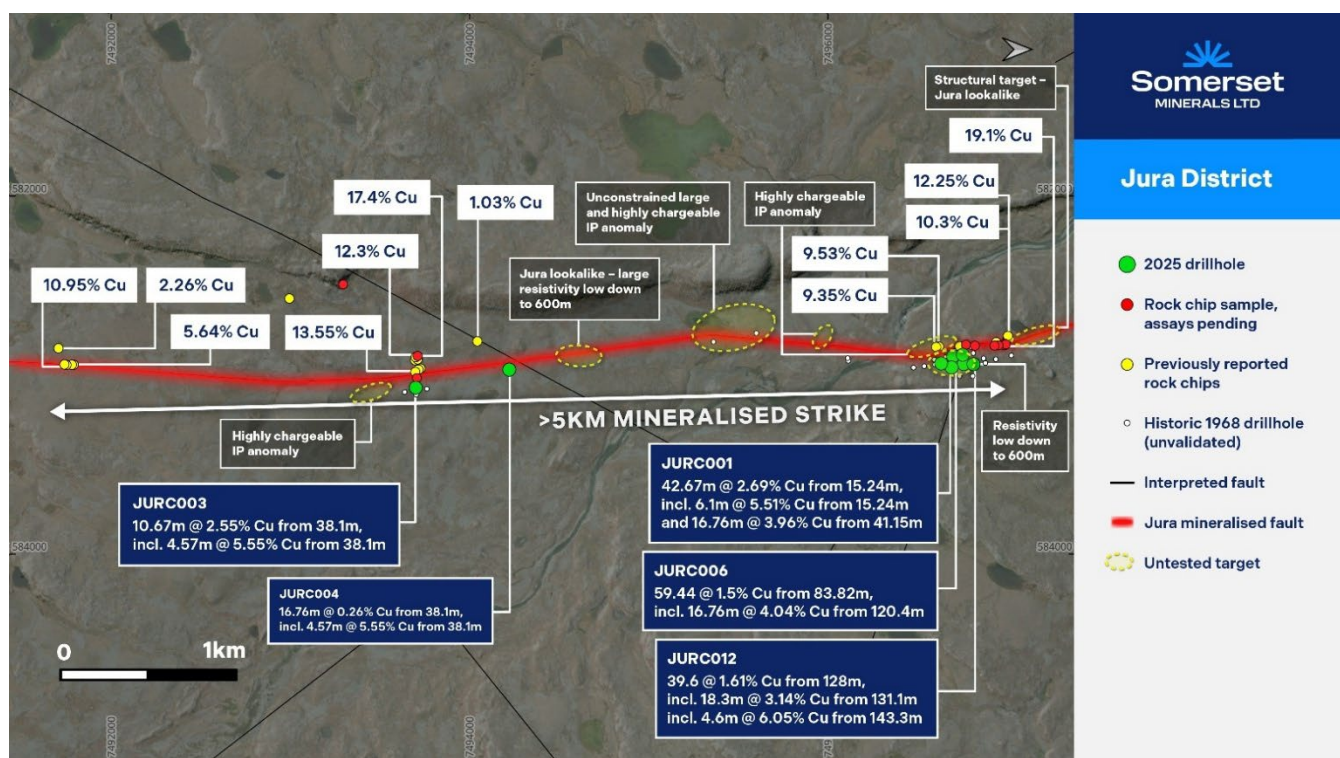


Figure 5: Plan map showing wider Jura prospect area, drill hole collar locations, significant intercepts and rock chip samples.

Geological and geophysical studies completed alongside the drilling have significantly improved the understanding of controls on mineralisation at Jura. Copper mineralisation is hosted within a steeply east-dipping (~65°) north-south striking fault zone, with true thickness locally up to ~60 m and a characteristic geometry of a high-grade core within a broader lower-grade halo. The mineral assemblage is dominated by chalcocite, with malachite and minor bornite, and is consistently associated with intense hematite alteration and a pronounced magnetic low, providing powerful vectors for further targeting across the Coppermine district. Recent re-assays have also confirmed a gold and silver component to the system, with rock chips returning up to 1.4 g/t Au in association with 13.55% Cu and 24.3 g/t Ag, and drill re-sampling (e.g. in JURC006) yielding up to 0.7 g/t Au over 1.5 m alongside 8.3% Cu and 7.5 g/t Ag. **Collectively, the two drill campaigns, supported by detailed mapping, sampling, and geophysics, define a large, structurally controlled copper system at Jura that remains open along strike and at depth and is now firmly positioned for follow-up drilling and near-term resource definition.**

### Regional Exploration

The Company is currently undertaking a dual-tracked exploration campaign, focussed on delineating mineralisation at Jura, while concurrently testing the broader 1,665 km<sup>2</sup> landholding for coincident geochemical and geophysical anomalies, with potential for multiple copper discoveries across the broader project area. While recent drilling has necessarily concentrated on Jura, and in particular Jura North, this corridor represents **less than 5%** of the total land area. Somerset's first-mover position means it controls the majority of the Copper Creek basalts, which host high-grade, structurally controlled sulphide and native copper mineralisation in brecciated, sub-vertical fault zones, such as White Cliff Mineral's (ASX:WCN) Danvers's prospect. Across this extensive 1,665 km<sup>2</sup> land package, **over 112 mapped copper occurrences** already highlight the potential for multiple, large-scale discoveries. The project displays all the hallmarks of a large copper system—copper-enriched source rocks, major crustal-scale faults, strong alteration and thick, high-grade mineralised zones—supporting Somerset's view that it is building a major, belt-scale copper camp with capacity for several significant discoveries.

Critically, more than 90% of the landholding is blanketed by a thin veneer (1-10 m) of overburden, meaning vast areas remain completely unexplored despite having the exact same lithology and structural corridors as Jura. Fault-hosted mineralisation is prone to erosion where exposed at surface, and is often obscured by shallow cover, increasing the probability that sizeable deposits may remain concealed beneath a thin layer of cover. To unlock this hidden potential and realise the Project's longer-term, district-scale opportunity, Somerset has designed and completed a comprehensive regional exploration program aimed at identifying **coincident geochemical and geophysical anomalies** for systematic prioritisation and drill testing. This work is explicitly targeting the next generation of undercover discoveries, rather than relying solely on exposed copper showings.

On the geophysical front, a large-scale, high-resolution airborne magnetic survey—totalling approximately 11,000 line-km on 200 m line spacing—has now been flown across the broader project area to see beneath the thin cover and create detailed structural maps. Data processing and interpretation were completed post the half year end (see ASX:SMM 04/02/2026). The dataset specifically identifies **demagnetised corridors**, as recent work at Jura has shown copper mineralisation to be consistently associated with magnetic lows and intense hematite alteration, reflecting the conversion of magnetite to hematite during mineralisation. These magnetic-low "footprints" form a powerful and repeatable targeting tool for alteration associated with copper sulphides. Where linear magnetic lows coincide with fault architectures and proximal geochemical anomalies, Somerset will undertake follow-up infill geochemistry to create drill targets. This integrated structural-geophysical-geochemical approach is designed to rapidly rank undercover prospects, convert corridor-scale anomalies into discrete drill-ready targets, and establish a disciplined pipeline of near-term discovery opportunities.

In parallel, a **large regional geochemical program** has been completed, comprising more than 1,500 soil samples collected across the project. Sampling has been undertaken on a 1 × 1 km grid along key fault corridors and a 1.5 × 1.5 km grid elsewhere, preferentially targeting frost boils in glacial till to capture mineralised geochemical signatures within the overburden. This program is generating a high-quality, multi-element, belt-scale geochemical baseline that will allow Somerset to detect concealed mineral systems that were invisible to earlier explorers. All samples were submitted for multi-element analysis, with the results received post the half year end (see ASX:SMM 04/02/2026).

Together, the airborne magnetics and regional soils will be integrated into Somerset's extensive technical database—which already includes geochemical, petrophysical, petrographic, structural and lithological datasets—to refine the district-scale mineral systems model. By leveraging this growing dataset, Somerset is not only advancing resource drilling at Jura, but positioning itself to transform into a **true regional, belt-scale copper explorer** with the potential to deliver multiple new discoveries across its commanding Copper Creek land position.

### **Prescott Project (Nunavut, Canada, 100%)**

#### **About the Prescott Project**

The Prescott Project consists of 52 licences covering 624km<sup>2</sup> that are located directly along strike and adjacent to American West Metals (ASX:AW1) Storm Copper Project on both the Prince of Wales and Somerset Islands. The licences on the adjacent Prince of Wales Island are interpreted to host an anticlinal repetition of the same geological formation hosting the Storm Copper Project which hosts an Indicated & Inferred resource of 17.5 Mt @ 1.2% Cu and 3.4g/t Ag for 205kt of contained copper<sup>4</sup>.

Exploration at the Prescott Project is principally targeting Sediment Hosted copper deposits, as well as Mississippi Valley-type (Zn-Pb) deposits. Sediment-hosted copper deposits are a globally significant source of copper, forming one of the two main types of copper deposits, the other being porphyry copper deposits. These types of systems present significant opportunity for a material mineral discovery.

<sup>4</sup> Refer to American West Metals Ltd's (ASX: AW1) (AW1) ASX Announcement on 30/01/2024 - Maiden JORC MRE for Storm. There is no certainty that further work by the Company will lead to achieving the same size, shape, grade, or form of the comparison resource. The Company's project is in a different stage of development and that further exploration needs to be undertaken to further prove or disprove any comparison.

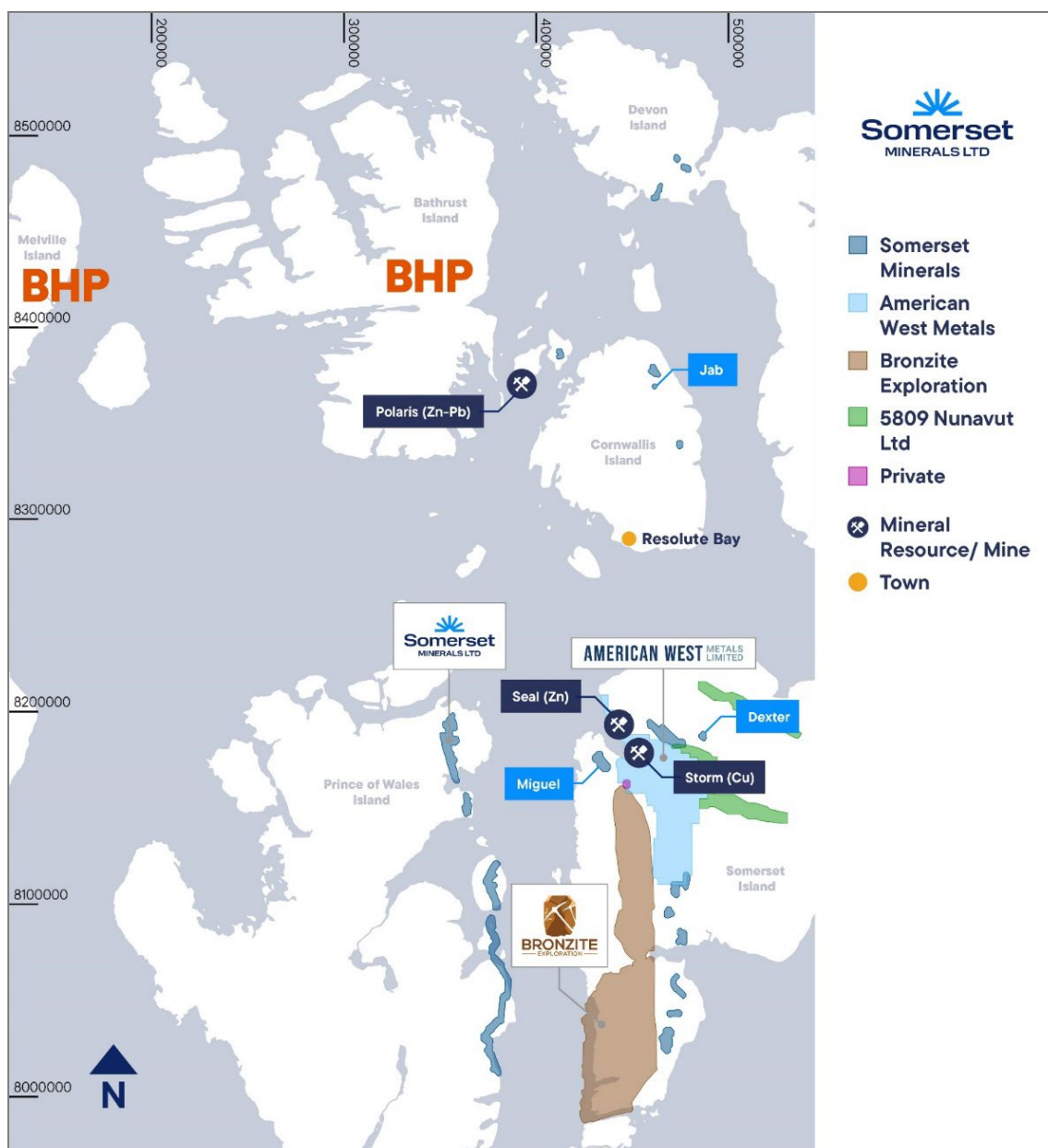


Figure 6. Map showing project licences, town of Resolute, and surrounding islands where BHP is currently exploring.

### Summary of Activities

During the period, Somerset acquired an additional **14.5 km<sup>2</sup>** of exploration licences adjoining the recently defined **>4 km** long copper anomaly reported by American West Metals (ASX:AW1), where regional soil geochemistry has outlined a strong, high-priority **4.1 km × 0.7 km** copper anomaly now named the **Chevron Prospect** (see ASX:AW1 17/11/2025). The newly acquired tenure was open for application and is considered prospective for a continuation of the same anomalous geochemical trend, with the Chevron Prospect exhibiting geological characteristics analogous to those hosting known copper deposits in the Storm area, including a comparable geochemical signature and structural orientation<sup>5</sup>.

<sup>5</sup> There is no certainty that further work by the Company will lead to achieving the same size, shape, grade, or form of the comparison resource or project. The Company's project is in a different stage of development and further exploration needs to be undertaken to further prove or disprove any comparison.

**Blackdome-Elizabeth Joint Venture (British Columbia, Canada, 100%)**

**About the Blackdome-Elizabeth Joint Venture**

The Elizabeth-Blackdome Joint Venture consists of 93 licences covering 315km<sup>2</sup> that are located in southern British Columbia, Canada. The Blackdome Gold Mine includes relatively unexplored epithermal gold mineralization system that historically produced approximately 230,000 ounces of gold at an average mill head grade of 21.9g/t gold (1985-1991). The Blackdome Gold Mine includes a fully permitted processing plant and associated tailings storage facility. The Elizabeth Gold Project (approximately 30km south of the Blackdome Mine and associated mill) is a relatively underexplored high-grade mesothermal gold project with mineralisation presenting in vein sets which range in true width from 0.5 to 6.5 metres.

Please refer to ASX announcement, *Earn-in Agreement Executed for Divestment of Blackdome-Elizabeth Project*, dated 30 September 2024.

**Summary of Activities**

No exploration activities were undertaken at either the Elizabeth Gold Project or the Blackdome Gold Project during the period ending 31 December 2025. Both projects are currently under care and maintenance status with all mineral licences maintained in good standing, the Joint Venture partner is currently assessing re-start opportunities.

**Zamora Projects (Ecuador, 100%)**

**About the Zamora Projects**

The Zamora Projects are located in the Cordillera del Condor mineral belt of southeast Ecuador which host numerous major gold and copper porphyry deposits. The Zamora Projects include the Valle del Tigre Project and the Rio Zarza Project.

**Summary of Activities**

No material work was completed on the Zamora Projects during the period ended 31 December 2025. The Zamora Projects are currently on care and maintenance status with all mineral licences maintained in good standing.

**SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS**

There were no significant changes in the state of affairs of the Group during the period.

**EVENTS AFTER THE REPORTING DATE**

The directors are not aware of any other matters or circumstances that have arisen since the end of the half-year which significantly affected or may significantly affect the operations of the Group the results of those operations, or the state of affairs of the Group in future financial years.

**ROUNDING OF AMOUNTS**

The Group is of a kind referred to in *Corporations Instrument 2016/191*, issued by the Australia Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with the Corporations Instrument to the nearest dollar.

**AUDITORS' INDEPENDENCE DECLARATION**

A copy of the auditors' Independence declaration as required under section 307C of the *Corporations Act 2001* is included within this half-year financial report.

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



**Chris Hansen**  
**Managing Director**

Date: 16 March 2026  
Perth

**SOMERSET MINERALS LIMITED**  
**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**AND OTHER COMPREHENSIVE INCOME**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2025**



	Note	31 December 2025 \$	31 December 2024 \$
Other income	3(a)	263,214	6,779
Fair value gain on financial instruments	7	10,795	-
Foreign exchange gain / (loss)		5,589	(609)
Directors' and employee benefits expense		(198,740)	(190,179)
Legal and other professional fees		(230,797)	(246,530)
Management consulting fees		(1,641)	-
Regulatory fees		(94,205)	(85,767)
Advertising and marketing expenses		(57,504)	(6,564)
Depreciation and amortisation expense		(6,096)	-
Share based payments expense	8(ii)	(22,542)	(2,351)
Impairment loss on exploration and evaluation expenditure	4	(814)	(63,196)
Finance costs	3(b)	(78,994)	(122,916)
Other expenses	3(c)	(309,882)	(377,395)
<b>Loss before income tax</b>		<b>(721,617)</b>	<b>(1,088,728)</b>
Income tax expense		-	-
<b>Loss for the period</b>		<b>(721,617)</b>	<b>(1,088,728)</b>
Other comprehensive (loss) / income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translating foreign operations		(138,749)	48,469
<b>Total other comprehensive (loss)/ income</b>		<b>(138,749)</b>	<b>48,469</b>
<b>Total comprehensive loss for the period</b>		<b>(860,366)</b>	<b>(1,040,259)</b>
Loss attributable to:			
Non-controlling interests		-	-
Members of the parent		(721,617)	(1,088,728)
		<b>(721,617)</b>	<b>(1,088,728)</b>
Total comprehensive loss attributable to:			
Non-controlling interests		-	-
Members of the parent		(860,366)	(1,040,259)
		<b>(860,366)</b>	<b>(1,040,259)</b>
<b>Loss per share</b>		<b>Cents</b>	<b>Cents</b>
- Basic loss per share		(0.10)	(0.51)
- Diluted loss per share		(0.10)	(0.51)

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

**SOMERSET MINERALS LIMITED**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2025**



	Note	31 December 2025 \$	30 June 2025 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		4,551,500	1,843,502
Trade and other receivables		132,344	77,236
Other assets		71,473	466,809
<b>Total current assets</b>		<b>4,755,317</b>	<b>2,387,547</b>
<b>Non-current assets</b>			
Exploration and evaluation	4	8,177,141	4,056,445
Right of use assets		31,394	-
Property, plant and equipment		15,160	4,536
Bond deposits		345,619	342,099
Other assets		250,562	251,774
<b>Total non-current assets</b>		<b>8,819,876</b>	<b>4,654,854</b>
<b>Total assets</b>		<b>13,575,193</b>	<b>7,042,401</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables		1,341,668	817,052
Share funds held in trust		-	10,000
Lease liabilities		18,483	-
Provisions	5(a)	41,169	287,882
Flow through premium liability	6	817,871	-
Other financial liabilities		-	100,000
<b>Total current liabilities</b>		<b>2,219,191</b>	<b>1,214,934</b>
<b>Non-current liabilities</b>			
Provisions	5(b)	4,571,062	4,732,768
Lease liabilities		16,261	-
<b>Total non-current liabilities</b>		<b>4,587,323</b>	<b>4,732,768</b>
<b>Total liabilities</b>		<b>6,806,514</b>	<b>5,947,702</b>
<b>Net assets</b>		<b>6,768,679</b>	<b>1,094,699</b>
<b>EQUITY</b>			
Issued capital	7	40,628,646	34,361,954
Reserves	8	1,775,350	2,309,031
Accumulated losses		(35,609,621)	(35,550,590)
Equity attributable to owners of the Company		6,794,375	1,120,395
Non-controlling interest		(25,696)	(25,696)
<b>Total equity</b>		<b>6,768,679</b>	<b>1,094,699</b>

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

**SOMERSET MINERALS LIMITED**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2025**



Equity attributable to owners of Somerset Minerals Limited

	Issued capital \$	Share based payment reserve \$	Foreign exchange reserve \$	Accumulated losses \$	Total \$	Non-controlling interest \$	Total \$
<b>Balance at 1 July 2024</b>	<b>30,682,241</b>	<b>1,780,564</b>	<b>579,913</b>	<b>(34,514,936)</b>	<b>147,2218</b>	<b>(25,696)</b>	<b>(1,497,914)</b>
Loss for the period	-	-	-	(1,088,728)	(1,088,728)	-	(1,088,728)
Other comprehensive income	-	-	48,469	-	48,469	-	48,469
<b>Total comprehensive (loss) / income for the period</b>	<b>-</b>	<b>-</b>	<b>48,469</b>	<b>(1,088,728)</b>	<b>(1,040,259)</b>	<b>-</b>	<b>(1,040,259)</b>
Issue of capital (net of costs)	705,523	-	-	-	705,523	-	705,523
Share based payments	-	94,041	-	-	94,041	-	94,041
Transfer to accumulated losses upon expiry of equity instruments	-	(806,430)	-	806,430	-	-	-
<b>Balance at 31 December 2024</b>	<b>31,387,764</b>	<b>1,068,175</b>	<b>628,382</b>	<b>(34,797,234)</b>	<b>(1,712,913)</b>	<b>(25,696)</b>	<b>(1,738,609)</b>

<b>Balance at 1 July 2025</b>	<b>34,361,954</b>	<b>1,700,768</b>	<b>608,263</b>	<b>(35,550,590)</b>	<b>1,120,395</b>	<b>(25,696)</b>	<b>1,094,699</b>
Loss for the period	-	-	-	(721,617)	-	-	(721,617)
Other comprehensive income	-	-	(138,749)	-	-	-	(138,749)
<b>Total comprehensive (loss) / income for the period</b>	<b>-</b>	<b>-</b>	<b>(138,749)</b>	<b>(721,617)</b>	<b>-</b>	<b>-</b>	<b>(860,366)</b>
Issue of capital (net of costs)	6,266,692	197,404	-	-	6,464,096	-	6,464,096
Share based payments	-	70,249	-	-	70,249	-	70,249
Transfer to accumulated losses upon expiry of equity instruments	-	(662,585)	-	662,585	-	-	-
<b>Balance at 31 December 2025</b>	<b>40,628,646</b>	<b>1,305,836</b>	<b>469,514</b>	<b>(35,609,621)</b>	<b>6,794,375</b>	<b>(25,696)</b>	<b>6,768,679</b>

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

**SOMERSET MINERALS LIMITED**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2025**



	<b>31 December 2025</b>	<b>31 December 2024</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>		
Interest received	8,990	6,779
Payments to suppliers and employees	(861,689)	(493,931)
Interest paid	(528)	-
<b>Net cash (outflow) from operating activities</b>	<b>(853,227)</b>	<b>(487,152)</b>
<b>Cash flows from investing activities</b>		
Payments for exploration and evaluation	(3,632,421)	(1,468,168)
Payments for property, plant and equipment	(12,236)	(3,362)
Payments for other assets	(6,545)	-
Proceeds from disposal of exploration projects	-	211,098
<b>Net cash (outflow) from investing activities</b>	<b>(3,651,202)</b>	<b>(1,260,432)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares	7,717,500	-
Share issue costs paid	(529,304)	(5,476)
Payment of lease liabilities	(1,135)	-
Proceeds from borrowings	-	600,000
<b>Net cash inflow from financing activities</b>	<b>7,187,061</b>	<b>594,524</b>
<b>Net increase/(decrease) in cash held</b>	<b>2,682,632</b>	<b>(1,153,060)</b>
Cash at the beginning of the period	1,843,502	1,435,783
Effect of exchange rate changes on cash and cash equivalents	25,366	10,644
<b>Cash at the end of the period</b>	<b>4,551,500</b>	<b>293,367</b>

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

## **1. Corporate information and basis of preparation**

The half-year financial report covers Somerset Minerals Limited (the "Company") and its controlled entities (the "Group"). The financial statements were authorised for issue by the directors on 16 March 2026.

### **Basis of preparation**

The condensed consolidated half-year financial report is a general-purpose financial report that have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' 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'.

The condensed consolidated half-year financial report does 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 are consistent with those of the previous financial year and corresponding half-year reporting period, other than summarized below.

#### Flow-through share premium liability

The Group may issue flow-through shares in Canada, which are equity instruments issued under the relevant Canadian tax legislation that transfer tax deductions for qualifying exploration expenditures to investors. The issuance price of flow-through shares typically includes a premium over the ordinary share price to reflect the tax benefits transferred.

The premium received on flow-through shares is initially recognised as a liability in accordance with AASB 9 *Financial Instruments* as the Group has a present obligation to incur qualifying exploration expenditures to provide the tax deductions to shareholders. The liability is measured initially at the amount of the premium received.

The liability is derecognised on a pro-rata basis as the Group incurs qualifying exploration expenditures with the reduction of the flow-through share premium previously recorded is recognized as other income in the statement of profit or loss.

Any portion of the liability not settled due to unfulfilled obligations is accounted for in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*, as required.

The Group is of a kind referred to in *Corporations Instrument 2016/191*, issued by the Australia Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with the *Corporations Instrument* to the nearest dollar.

### **New and revised accounting standards and interpretations**

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the reporting period. The adoption of these did not have a material impact on the Group. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. There are no other standards that are not yet effective that would be expected to have a material impact on the Group.

### **Going Concern**

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

The Group has incurred a net loss after tax for the period ended 31 December 2025 of \$721,617 and had net cash outflows from operating and investing activities of \$853,227 and \$3,651,202 respectively. As at 31 December 2025, the Group had cash and cash equivalents of \$4,551,500.

Whilst the above conditions indicate a material uncertainty which may cast significant doubt over the Group's ability to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report, the directors believe that there are reasonable grounds to believe that the Group will be able to continue as a going concern, after consideration of the following factors:

- a) It is forecasted that the Group will require further capital to continue as a going concern, the Group has previously successfully raised funds through share issues and debt funding and the Directors are confident that this could be achieved again to fund the on-going operations of the Group; and
- b) The Group has the ability to scale back exploration costs and reduce other discretionary expenditure to preserve cash reserves.

On this basis, the directors are of the opinion that the financial statements should be prepared on a going concern basis and that the Group will be able to pay its debts as and when they fall due and payable.

Should the Group be unable to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount of liabilities that might result should the Group be unable to continue as a going concern and meet its debts as and when they fall due.

**SOMERSET MINERALS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2025 (CONTINUED)**



**2. Segment information**

The Group operates within three geographical segments, being Australia, Canada, and Ecuador. The segment information provided to the chief operating decision maker is as follows:

Six months ended 31 December 2025	Corporate activities	Corporate and Exploration activities	Exploration activities	Consolidated
	AUSTRALIA	CANADA	ECUADOR	
	\$	\$	\$	\$
Other income	3,565	2,666	256,982	
Total other income				<b>263,214</b>
Segment result before income tax	(654,259)	(244,699)	177,341	
Loss before income tax				<b>(721,617)</b>
<b>At 31 December 2025</b>				
Segment current assets	2,231,820	2,521,759	1,738	
Segment non-current assets	534,514	8,211,886	73,476	
Total assets	<b>2,766,334</b>	<b>10,733,645</b>	<b>75,214</b>	<b>13,575,193</b>
Segment liabilities	341,650	6,033,912	430,952	
Total liabilities				<b>6,806,514</b>

Six months ended 31 December 2024	Corporate activities	Corporate and Exploration activities	Exploration activities	Consolidated
	AUSTRALIA	CANADA	ECUADOR	
	\$	\$	\$	\$
Other income	2,226	4,553	-	
Total other income				<b>6,779</b>
Segment result before income tax	(731,623)	395	(357,500)	
Loss before income tax				<b>(1,088,728)</b>
<b>At 30 June 2025</b>				
Segment current assets	2,162,729	219,783	5,035	
Segment non-current assets	624,242	3,960,672	69,940	
Total assets	<b>2,786,971</b>	<b>4,180,455</b>	<b>74,975</b>	<b>7,042,401</b>
Segment liabilities	463,070	4,801,727	682,905	
Total liabilities				<b>5,947,702</b>

**SOMERSET MINERALS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2025 (CONTINUED)**



**3. Other income and expenses**

	Consolidated	
	6 months to 31 December 2025 \$	6 months to 31 December 2024 \$
<b>a) Other income</b>		
Reversal of Ecuador tax provision <sup>Note 5(a)</sup>	256,982	-
Interest income	6,232	6,779
	<b>263,214</b>	<b>6,779</b>
<b>b) Finance costs</b>		
Unwinding of rehabilitation provision <sup>Note 5(b)</sup>	30,759	25,148
Interest expenses	528	6,078
Borrowing costs <sup>Note 9(a)</sup>	47,707	91,690
	<b>78,994</b>	<b>122,916</b>
<b>c) Other expenses</b>		
Insurance expense	46,037	34,816
Travel expenses	7,975	21,456
Occupancy expenses	47,819	29,006
Repayment of Mining exploration tax rebate <sup>1</sup>	145,610	-
Corporate expenses	62,441	292,117
	<b>309,882</b>	<b>377,395</b>

<sup>1</sup> The Group repaid a portion of British Columbia Mining Exploration Tax Credits previously claimed to the Canada Revenue Agency following a determination that certain related expenditures were ineligible.

**SOMERSET MINERALS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2025 (CONTINUED)**



	<b>Consolidated</b>	
	<b>31 December 2025</b>	<b>30 June 2025</b>
	<b>\$</b>	<b>\$</b>
<b>4. Exploration and evaluation</b>		
Exploration and evaluation assets – at cost (i)	<b>8,177,141</b>	<b>4,056,445</b>

	<b>6 months to 31 December 2025</b>
	<b>\$</b>
<b>(i). Exploration and evaluation movement</b>	
Opening balance	4,056,445
Exploration expenditure incurred during the period	4,307,443
Changes in rehabilitation	(78,093)
Impairment loss incurred during the period <sup>1</sup>	(814)
Foreign exchange movements	(107,840)
Closing balance	<b>8,177,141</b>

<sup>1</sup> Management assessed for indicators of impairment and have determined:

- The Zamora Project has been placed into care and maintenance and, accordingly, has been impaired to a carrying amount of \$nil. This has resulted in an impairment expense of \$79,642 recognised during the period; and
- The Blackdome-Elizabeth Project has been impaired to a carrying value of CAD \$50,000 (\$54,538), representing the consideration receivable from Blackdome Mining Ltd for the sale of the project. An impairment reversal of \$78,828 was recognised during the period following the remeasurement of the rehabilitation provision.

For all other exploration and evaluation projects, the ultimate recoupment of exploration and evaluation expenditure carried forward is dependant on successful development and commercial production or alternatively, sale of the respective areas.

	<b>Consolidated</b>	
	<b>31 December 2025</b>	<b>30 June 2025</b>
	<b>\$</b>	<b>\$</b>
<b>5. Provisions</b>		
<b>(a) Current</b>		
Ecuador provision <sup>1</sup>	-	251,639
Other provisions	41,169	36,243
	<b>41,169</b>	<b>287,882</b>

<sup>1</sup> A provision previously recognised for potential tax liabilities relating a portion of the Rio Zarza licence that was sold by Condor Gold S.A. prior to being acquired by the company has been reversed following updated legal advice indicating that the likelihood of any liability arising is now remote. The reversal has been recognised in the consolidated statement of profit or loss and other comprehensive income (refer note 3(a)).

**SOMERSET MINERALS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2025 (CONTINUED)**



	Consolidated	
	31 December 2025 \$	30 June 2025 \$
<b>(b) Non - Current</b>		
Rehabilitation – Blackdome Project (i)	4,571,062	4,732,768
	<b>6 months to 31 December 2025 \$</b>	
<b>(i) Rehabilitation – Blackdome Project movement</b>		
Opening balance	4,732,768	
Unwinding of discount	30,759	
Reassessment of rehabilitation <sup>1</sup>	(78,093)	
Foreign exchange movements	(114,372)	
	<b>4,571,062</b>	

<sup>1</sup>A provision has been made for the present value of anticipated costs for future rehabilitation of land explored or mined. The Group's mining and exploration activities are subject to various laws and regulations governing the protection of the environment.

The Group recognises management's best estimate for assets retirement obligations and site rehabilitations in the reporting period in which they are incurred. Actual costs incurred in the future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life of mine estimates and discount rates could affect the carrying amount of this provision.

	Consolidated	
	31 December 2025 \$	30 June 2025 \$
<b>6. Flow through premium liability</b>		
Flow through premium liability (i)	817,871	-
	<b>6 months to 31 December 2025 \$</b>	
<b>(i). Flow through premium liability movement</b>		
Opening balance	-	
Flow through share premium liability recognised <sup>1</sup>	822,717	
Foreign exchange movements	(4,846)	
Closing balance	<b>817,871</b>	

<sup>1</sup>On 17 December 2025, the Company issued 137,249,986 flow through shares at a price of \$0.018 per share for gross proceeds of \$2,470,500. A flow through premium liability of \$822,717 was recognised on issuance. The Group has committed to spend the flow through funds by 31 December 2026. As at 31 December 2025, no flow through funds had been spent.

**SOMERSET MINERALS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2025 (CONTINUED)**



	Consolidated	
	31 December 2025 \$	30 June 2025 \$
<b>7. Issued capital</b>		
Ordinary shares – fully paid (i)	<b>40,628,646</b>	<b>34,361,954</b>

**(i) Ordinary shares movement**

Date	No. of shares	Issue price	
		\$	\$
Opening balance: 1 July 2025	<b>638,314,848</b>		<b>34,361,954</b>
- 11 July 2025 – Director Participation in share placement <sup>1</sup>	6,666,667	0.009	60,000
- 22 August 2025 – Share placement	161,270,128	0.013	2,096,512
- 2 October 2025 – Share placement	146,422,180	0.013	1,903,488
- 2 October 2025 - Conversion of convertible notes <sup>2</sup>	5,882,353	0.015	89,205
- 17 December 2025 – Flow through capital raise <sup>Note 6</sup>	137,249,986	0.018	2,470,500
- 17 December 2025 – Flow through premium liability	-	-	(822,717)
- 18 December 2025 – Share placement	99,750,014	0.012	1,197,000
- Capital raising costs	-		(727,296)
Closing balance: 31 December 2025	<b>1,195,655,176</b>		<b>40,628,646</b>

<sup>1</sup> Directors (or their nominees) participated in a share placement during the period. Mr Chris Hanson subscribed for 5,555,556 fully paid shares for an amount of \$50,000 and Mr Mike Edwards subscribed for 1,111,111 fully paid ordinary shares for an amount of \$10,000. 1 free attaching unlisted option was issued for every 2 placement shares issued, each option is exercisable at \$0.024 on or before 30 September 2029.

<sup>2</sup> On 9 May 2025, the Company entered into a bridging loan agreement enabling the company to borrow up to \$100,000 (the 'loan facility'). The loan facility matures 3 months from the drawdown date and is convertible into Shares at a conversion price equal to a 15% discount to the 15-day volume weighted average price of the Borrower's Shares immediately prior to the date of the election (subject to the borrower obtaining shareholder approval at a General Meeting).

On initial drawdown date, it was assessed the convertible feature attached to the bridging loan facility represents a derivative liability. On initial drawdown date this was calculated to have a fair value of \$40,206 and was separated from the host debt, which was recognised at \$59,794.

At conversion date the derivative liability was revalued, resulting in a fair value gain recognised through the statement of profit and loss of \$10,795. On 2 October 2025, the loan was extinguished through the issue of 5,882,353 fully paid ordinary shares, resulting in \$89,205 being recognised as issued capital upon extinguishment of the bridging loan.

**SOMERSET MINERALS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2025 (CONTINUED)**



	Consolidated	
	31 December 2025 \$	30 June 2025 \$
<b>8. Reserves</b>		
Foreign currency reserve (i)	469,514	1,700,768
Share based payments reserve (ii)	1,305,836	608,263
	<b>1,775,350</b>	<b>2,309,031</b>

**(i) Foreign currency reserve**

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars.

**(ii) Share based payments reserve**

**Share based payments reserve movement**

	Consolidated 6 months to 31 December 2025 \$
Opening balance	1,700,768
- Performance rights - share based payment expense	22,542
- Options - recognised as a borrowing cost	47,707
- Options - recognised in equity (share issue costs)	197,404
- Transfer to accumulated losses upon the expiry of equity instruments	(662,585)
Closing balance	<b>1,305,836</b>

Refer to note 9 for details on share based payment transactions during the period ended 31 December 2025.

## 9. Share-based payment transactions

Below are details of share-based payment transactions recognised during the period:

The volatilities utilised in calculating the fair value of share-based payments was determined by calculating the historical volatility of the Company for recent comparative historical periods.

### a) Options issued as borrowing costs

On 9 May 2025, the Company entered into a bridging loan agreement amounting to \$100,000. The loan facility matures 3 months from the drawdown date and subject to the borrower obtaining shareholder approval at a General Meeting and is convertible into Shares at a conversion price equal to a 15% discount to the 15-day volume weighted average price of the Borrower's Shares immediately prior to the date of the election. Under the terms of the bridging loan agreement, the Company issued 5,000,000 unlisted options, exercisable at \$0.024 each on or before 30 September 2029.

The fair value of the services could not be reliably measured and therefore, a Black-Scholes Option Pricing model for was used determine the value of the options issued. The options were issued in conjunction with a borrowing arrangement and have been recognised as a finance cost and expensed through the consolidated statement of profit or loss and other comprehensive income.

Inputs have been detailed below:

Input	Loan Options
Number of options	5,000,000
Grant date	26 September 2025
Expiry date (years)	4
Underlying share price	\$0.013
Exercise price	\$0.03
Volatility	130%
Risk free rate	3.58%
Dividend yield	-
Value per option	\$0.0095
Total fair value of options	\$47,707

### b) Options issued as share issue costs

On 2 October 2025, 20,000,000 options exercisable at \$0.024 with an expiry date of 30 September 2029 were issued to the broker of a share placement in lieu of cash for capital raising services provided. The options vest immediately. The value of the options was capitalised to share issue costs.

The fair value of the services could not be reliably measured and therefore, a Black-Scholes Option Pricing model was used to determine the value of the options.

The inputs have been detailed below:

Input	Broker Options
Number of options	20,000,000
Grant date	26 September 2025
Expiry date (years)	4
Underlying share price	\$0.013
Exercise price	\$0.024
Volatility	130%
Risk free rate	3.58%
Dividend yield	-
Value per option	\$0.00987
Total fair value of options	\$197,404

c) *Continuation of vesting expense*

Performance rights previously issued to employees and directors of the Group are expensed in the consolidated statement of profit or loss and other comprehensive income over the relevant vesting period, resulting in an expense of \$22,542 for the period ended 31 December 2025.

Refer to the 30 June 2025 Annual Report for detailed inputs to the valuation models used and vesting conditions attached.

**10. Commitments for expenditure**

There are no material changes to the commitments and contingencies disclosed in the most recent annual financial report.

**11. Dividends**

There were no dividends paid, recommended or declared during the half-year.

**12. Contingent assets and liabilities**

*Contingent liabilities*

In the most recent annual financial report the Group's subsidiary, Condor Gold S.A., recognised a claim for tax liabilities in regards to a portion of the Rio Zarza licence that was sold by Condor Gold Gold S.A. prior to being acquired by the company and determined that there was significant uncertainty as to what future liabilities may arise in relation to this claim.

As at 31 December 2025, the Group has received updated legal advice indicating that the likelihood of any liability arising is now remote as disclosed within note 5(a).

Accordingly, the Group has derecognised the amount previously provided for in relation to this claim, however, the Group remains exposed to changes in circumstances that may adversely affect the Group and could result in future cash outflows that cannot yet be determined as at 31 December 2025.

There are no other material changes to the commitments and contingencies disclosed in the most recent annual financial report.

**13. Financial assets and liabilities**

The directors consider that the carrying values of financial assets and financial liabilities recognised in the condensed statement of financial position to be approximate to their fair values.

**14. Key management personnel**

There have been no other material changes to arrangements with key management personnel, other than directors participating in a share placement during the period, as disclosed within note 7.

**15. Events after the reporting date**

The directors are not aware of any other matters or circumstances that have arisen since the end of the half-year which significantly affected or may significantly affect the operations of the Group the results of those operations, or the state of affairs of the Group in future financial years.

**SOMERSET MINERALS LIMITED**  
**DIRECTORS' DECLARATION**  
**31 DECEMBER 2025**

---

In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, Australian Accounting Standard AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
- there are reasonable grounds to believe that the Group 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



**Chris Hansen**  
**Managing Director**

Date: 16 March 2026

**AUDITOR'S INDEPENDENCE DECLARATION  
TO THE DIRECTORS OF SOMERSET MINERALS LIMITED**

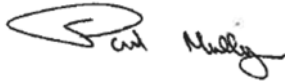
In accordance with section 307C of the *Corporations Act 2001*, I declare to the best of my knowledge and belief in relation to the review of the financial report of Somerset Minerals Limited and its controlled entity for the half-year ended 31 December 2025, there have been:

- i) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- ii) no contraventions of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* in relation to the review.

This declaration is in respect of Somerset Minerals Limited and its controlled entities during the period.

Pitcher Partners BA&A PTY LTD

PITCHER PARTNERS BA&A PTY LTD



Paul Mulligan  
Executive Director  
Perth, 16 March 2026

**SOMERSET MINERALS LIMITED  
70 625 645 338**

**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF SOMERSET MINERALS LIMITED**

**Report on the Half-Year Financial Report**

*Conclusion*

We have reviewed the half-year financial report of Somerset Minerals Limited ("the Company" and its controlled entities ("the Group", 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, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, and 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 accompanying half-year financial report of Somerset Minerals Limited does not comply with the *Corporations Act 2001* including:

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

*Basis for Conclusion*

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

*Material Uncertainty Related to Going Concern*

We draw attention to Note 1 to the half-year financial report which indicates that the Group incurred a net loss of \$721,617 during the half-year ended 31 December 2025 (31 December 2024: \$1,088,728) and had net cash outflows from operating and investing activities of \$4,504,429 (31 December 2024: \$1,747,584).

As at the date of this report, there is a material uncertainty that the Group can meet its administrative and other committed expenditure for a period of at least the next 12 months. These conditions, along with other matters as set forth in Note 1 to the half-year financial report, indicate that a material uncertainty exists that may cast significant doubt about the Group's ability to continue as a going concern. Our review conclusion is not modified in respect of this matter.

*Responsibilities of the Directors for the Financial Report*

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

**SOMERSET MINERALS LIMITED**  
**70 625 645 338**

**INDEPENDENT AUDITOR'S REVIEW REPORT**  
**TO THE MEMBERS OF SOMERSET MINERALS LIMITED**

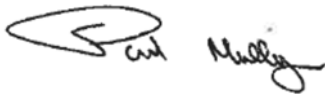
*Auditor's Responsibilities for the Review of the Financial Report*

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

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

Pitcher Partners BA&A PTY LTD

PITCHER PARTNERS BA&A PTY LTD



PAUL MULLIGAN  
Executive Director  
Perth, 16 March 2026