

Far Northern Resources Limited

ABN 89 621 685 701

Consolidated Interim Financial Report

For the Half-Year Ended 31 December 2025

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CORPORATE DIRECTORY

Directors

Roderick Paul Corps - Chairman Independent (Resigned 02 July 2025)
Cameron Woodrow - Managing Director / CEO
Matthew Bashford - Executive Director / CFO
Nick Revell – Non-Executive Director

Company Secretary

Catriona Glover

Registered Office and Principal Place of Business

Unit D, 107 Alfred Street
Fortitude Valley, QLD 4006
Telephone: +61 405 424 246
Email: info@farnorthernresources.com
Website: farnorthernresources.com

Auditors

Alex Koutzoumis
Holden & Bolster Avenir Pty Ltd
Level 17, 1 York Street
Sydney NSW 2000

Share Register

Automic Pty Ltd
Level 5, 126 Phillip Street
Sydney NSW 2000
Ph:1300 288 664 (within Australia) or
+61 2 8072 1400 (outside Australia)

Securities Exchange Listing

Far Northern Resources Limited is an Australian Company limited by shares and listed on the Australian Securities Exchange (ASX: FNR).

DIRECTORS' REPORT

The Directors present their report, together with the financial statements, on the consolidated entity ("Group") consisting of Far Northern Resources Limited ("Company") and the entities it controlled at the end of, or during, the half-year ended 31 December 2025.

Directors

The following persons were Directors of Far Northern Resources Limited during the whole of the half-year and up to the date of this report, unless otherwise stated:

Cameron Woodrow – Managing Director

Matthew Bashford – Director and Chief Financial Officer

Nicholas Revell – Non-executive Director

Roderick Corps – Chairman and Non-executive Director (resigned 2 July 2025)

Company Secretary

Catriona Glover

Principal Activities

The principal activities of the Company during the half year ended 31 December 2025 was the exploration, evaluation and development of copper-gold and other mineral deposits with a view to becoming a miner in the short to medium term.

No change in the principal activity occurred during this period.

Result of Operations

The result of the Company for the half-year ended 31 December 2025 was a loss after tax of \$387,822 (loss of \$453,921 for 31 December 2024).

Review of Operations

Far Northern Resources Limited is pleased to provide an update on the exploration and work activities completed across the half- year ending 31 December 2025.

Phase 2 Drilling at Bridge Creek

Following on from the successful Phase 1 drilling programme at the Company's Bridge Creek tenement in the Northern Territory, drilling commenced on the Phase 2 program at Bridge Creek on the 16 October 2025.

The Phase 2 drilling programme was designed to extend the known resource to the north and south of the current Resource as well as to test the historical drilling at Bridge Creek (see the Company's announcement 16 October 2025). The Phase 2 programme consists of 26 holes for 2600m of RC drilling.

LiDAR Survey

The Company has completed an extensive, high-resolution airborne survey across the entire Bridge Creek Mining Leases, representing a critical step forward in precision exploration and future infrastructure planning.

Updated Mineral Resource at IOS

The Ios Gold Project is located 3.5km north of the Bridge Creek Gold Deposit, in the Northern Territory on a granted Mining Lease.

The Inferred Mineral Resource Estimate (MRE) for the Ios Gold Project of 0.5Mt @ 1.49 Au g/t for 24,100 Ounces was disclosed in the Company's announcement of 6 August 2025. This brings a Total Inferred Resource in the Bridge Creek & Ios Gold Projects of 2.47Mt @ 1.19 Au g/t for 94,660 Ounces (and refer to Table 1)). The Resource solidifies FNR's position in the highly prospective Pine Creek Goldfields in the Northern Territory and provides a strong base for future growth.

Table 1: Far Northern Resources Mineral Resources as at August 2025

Project	Cut-off (g/t)	Indicated			Inferred			Total		
		Tonnes (Mt)	Grade (g/t)	Ounces (koz)	Tonnes (Mt)	Grade (g/t)	Ounces (koz)	Tonnes (Mt)	Grade (g/t)	Ounces (koz)
Empire Stockworks – Queensland	0.2	0.54	0.97	16.89	0.28	0.63	5.62	0.82	0.85	22.50
Bridge Creek - Northern Territory	0.5				1.97	1.12	70.56	1.97	1.12	70.56
Ios – Northern Territory	0.5				0.50	1.49	24.10	0.50	1.49	24.10
Total		0.54	0.97	16.89	2.75	1.14	100.28	3.29	1.11	117.16

All figures are rounded to reflect the relative accuracy of the estimates. Totals may not sum due to rounding

JORC and Previous Disclosure

The information in this release that related to Mineral Resource for Empire Stockworks and Bridge Creek, is based on information previously disclosed in the following company ASX announcement available from the ASX website www.asx.com.au

- Far Northern Resources Limited (FNR) ASX Announcement 10 April 2024 - Prospectus.
- Far Northern Resources Limited (FNR) ASX Announcement 06 August 2025 – Ios Gold Project Inferred Mineral Resource.

The Company confirms that is not aware of any new information as at the date of the announcement that materially affects the information include in the Release and that all material assumptions and technical parameters underpinning the estimates and results continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

These ASX announcements are available on the Company's website (www.farnorthernresources.com) and the ASX website (www.asx.com.au) under the Company's ticker code 'FNR'.

Significant events after the reporting date

There has not been any matter or circumstance that has arisen after the reporting date that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial periods.

Auditor Independence

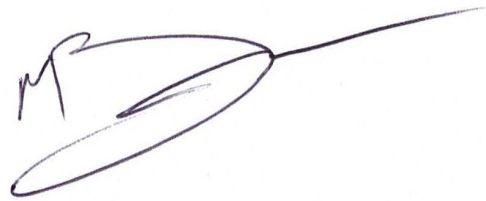
Section 307C of the Corporations Act 2001 requires our auditors to provide the Directors of the Company with an Independence Declaration in relation to the review of the interim financial report.

This Independence Declaration is set on page 7 and forms part of this Directors' report for the half-year ended 31 December 2025.

Signed in accordance with a resolution of the Directors.



Cameron Woodrow
Managing Director
Brisbane QLD
16 March 2026



Matthew Bashford
Director
Brisbane QLD
16 March 2026

.....**END OF DIRECTORS REPORT**.....

**AUDITORS INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001**

To the Directors of Far Northern Resources Limited

As auditor for the review of the consolidated financial report of Far Northern Resources Limited and the entities it controlled for the half-year ended 31 December 2025, I declare that to the best of my knowledge and belief, there have been:

1. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review, and
2. no contraventions of any applicable code of professional conduct in relation to the review.



Alex Koutzoumis
Registered Company Auditor
Sydney, NSW
16 March 2026

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

	Half-Year Ended 31 December 2025	Restated* Half-Year Ended 31 December 2024
Note	\$	\$
INTEREST INCOME	16,299	17,371
EXPENSES		
Administration Expenses	(124,710)	(82,011)
Employee Benefits Expense	(162,246)	(138,427)
Exploration Expenses	(8,389)	(48,976)
Depreciation Expense	(51,499)	(35,116)
Marketing Expenses	(2,497)	(90,909)
Interest Expense	(465)	(1,887)
Other Expenses	(54,315)	(73,966)
	(404,121)	(471,292)
NET LOSS BEFORE INCOME TAX EXPENSE	(387,822)	(453,921)
Income tax expense	-	-
NET LOSS FOR THE YEAR	(387,822)	(453,921)
OTHER COMPREHENSIVE INCOME, NET OF INCOME TAX	-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	(387,822)	(453,921)
BASIC AND DILUTED LOSS PER SHARE (CENTS PER SHARE)	(0.54)	(0.63)

The accompanying notes form part of these financial statements.

*Refer to restatement of prior period – Note 5.

CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	Note	31 December 2025 \$	Restated* 30 June 2025 \$
CURRENT ASSETS			
Cash and Cash equivalents		1,931,841	2,513,287
Other Assets		58,846	122,685
Total Current Assets		1,990,687	2,635,972
NON-CURRENT ASSETS			
Property, Plant and equipment		817,941	869,440
Goodwill on Consolidation		2,755,371	2,755,371
Exploration and Evaluation expenditure		2,809,849	2,605,901
Total Non-Current Assets		6,383,161	6,230,713
TOTAL ASSETS		8,373,848	8,866,685
CURRENT LIABILITIES			
Trade and Other Payables		54,938	77,979
Total Current Liabilities		54,938	77,979
NON-CURRENT LIABILITIES			
Related Party Loan		8,047	90,021
Total Non-Current Liabilities		8,047	90,021
TOTAL LIABILITIES		62,985	168,000
EQUITY			
Issued capital	2	11,461,525	11,461,525
Accumulated losses		(3,150,662)	(2,762,840)
TOTAL EQUITY		8,310,863	8,698,685

The accompanying notes form part of these financial statements.

*Refer to restatement of prior period – Note 5.

**CONDENSED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025**

	31 December 2025	Restated* 31 December 2024
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest received	89,975	17,371
Payments to suppliers and employees	(335,185)	(303,596)
Net cash (used in) operating activities	(245,210)	(286,225)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for exploration and evaluation	(253,506)	(257,615)
Loan to/(from) related parties	(82,730)	-
Net cash (used in) investing activities	(336,236)	(257,615)
Net increase/(decrease) in cash and cash equivalents	(581,446)	(543,840)
Cash and cash equivalents at beginning of period	2,513,287	3,564,201
Cash at end of period	1,931,841	3,020,361

The accompanying notes form part of these financial statements.

*Refer to restatement of prior period – Note 5.

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

	Notes	Issued Capital \$	Accumulated Losses \$	Total Equity \$
Balance at 1 July 2024		11,361,525	(2,139,348)	9,222,177
Loss for the period		-	(453,921)	(453,921)
Total Comprehensive Loss		-	(453,921)	(453,921)
<i>Transaction recorded directly in equity</i>				
Shares Issued in lieu of Fees -2 Aug 24*		100,000	-	100,000
Balance at 31 December 2024 (*Restated)		11,461,525	(2,589,137)	8,887,298
Balance at 1 July 2025 (*Restated)		11,461,525	(2,762,840)	8,698,685
Loss for the period		-	(387,822)	(387,822)
Total Comprehensive Loss		-	(387,822)	(387,822)
Balance at 31 December 2025		11,461,525	(3,150,662)	8,310,863

The accompanying notes form part of these financial statements.

*Refer to restatement of prior period – Note 5.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

These consolidated financial statements consist of Far Northern Resources Limited and the entities it controlled for the half-year ended 31 December 2025.

These interim financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

The interim financial statements do not include all of the information required in annual financial statements in accordance with Australian Accounting Standards and should be read in conjunction with the financial statements of the Company for the year ended 30 June 2025 and any public announcements made by the Company during the half-year in accordance with continuous disclosure requirements arising under the Australian Securities Exchange Listing Rules and Corporations Act 2001.

The accounting policies and methods of computations adopted are consistent with those of the previous financial year and corresponding interim reporting period. The accounting policies are also consistent with Australian Accounting Standards and with International Financial Reporting Standards.

The interim financial statements have been prepared on a historical cost basis, unless otherwise noted. The company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

These interim financial statements were authorised for issue, in accordance with a resolution of Directors, on 13 March 2026.

(b) Significant accounting judgements and key estimates

The preparation of interim financial statements requires management to make judgments, 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 this interim report, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Company's financial report for the year ended 30 June 2025 unless otherwise stated.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C) *Going Concern*

During the half-year the group incurred a net loss of \$387,822 (31 December 2024: Loss of \$453,921).

Given the potential funding options and cash management initiatives noted below, the Directors believe the going concern basis is appropriate:

- The Company will continue to exercise appropriate cash management and monitoring of operating cashflows according to exploration success. Future exploration expenditure is generally discretionary in nature and exploration activities may be slowed or suspended as part of the Company's cash management strategy.
- The Company has demonstrated its ability to raise capital via equity placements to shareholders. Given the strong support of substantial shareholders and the prospectivity of the Company's current projects the Directors are confident that any future capital raisings will be successful.

Should the Company be unable to obtain sufficient future funding, there is a material uncertainty which may cast significant doubt as to whether the Company will be able to continue as a going concern and whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

NOTE 2: ISSUED CAPITAL	Note	31 December 2025		Restated* 30 June 2025	
		No.	\$	No.	\$
		71,461,135	11,461,525	71,461,135	11,461,525
Issued capital comprises Fully Paid Ordinary Shares					
<i>Movement in issued shares for the year</i>		-	-	-	-
Balance at beginning of the financial year		71,461,135	11,461,525	70,961,135	11,361,525
<i>Shares Issued in lieu of Fees (a)</i>		-	-	500,000	100,000
Balance at the end of the year		71,461,135	11,461,525	71,461,135	11,461,525

(a) Recognition of placement of shares to supplier in lieu of cash fees owed – 500,000 Shares issued at \$0.20c. Per ASX announcement 2 August 2024 – Refer Note 5.

NOTE 3: EVENTS AFTER REPORTING DATE

There has not been any other matter or circumstance that has arisen after the reporting date that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial periods.

NOTE 4: NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

The Directors have reviewed all the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company's operations and effective for reporting periods beginning on or after 1 July 2025. The Company has determined that there are no material impacts of the new and revised Standards and Interpretations on the Company and therefore, no material change is necessary to Company's accounting policies. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

NOTE 5: RESTATEMENT PRIOR PERIOD TRANSACTION

On 2 August 2024, there was a placement of shares to suppliers in lieu of investor relation services to the value of \$100,000 (500,000 Shares @\$0.20 issue price).

Due to an oversight this transaction cost was not recognised in the reporting period.

This resulted in a required restatement of the following line items for the half year ended 31 December 2024:

- Issued Capital increased by \$100,000.
- Marketing Expenses increased by \$90,909.
- Other Assets - GST Refund increased by \$9,091.
- Accumulated Losses increased by \$90,909.
- Basic and Diluted loss per share (cents per share) increased to (.63)

For comparative purposes, the following line items for the year ended 30 June 2025 have also been restated:

- Issued Capital increased by \$100,000.
- Marketing Expenses increased by \$90,909.
- Other Assets - GST Refund increased by \$9,091.
- Accumulated Losses increased by \$90,909.

As at 31 December 2024

Financial Report Line Item/Balance Affected	Actual \$	Adjustment \$	Restated Actual \$
STATEMENT OF FINANCIAL POSITION			
ASSETS			
Other Assets	113,594	9,091	122,685
EQUITY			
Issued Capital	11,361,525	100,000	11,461,525
Accumulated Losses	(2,498,228)	(90,909)	(2,589,137)
TOTAL EQUITY	8,863,207	9,091	8,872,298
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME			
Marketing Expenses	-	90,909	90,909
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	(363,012)	(90,909)	(453,921)

As at 30 June 2025

Financial Report Line Item/Balance Affected	Actual \$	Adjustment \$	Restated Actual \$
STATEMENT OF FINANCIAL POSITION			
ASSETS			
Other Assets	113,594	9,091	122,685
EQUITY			
Issued Capital	11,361,525	100,000	11,461,525
Accumulated Losses	(3,059,754)	(90,909)	(3,150,662)
TOTAL EQUITY	8,301,771	9,091	8,310,863
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME			
Marketing Expenses	-	90,909	90,909
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	(363,012)	(90,909)	(453,921)

DIRECTORS' DECLARATION

In the opinion of the Directors of Far Northern Resources Limited (the "Company"):

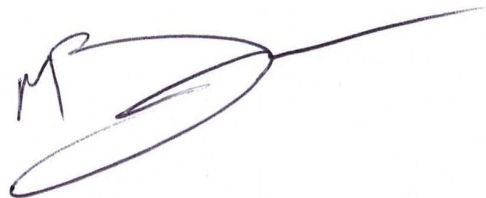
- (a) the accompanying financial statements and notes comply with the Corporations Act 2001 including:
 - (i) giving a true and fair view of the Company's financial position at 31 December 2025 and of its performance for the half-year then ended; and
 - (ii) complying with Australian Accounting Standards, the Corporations Regulations 2001, professional reporting requirements and other mandatory requirements.
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



Cameron Woodrow
Managing Director
Brisbane QLD

16 March 2026



Matthew Bashford
Director
Brisbane QLD

16 March 2026

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF FAR NORTHERN RESOURCES LIMITED AND CONTROLLED ENTITIES

Report on the Half-Year Financial Report as at 31 December 2025

Conclusion

We have reviewed the half-year financial report of Far Northern Resources 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, a summary of significant accounting policies 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 Far Northern Resources Limited does not comply with the Corporations Act 2001 including:

- (a) 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
- (b) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporation Regulations 2001.

Basis for Conclusion

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

Material Uncertainty Regarding Continuation as a Going Concern

Without modifying our opinion, we draw attention to Note 1 (c): Going Concern in the financial report, which states that, during the half-year to 31 December 2025, the consolidated entity incurred a loss of \$387,822 had net cash outflows from operating activities \$581,446. As at the balance date the consolidated statement of financial position indicates the Group held cash of \$1,931,841 and had net liabilities of \$62,986.

The above conditions indicate the existence of a material uncertainty that may cast significant doubt about 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 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.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE2410 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.



Alex Koutzoumis
Registered Company Auditor
Sydney, NSW

16 March 2026