



FINANCIAL REPORT

FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

ABN 86 641 565 139



CONTENTS

CORPORATE INFORMATION	3
DIRECTORS' REPORT	4
AUDITOR'S INDEPENDENCE DECLARATION	6
CONDENSED STATEMENT OF PROFIT & LOSS AND OTHER COMPREHENSIVE INCOME	7
CONDENSED STATEMENT OF FINANCIAL POSITION	8
CONDENSED STATEMENT OF CHANGES IN EQUITY	9
CONDENSED STATEMENT OF CASHFLOWS	10
NOTES TO THE CONDENSED FINANCIAL STATEMENTS	11
DIRECTORS' DECLARATION	15
INDEPENDENT AUDITOR'S REVIEW REPORT	16

CORPORATE INFORMATION

Barkly Rare Earths Limited (formerly Transition Minerals Ltd)

ABN 86 641 565 139

Directors

Gavin Lockyer (Executive Chair)

Craig Wright (Managing Director)

Gavin Beer (Non-executive Director)

Rene Sterk (Non-executive Director)

Company Secretary

Matt Shackleton

Registered Office and Principal Place of Business

13 Rheola Street, WEST PERTH WA 6005

E-mail: admin@barklyrareearths.com

Website: www.barklyrareearths.com

Telephone: +61 8 9467 1444

Solicitors

Steinepreis Paganin

Level 44, QV1 Building 250 St Georges Terrace, PERTH WA 6000

Share Registry

Automic Registry Services

Level 2, 267 St Georges Terrace, PERTH WA 6000

Auditors

Elderton Audit Pty Ltd

Level 28, 140 St Georges Terrace, PERTH WA 6000

Stock Exchange Listing

The following securities are quoted on the Australian Securities Exchange:

Barkly Rare Earths Limited fully paid ordinary shares (ASX code BAK)

Barkly Rare Earths Limited options (ASX code BAKO)

DIRECTORS' REPORT

Directors

The names of directors who held office during or since the end of the half-year, to the date of this report, are:

- Gavin Lockyer
- Craig Wright
- Gavin Beer (appointed 28 January 2026)
- Rene Sterk

Unless otherwise noted, all directors held office for the entire reporting period.

Principal activities

Barkly Rare Earths (**ASX:BAK**) (**Barkly** or the **Company**) is focussed on the exploration for minerals in the Northern Territory of Australia.

Significant changes in the state of affairs

At a general meeting of shareholders held on 7 November 2025, a resolution was passed to change the name of the Company from Transition Minerals Ltd to Barkly Rare Earths Limited.

During the period, on 1 December 2025, the Company issued a prospectus for an initial public offering of securities. The Company subsequently issued a supplementary prospectus after period end (8 January 2026).

Following the closure of the offer contained in the prospectus, the Company's securities were admitted to the list of the Australian Securities Exchange, and commenced trading on 30 January 2026.

Review of operations

Barkly Project (100% owned)

During the period, the Company initiated an orientation study to determine parameters to be used for field-based XRF analysis of samples for rare earth elements, and undertook detailed exploration planning and budgeting for the upcoming drilling programs.

Buntine Project (100% owned)

During the period, the Company focussed its attention on the preliminary exploration and targeting activities at the Barkly Project, and the preparation and lodgement of the Initial Public Offering prospectus. Accordingly, there was no work conducted at the Buntine Project.

Financial position

The Company made a loss for the half year to 31 December 2025 of \$918,231 (31 December 2024: \$62,585). Cash reserves at 31 December 2025 were \$83,806 (30 June 2025: \$42,967).

Events subsequent to reporting date

On 28 January 2026 the Company's securities were admitted to the Official List of the Australian Securities Exchange. Official quotation of the Company's securities commenced on 30 January 2026.

Likely developments and expected results of operations

Information on likely developments in the operations of the Company and the expected results of operations have not been included in this report because the directors believe that it would likely result in unreasonable prejudice to the Company.

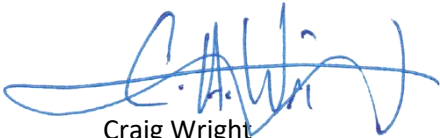
Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 (Cth) forms part of the Directors' Report and is included on page 6.

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

DIRECTORS' REPORT

On behalf of the directors:



Craig Wright

Managing Director

Perth, 12 March 2026

Auditor's Independence Declaration

To those charged with governance of Barkly Rare Earths Limited (formerly Transition Minerals Limited);

As auditor for the audit of Barkly Rare Earths Limited (formerly Transition Minerals Limited) for the period ended 31 December 2025, I declare that, to the best of my knowledge and belief, there have been:

- i) no contraventions of the independence requirements of the *Corporations Act 2001* in relation to the audit; and
- ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Elderton Audit Pty Ltd.

Elderton Audit Pty Ltd



Sajjad Cheema
Director

12 March 2026

Perth

CONDENSED STATEMENT OF PROFIT & LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	6 months ended	
		31-Dec-25	31-Dec-24
		\$	\$
Other income		85,000	186,352
Administration expenses	4	(714,191)	(56,433)
Exploration expenses	5	(268,269)	(190,058)
OPERATING LOSS		(897,460)	(60,139)
FINANCE COSTS			
Finance income		0	0
Finance expenses		(20,770)	(2,445)
NET FINANCE INCOME/COSTS		(20,770)	(2,445)
LOSS BEFORE INCOME TAX		(918,231)	(62,585)
Income tax benefit/(expense)		0	0
LOSS FOR THE PERIOD		(918,231)	(62,585)
Other comprehensive income		0	0
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD			
ATTRIBUTABLE TO THE OWNERS OF BARKLY		(918,231)	(62,585)
RARE EARTHS LIMITED			

The above Condensed Statement of Profit and Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONDENSED STATEMENT OF FINANCIAL POSITION

	Notes	31-Dec-25 \$	30-Jun-25 \$
CURRENT ASSETS			
Cash and cash equivalents		83,806	42,967
Trade and other receivables			59,342
Deposits and prepayments		321,634	0
TOTAL CURRENT ASSETS		405,440	102,309
NON-CURRENT ASSETS			
Exploration asset		0	6,801
Property, plant & equipment		0	915
TOTAL NON-CURRENT ASSETS		0	7,716
TOTAL ASSETS		405,440	110,025
CURRENT LIABILITIES			
Trade and other payables	6	180,856	0
Other accruals		41,813	41,812
Loans payable	7	163,818	52,708
GST payable		(76,216)	2,180
TOTAL CURRENT LIABILITIES		310,270	96,700
NON-CURRENT LIABILITIES			
		0	0
TOTAL NON-CURRENT LIABILITIES		0	0
TOTAL LIABILITIES		310,270	96,700
NET ASSETS		95,170	13,325
EQUITY			
Contributed equity	8	3,968,170	2,968,094
Accumulated losses		(3,873,000)	(2,954,769)
TOTAL EQUITY		95,170	13,325

The above Condensed Statement of Financial Position should be read in conjunction with the accompanying notes.

CONDENSED STATEMENT OF CHANGES IN EQUITY

	Issued capital	Accumulated losses	Total equity
	\$	\$	\$
BLANCE AT 1 JULY 2024	2,862,094	(2,822,388)	39,706
Loss for the period	0	(62,585)	(62,585)
TOTAL COMPREHENSIVE LOSS	2,862,094	(2,884,973)	(22,879)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS			
Share capital issued	111,695	0	111,695
BALANCE AT 31 DECEMBER 2024	2,973,789	(2,884,973)	88,816
BLANCE AT 1 JULY 2025	2,968,094	(2,954,769)	13,325
Loss for the period	0	(918,231)	(918,231)
TOTAL COMPREHENSIVE LOSS	2,968,094	(3,873,000)	(904,906)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS			
Share capital issued in the period	1,000,076	0	1,000,076
BALANCE AT 31 DECEMBER 2025	3,968,170	(3,873,000)	95,170

The above Condensed Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONDENSED STATEMENT OF CASHFLOWS

	6 months ended	
	31-Dec-25	31-Dec-24
Notes	\$	\$
CASHFLOWS FROM OPERATING ACTIVITIES		
Net loss for the period	(918,231)	(62,585)
Depreciation, amortisation and impairment	7,716	345
Decrease/(Increase) in other current assets	(262,294)	83,650
Increase/(Decrease) in trade and other payables	213,570	(118,177)
NET CASH FROM OPERATING ACTIVITIES	(959,238)	(96,767)
CASH FLOWS FROM INVESTING ACTIVITIES		
Property, plant and equipment	0	0
NET CASH FLOWS FROM INVESTING ACTIVITIES	0	0
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	1,000,077	111,695
Short term borrowings	0	0
NET CASH FLOWS FROM FINANCING ACTIVITIES	1,000,077	111,695
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	40,839	14,928
Cash and cash equivalents at beginning of period	42,967	56,408
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	83,806	71,336

The above Condensed Statement of Cashflows should be read in conjunction with the accompanying notes.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

1. Corporate Information

Barkly Rare Earths Limited (formerly Transition Minerals Ltd) is a company limited by shares, domiciled and incorporated in Australia. This consolidated interim financial report (Interim Financial Report) as at and for the six (6) months ended 31 December 2025 comprises the Company only and there are no subsidiaries of the Company.

The Company is primarily involved in the exploration for and exploitation of mineral deposits in the Northern Territory of Australia.

The annual financial report of the Company as at and for the year ended 30 June 2025 is available upon request from the Company's registered office at 13 Rheola Street, West Perth 6005 Western Australia and the Company's website at www.barklyrareearths.com.

2. Material Accounting Policy Information

a. Basis of Preparation

This Interim Financial Report contains general purpose financial statements prepared in accordance with Australian Accounting Standard *AASB 134 Interim Financial Reporting* and the *Corporations Act 2001* (Cth), and with International Accounting Standard *IAS 34 Interim Financial Reporting*. All amounts are presented in Australian dollars.

This Interim Financial Report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2025 and any public announcements made by Barkly Rare Earths Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* (Cth).

The accounting policies and methods of computation adopted in the preparation of the Interim Financial Report are consistent with those adopted and disclosed in the Company's annual financial report for the year ended 30 June 2025. The accounting policies are consistent with Australian Accounting Standards adopted by the Australian Accounting Standards Board (**AASB**) and with the International Financial Reporting Standards.

The Interim Financial Report was authorised for issue by the directors on 11 March 2026.

b. Going concern basis

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

The Company incurred a loss for the period of \$918,231 (2024: \$62,585), operating cash outflows of \$959,236 (2024: \$96,767) and net cash inflows of \$40,839 (2024: inflow \$14,928). The Company is in a current net asset position of \$95,170 and has a net surplus in equity of \$95,170 as at 31 December 2025. These conditions indicate a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (continued)

Based on the status of the Company's financial position and cash flow forecasts, the directors are satisfied that the going concern basis of preparation for this Interim Financial Report is appropriate.

However, the ability of the Company to continue as a going concern is reliant on the Company being able to secure funds from equity financings. Should any of the uncertainties inherent in equity markets materialise the Company may be unable to continue as a going concern and it may be required to realise its assets and extinguish 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 further adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Company be unable to continue as a going concern and meet its debts as and when they fall due.

c. Adoption of new and revised Accounting Standards

The Company has adopted all new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for an accounting period that begins on or after 1 July 2025.

d. Standard and Interpretations not yet adopted

The Company has reviewed the new and revised Standards and Interpretations on issue not yet adopted for the half year ended 31 December 2025. As a result of this review the Company has determined that there is no material impact of the Standards and Interpretations on issue not yet adopted on the Company and, therefore, no change is necessary to Group accounting policies.

e. Critical accounting judgement, estimate and assumptions

The Interim Financial Report requires management to make judgments, estimates and assumptions that affect the application of accounting policies. Actual results may differ to these.

The critical accounting judgements, estimates and assumptions adopted in the preparation of the Interim Financial Report are consistent with those adopted and disclosed in the Company's annual financial report for the year ended 30 June 2025.

3. Segment information

For management purposes, the Company has identified only one reportable segment being exploration activities undertaken in Australia. This segment includes activities associated with the determination and assessment of the existence of commercial economic reserves from the Company's mineral assets in this geographic location.

Segment performance is evaluated based on the operating profit and loss and cash flows and is measured in accordance with the Company's accounting policies.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (continued)

4. Administration expense

	6 months ended	
	31-Dec-25	31-Dec-24
	\$	\$
Accounting and compliance	(48,104)	(29,516)
ASX Listing fees	(217,667)	0
Consultants	(301,930)	0
Depreciation and amortisation	(318)	(345)
Employee benefits expense	0	(12,771)
Insurance	(3,249)	(4,121)
Legal fees	(45,168)	(1,943)
Office costs	(716)	0
Travel costs	0	0
Other	(97,039)	(7,737)
	(714,191)	(56,433)

5. Exploration expense

	6 months ended	
	31-Dec-25	31-Dec-24
	\$	\$
Tenement administration	(112,460)	(118,645)
Geological activities & prospecting	(6,400)	(15,873)
Office studies	0	(960)
Overheads	(128,398)	(3,634)
Other	(14,132)	(12,071)
Preliminary exploration	(6,880)	0
Salaries & wages	0	(38,876)
	(268,269)	(190,058)

During the period the Company the Company's personnel were focussed on the initial public offering process and accordingly material exploration activities were limited to desktop studies and exploration planning.

6. Trade and other payables

	At	
	31-Dec-25	30-Jun-25
	\$	\$
Trade and other payables	180,856	35,254
Payroll liabilities	0	2,651
	180,856	37,905

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (continued)

7. Loans payables

	At	
	31-Dec-25	30-Jun-25
	\$	\$
RSC Global Pty Ltd	52,708	52,708
Craig Wright	111,110	0
	163,818	52,708

On 30 January 2026 the loan payable to RSC Global Pty Ltd was repaid in full in the amount of \$52,708.

On 11 March 2026, the loan payable to Craig Wright was repaid in full in the amount of \$117,263.

8. Contributed equity

	31-Dec-25		30-Jun-25	
	No. of securities	\$	No. of securities	\$
Share capital				
Ordinary fully paid shares	41,250,000	3,968,170	142,066,274	2,968,094
Total issued share capital	41,250,000	3,968,170	142,066,274	2,968,094
Movements in share capital				
Balance at 1 July	142,066,274	2,968,094	141,006,274	2,862,094
Consolidation of issued capital	(114,763,746)	0	0	0
Shares issued during the year:				
Placement at \$0.10	0	0	1,060,000	106,000
Loyalty placement at \$0.0001	7,697,472	76	0	0
Placement at \$0.16	4,616,925	738,708	0	0
Conversion of loans at \$0.16	1,633,075	261,292	0	0
Total issued share capital	41,250,000	3,968,170	142,066,274	2,968,094
Options				
Options reserve	0	0	2,030,000	0
Total options reserve	0	0	2,030,000	0
Movements in issued options				
Balance at 1 July	2,030,000	0	2,030,000	0
Options cancelled during the period	(2,030,000)	0	0	0
Total issued options	0	0	2,030,000	0

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Barkly Rare Earths Limited, I state that:

In the opinion of the Directors:

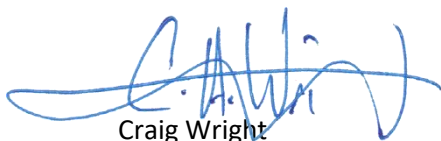
(a) the attached condensed financial statements and notes are in accordance with the Corporations Act 2001, including:

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

(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.

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

On behalf of the Directors



Craig Wright

Managing Director

Perth, 12 March 2026

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Barkly Rare Earths Limited (formerly Transition Minerals Limited)

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Barkly Rare Earths Limited (formerly Transition Minerals Limited) (the 'Company'), which comprises the condensed statement of financial position as at 31 December 2025, the condensed statement of profit or loss and other comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the Director's Declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Company does not comply with the *Corporations Act 2001* including:

- a) giving a true and fair view of the Company's financial position as at 31 December 2025 and of its financial 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 Company in accordance with 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 financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Material Uncertainty related to Going Concern

We draw attention to the note 2b of the financial report, which described that the ability of the company to continue as a going concern is dependent on raising equity finance. As a result, there is a material uncertainty related to events or conditions that may cast significant doubt on the Company'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.

Our opinion is not modified in respect of this matter.

Director's Responsibilities for the Half-Year Financial Report

The Directors of the Company are responsible for the preparation of the half-year financial report in accordance with the Australian Accounting Standards and the *Corporation 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 Responsibilities 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 Company'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.

Elderton Audit Pty Ltd.

Elderton Audit Pty Ltd



Sajjad Cheema

Director

12 March 2026

Perth