Austral Resources Australia Ltd
Appendix 4D
Half-year Report

1. Company details

Name of entity:	Austral Resources Australia Ltd
ABN:	50 142 485 470
Reporting period:	For the half-year ended 30 June 2026
Previous period:	For the half-year ended 30 June 2025

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2. Results for announcement to the market

				$'000
Revenues from continuing operations	up	100%	to	1,434
Profit from continuing operations for the half-year after tax attributable to the owners of Austral Resources Australia Ltd, from a loss of $4.196 million	up	684%	to	25,255
Profit for the half-year attributable to the owners of Austral Resources Australia Ltd, from a loss of $24.170 million	up	201%	to	25,255

Dividends
No dividends have been paid, recommended, or declared during the current financial period (2025: Nil).

Comments
The profit for the consolidated entity after providing for income tax amounted to $25,255,000 (30 June 2025: loss of $24,170,000).

Austral Resources Australia Ltd has achieved the following for the six months ended 30 June 2026:
- Revenue from continuing operations $1,434,000 (2025: $0);
- Revenue from discontinued operations $0 (2025: $44,922,000);
- Net operating cash outflows of $8,703,000 (2025: inflows $3,658,000);
- Cash and cash equivalents of $72,315,000 (31 December 2025: $797,000).

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3. Net tangible assets

	Reporting period $	Previous period $
Net tangible assets per ordinary security	0.05	(0.11)

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4. Control gained over entities

On 30 April 2026, Austral completed the acquisition of Noranda Pacific Pty Ltd.

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5. Loss of control over entities

No change during the period

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6. Details of associates and joint venture entities

No change during the period

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7. Audit qualification or review

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report.

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8. Attachments

The Interim Report of Austral Resources Australia Ltd for the half-year ended 30 June 2026 is attached.

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9. Signed

Signed ______________________________ Date: 28 August 2026

David Newling
Non-Executive Chairman
Brisbane

Austral Resources Australia Ltd

ABN 50 142 485 470

Interim Report - 30 June 2026

Austral Resources Australia Ltd
Directors' report
30 June 2026

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Austral Resources Australia Ltd (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 30 June 2026 (referred to hereafter as the 'period').

Directors
The following persons were directors of Austral Resources Australia Ltd during the whole of the financial period and up to the date of this report, unless otherwise stated:

David Newling
Daniel Jauncey
Michael Hansel
David Quinlivan
Neil Meadows
Sean Westbrook

Principal activities
During the period the principal continuing activities of the consolidated entity consisted of exploration, development and production activities of copper resources at the consolidated entity's mining tenements situated in Queensland, Australia.

Review of operations
The profit for the consolidated entity after providing for income tax amounted to $25,255,000 (30 June 2025: loss $24,170,000).

Austral Resources Australia Ltd has achieved the following for the six months ended 30 June 2026:
- Revenue from continuing operations $1,434,000 (2025: $0);
- Revenue from discontinued operations $0 (2025: $44,922,000);
- Net operating cash outflows of $8,703,000 (2025: inflows $3,658,000);
- Cash and cash equivalents of $72,315,000 (31 December 2025: $797,000).

Significant changes in the state of affairs

On 30 April 2026, the consolidated entity completed the acquisition of Noranda Pacific Pty Ltd. The acquisition has been consolidated into the consolidated entity's financial results from this date.

During the period, the company completed a $65.0 million equity placement through the issue of approximately 722.2 million new ordinary shares at $0.09 per share. The placement included a $15.0 million cornerstone investment from Queensland Investment Corporation (QIC).

The company also undertook a Share Purchase Plan at an issue price of $0.09 per share. Approximately 10.8 million shares were issued and $0.97 million was raised.

In addition to the capital raising, the company issued 63 million incentive shares to directors and employees following shareholder approval. The shares were issued on 2 April 2026 at $0.0825 per share.

There were no other significant changes in the state of affairs of the consolidated entity during the financial year.

Events after the reporting period

Termination of Anthill Project Agreement

On 27 July 2026, the consolidated entity executed documentation with Glencore and Secover to terminate its obligations under the Anthill Project Agreement ("APA"). The transaction settled for total consideration of approximately $51.98 million, comprising a cash payment of approximately $37.60 million, subject to agreed adjustments and offsets, and the issue of 159,830,504 fully paid ordinary shares at an issue price of $0.09 per share, valued at approximately $14.38 million.

Upon completion of the settlement, the APA participants provided a full and final release of the consolidated entity from current and future claims and released their related security interests. The termination provides the consolidated entity with full economic exposure to the remaining Anthill production and increased operational flexibility across its Western Operations.

Proposed acquisition of Hammer Metals Limited

On 3 August 2026, the consolidated entity submitted a binding proposal to acquire 100% of Hammer Metals Limited ("Hammer") by way of a scheme of arrangement. The proposal valued Hammer at approximately $80.7 million, based on consideration of 1.2903 Austral shares for each Hammer share, together with the proposed demerger of Hammer's Western Australian gold assets.

On 11 August 2026, Austral and Hammer subsequently entered into a binding Scheme Implementation Deed. Implementation of the scheme remains subject to customary conditions, including Hammer shareholder approval, Court approval and other conditions precedent.

In connection with the Scheme Implementation Deed, the consolidated entity agreed to provide Hammer with an unsecured working capital facility of up to $6 million. The facility may be used for general working capital and transaction-related purposes, including repayment of Hammer's existing Larvotto Resources loan and payment of the applicable break fee. The facility is available for a period of six months from execution of the Scheme Implementation Deed, subject to customary drawdown conditions. The first $2 million drawdown was paid to Hammer on 13 August 2026.

Rocklands SAG mill

The consolidated entity entered into an agreement to acquire a 4.75MW SAG mill for the Rocklands processing facility as part of the planned refurbishment and restart of the operation. Subsequent to reporting date, payment for the SAG mill was made and activities progressed toward transportation, delivery and installation at Rocklands as part of the revised processing circuit.

The SAG mill will replace the existing three-stage cone crushing circuit as part of a simplified SAG mill and pebble crusher configuration designed to support the planned 3 million tonne per annum processing capacity at Rocklands. The acquisition and subsequent mobilisation of the SAG mill represents a significant milestone in the Rocklands restart program.

QIC Queensland Critical Minerals Fund financing

On 7 August 2026, the consolidated entity secured a $15 million investment from the QIC Queensland Critical Minerals Fund ("QCMF") through a non-dilutive royalty financing arrangement to support the next phase of development planning at the Rocklands processing facility.

The funding will initially support a Stage 2 expansion scoping study assessing an increase in processing capacity from the existing 3.0Mtpa to approximately 4.5Mtpa–6.0Mtpa, together with associated infrastructure and alternative power studies.

Under the Royalty Deed, QCMF will receive a royalty on gross revenue from production through the Rocklands facility of 0.80% for the first 200,000 tonnes of contained copper produced, followed by 0.30% for the subsequent 200,000 tonnes, after which the royalty ceases. The arrangement is supported by security over the relevant project tenements and customary guarantees from the consolidated entity.

No other matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Rounding of amounts
The company is of a kind referred to in Corporations Instrument 2026/183, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

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

Austral Resources Australia Ltd
Directors' report
30 June 2026

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

David Newling
Non-Executive Chairman

28 August 2026
Brisbane

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Austral Resources Australia Ltd for the half year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

(ii) any applicable code of professional conduct in relation to the review.

RSM AUSTRALIA PARTNERS

R J MORILLO MALDONADO
Partner

Dated: 28 August 2026
Melbourne, Victoria

Austral Resources Australia Ltd
Contents
30 June 2026

General information

The financial statements cover Austral Resources Australia Ltd as a consolidated entity consisting of Austral Resources Australia Ltd and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Austral Resources Australia Ltd's functional and presentation currency.

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

Registered office

RACQ House
Level 9, 60 Edward Street
Brisbane City QLD 4000

Western operations

Anthill Mine Site and Mt Kelly Processing Area
McNamara Road (off Barkly Highway)
Mount Isa QLD 4825

Eastern operations

Rocklands Operations
Corella Park Road
Cloncurry QLD 4824

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 28 August 2026.

Austral Resources Australia Ltd
Statement of profit or loss and other comprehensive income
For the half-year ended 30 June 2026

	Note	Consolidated 30 Jun 2026 $'000	30 Jun 2025 $'000
Revenue			
Management Fee		1,434	-
Other income	3	1,496	939
Gain on acquisition	20	41,007	-
Expenses			
Care and maintenance		(3,090)	-
Administration expenses		(1,783)	(1,139)
Depreciation and amortisation expense		(1,534)	(641)
Share based payments	17	(5,232)	1,003
Exploration and Resource Development		(1,181)	-
Environment Management		(1,309)	-
Finance expense	4	(2,485)	(901)
Other operating expenses		(4,465)	(2,675)
Impairment		(136)	-
Net foreign exchange gain/(loss)		2,533	(782)
Profit / (loss) before income tax expense from continuing operations		25,255	(4,196)
Income tax expense		-	-
Profit / (loss) after income tax expense for the half-year from continuing operations		25,255	(4,196)
Profit / (loss) after income tax expense for the half-year from discontinued operations	19	-	(19,974)
Profit / (loss) after income tax expense for the half-year		25,255	(24,170)
Other comprehensive income			
Other comprehensive income for the half-year, net of tax		-	-
Total comprehensive profit / (loss) for the half-year attributable to the owners of Austral Resources Australia Ltd		25,255	(24,170)
		$	**$**
Earnings / (loss) per share from continuing operations			
Basic earnings / (loss) per share	16	0.01	(0.01)
Diluted earnings / (loss) per share	16	0.01	(0.01)
Earnings / (loss) per share from discontinued operations			
Basic earnings / (loss) per share	16	-	(0.04)
Diluted earnings / (loss) per share	16	-	(0.04)
Earnings / (loss) per share attributable to the owners of Austral Resources Australia Ltd			
Basic earnings / (loss) per share	16	0.01	(0.05)
Diluted earnings / (loss) per share	16	0.01	(0.05)

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

Austral Resources Australia Ltd
Statement of financial position
As at 30 June 2026

	Note	Consolidated 30 Jun 2026 $'000	Consolidated 31 Dec 2025 $'000
Assets			
Current assets			
Cash and cash equivalents	5	72,315	19,304
Trade and other receivables	6	7,501	6,230
Prepayments		4,018	1,236
Inventories		2,363	2,181
Other assets		561	578
Total current assets		86,758	29,529
Non-current assets			
Property, plant and equipment	8	48,302	30,445
Right-of-use assets		20	67
Exploration and evaluation assets		2,645	1,975
Financial assets	7	67,875	52,447
Total non-current assets		118,842	84,934
Total assets		205,600	114,463
Liabilities			
Current liabilities			
Trade and other payables		7,465	1,942
Borrowings	10	-	10,160
Employee benefits		1,066	1,336
Lease liabilities		21	68
Total current liabilities		8,552	13,506
Non-current liabilities			
Employee benefits		91	60
Provisions	11	68,766	52,094
Borrowings		-	12,492
Total non-current liabilities		68,857	64,646
Total liabilities		77,409	78,152
Net assets		128,191	36,311
Equity			
Issued capital	12	194,823	128,200
Reserves	13	322	320
Accumulated losses		(66,954)	(92,209)
Total equity		128,191	36,311

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

Austral Resources Australia Ltd
Statement of changes in equity
For the half-year ended 30 June 2026

Consolidated	**Issued capital $'000**	**Reserves $'000**	**Accumulated losses $'000**	**Total equity $'000**
Balance at 1 January 2025	71,546	1,923	(104,687)	(31,218)
Loss after income tax expense for the half-year	-	-	(24,170)	(24,170)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive loss for the half-year	-	-	(24,170)	(24,170)
Transactions with owners in their capacity as owners:				
Share-based payments (note 17)	-	(1,003)	-	(1,003)
Exercise of rights	600	(600)	-	-
Balance at 30 June 2025	72,146	320	(128,857)	(56,391)

Consolidated	**Issued capital $'000**	**Reserves $'000**	**Accumulated losses $'000**	**Total equity $'000**
Balance at 1 January 2026	128,200	320	(92,209)	36,311
Profit after income tax expense for the half-year	-	-	25,255	25,255
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	25,255	25,255
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs	61,393	-	-	61,393
Exercise of rights	32	-	-	32
Share-based payments (note 17)	5,198	2	-	5,200
Balance at 30 June 2026	194,823	322	(66,954)	128,191

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

Austral Resources Australia Ltd
Statement of cash flows
For the half-year ended 30 June 2026

	Note	Consolidated 30 Jun 2026 $'000	Consolidated 30 Jun 2025 $'000
Cash flows from operating activities			
Receipts from customers		8	44,771
Payments to suppliers and employees (inclusive of GST)		(9,504)	(43,848)
		(9,496)	923
Interest received		1,945	653
Other revenue		-	2,177
Interest and other finance costs paid		(1,152)	(95)
Net cash (used in) / from operating activities		(8,703)	3,658
Cash flows from investing activities			
Payments for entities		41,007	-
Payments for tenements		(1,606)	-
Payments for property, plant and equipment		(7,201)	(683)
Payments for exploration and evaluation assets		(670)	(166)
Payments for stripping activities		(10,685)	-
Net cash from / (used in) investing activities		20,845	(849)
Cash flows from financing activities			
Proceeds from issues of equity securities		62,977	-
Transaction costs related to issues of equity securities		(1,584)	-
Repayment of borrowings		(20,824)	(1,267)
Repayment of lease liabilities		(46)	(835)
Transaction costs related to loans and borrowings		-	-
Net cash used in financing activities		40,523	(2,102)
Net increase/(decrease) in cash and cash equivalents		52,665	707
Cash and cash equivalents at the beginning of the financial half-year		19,304	79
Effects of exchange rate changes on cash and cash equivalents		346	11
Cash and cash equivalents at the end of the financial half-year	5	72,315	797

The above comparative statement of cash flows includes cash flows from discontinued operations. See Note 19

Note 1. Material accounting policies

These general purpose financial statements for the interim half-year reporting period ended 30 June 2026 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'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 31 December 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 interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

Discontinued operations

A discontinued operation is a component of the consolidated entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations or is part of a single co-ordinated plan to dispose of such a line of business or area of operations. The results of discontinued operations are presented separately on the face of the statement of profit or loss and other comprehensive income.

Disposal groups classified as held for sale

Assets of disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For assets of disposal groups to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write down of the assets of disposal groups to fair value less costs of disposal. A gain is recognised for any subsequent increases in fair value less costs of disposal of assets of disposal groups, but not in excess of any cumulative impairment loss previously recognised.

Assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognised.

Assets of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current assets. The liabilities of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current liabilities.

Note 2. Operating segments

Identification of reportable operating segments
The consolidated entity is organised into one operating segment, being mining and exploration operations. This operating segment is based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

The CODM reviews EBITDA (earnings before interest, tax, depreciation and amortisation). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.

Types of products and services
The principal products and services of this operating segment are mining and exploration operations in Australia.

Note 2. Operating segments (continued)

Major customers
During the half-year ended 30 June 2026 approximately $0 million (30 June 2025: $44.9 million) of the consolidated entity's external revenue was derived from sales to a major Australian copper exporter. These sales are presented within discontinued operations (refer to Note 19).

All revenue transactions are in Australia.

Note 3. Other income

	Consolidated	
	30 Jun 2026 $'000	30 Jun 2025 $'000
Insurance recoveries	-	156
Interest income	1,449	783
Other	47	-
	1,496	939

Note 4. Finance expenses

	Consolidated	
	30 Jun 2026 $'000	30 Jun 2025 $'000
Interest on leases	1	105
Interest on borrowings	916	-
Interest on unwinding rehabilitation provision	1,566	796
	2,485	901

Note 5. Current assets - Cash and cash equivalents

	Consolidated	
	30 Jun 2026 $'000	31 Dec 2025 $'000
Cash on hand	4	1
Cash at bank	72,311	19,303
	72,315	19,304

Note 6. Current assets - Trade and other receivables

	Consolidated	
	30 Jun 2026 $'000	31 Dec 2025 $'000
Trade receivables	7,168	6,029
Less: Allowance for expected credit losses	(136)	(295)
GST receivable	469	496
	7,501	6,230

Note 7. Non-current assets – Other financial assets

	Consolidated	
	30 Jun 2026 $'000	31 Dec 2025 $'000
Term deposits as security for bank guarantees (i)	67,772	49,113
Security deposits for Queensland Mines Department	103	3,334
	67,875	52,447

(i) Security deposits held with ANZ, NAB and Queensland Treasury to satisfy the financial assurance requirements with the Queensland Government's Department of Environment and Science for Environmental Authorities EPML00753513, EPML00887913 and EPML00982013.

Note 8. Non-current assets - Property, plant and equipment

	Consolidated	
	30 Jun 2026 $'000	31 Dec 2025 $'000
Land and buildings – at cost	6,984	6,984
Less: Accumulated depreciation	(6,984)	(6,984)
	-	-
Plant and equipment - at cost	73,343	67,502
Less: Accumulated depreciation	(38,773)	(37,385)
	34,570	30,117
Office Equipment, furniture and fittings - at cost	2,214	2,120
Less: Accumulated depreciation	(2,096)	(1,841)
	118	279
Capital works in progress - at cost	1,330	49
Mine development – at cost	1,606	28,503
Less: Accumulated amortisation	-	(28,503)
	1,606	-
Stripping activity asset – at cost	10,688	-
Less: Accumulated amortisation	(10)	-
	10,678	-
	48,302	30,445

Note 8. Non-current assets - Property, plant and equipment (continued)

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

Consolidated	Capital works In progress $'000	Land and buildings $'000	Office equipment, furniture and fittings $'000	Mobile equipment $'000	Mine development $'000	Stripping activity asset $'000	Total $'000
Balance at 1 January 2026	49	-	278	30,117	-	-	30,445
Additions/Transfers	1,281	-	9	5,818	1,606	10,678	19,392
Depreciation and amortisation expense[1]	-	-	(169)	(1,365)	-	-	(1,534)
Balance at 30 June 2026	1,330	-	118	34,570	1,606	10,678	48,302

[1] Depreciation and amortisation of mine development and stripping activity asset is initially capitalised as part of inventory and subsequently recognised as cost of goods sold when the inventory is sold.

Note 9. Capital Commitments

Capital expenditure committed for at the reporting date but not recognised as liabilities is as follows:

	Consolidated 30 Jun 2026 $'000	Consolidated 31 Dec 2025 $'000
Property, plant and equipment	4,500	-
	4,500	-

The consolidated entity's capital commitments primarily relate to contracted expenditure associated with the development, refurbishment and recommissioning of its mining and processing operations.

Note 10. Current liabilities - Borrowings

	Consolidated 30 Jun 2026 $'000	Consolidated 31 Dec 2025 $'000
Glencore Prepayment Facility (Rocklands)	-	10,160
	-	10,160

Glencore Prepayment Facility (Rocklands)

On 8 October 2025, the company entered into a facility agreement with Glencore Australia Holdings Pty Ltd to fund the purchase of the Rocklands Operations in Cloncurry. The facility was interest bearing with an interest rate of the applicable Term SOFR rate plus 9% margin payable monthly in arrears for a period of 24 months from the date of initial drawdown. The initial drawdown of USD $15 million was made on the 27 October 2025. Principal repayments commence 6 months after the draw down date. This facility was repaid on 7 May 2026.

Note 11. Non-current liabilities - Provisions

	Consolidated	
	30 Jun 2026 $'000	**31 Dec 2025 $'000**
Mine rehabilitation and closure	68,766	52,094

Environmental
The rehabilitation provision represents the present value of rehabilitation costs relating to mine sites, which are expected to be incurred over the life of the estimated life of mine, which is when the producing mine properties are expected to cease operations. Assumptions based on the current economic environment have been made, which management believes are a reasonable basis upon which to estimate the future liability. These estimates are reviewed regularly to take into account any material changes to the assumptions. However, actual rehabilitation costs will ultimately depend upon future market prices for the necessary rehabilitation works required that will reflect market conditions at the relevant time.

Movements in provisions
Movements in each class of provision during the current financial year, other than employee benefits, are set out below:

	Rehabilitation $'000
Carrying amount at 1 January 2026	52,094
Addition due to Noranda Pacific Pty Ltd acquisition	15,103
Amounts transferred to current	-
Interest on unwinding rehabilitation provision	1,569
Carrying amount at 30 June 2026	68,766

Note 12. Equity - Issued capital

	Consolidated			
	30 Jun 2026 Shares	**31 Dec 2025 Shares**	**30 Jun 2026 $'000**	**31 Dec 2025 $'000**
Ordinary shares - fully paid	2,495,026,076	1,698,808,647	194,823	128,200

Movements in ordinary share capital

Details	**Date**	**Shares**	**Issue price**	**$'000**
Balance	1 January 2026	1,698,808,647		128,200
Issue of shares - Tranche 1	26 February 2026	424,702,100	0.0900	38,223
Employee incentive shares	31 March 2026	63,000,000	0.0825	5,198
Exercise of Performance Rights	2 April 2026	195,230	0.1650	32
Issue of shares - Tranche 2	2 April 2026	130,853,456	0.0900	11,777
Issue of shares - QIC	2 April 2026	166,666,667	0.0900	15,000
Share Purchase Plan	2 April 2026	10,799,976	0.0900	972
Cost of Share issue		-		(4,579)
Balance	30 June 2026	2,495,026,076		194,823

Note 13. Equity - Reserves

	Consolidated	
	30 Jun 2026 $'000	**31 Dec 2025 $'000**
Share-based payments reserve	322	320

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

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

Consolidated	Share-based payments reserve $'000
Balance at 1 January 2026	320
Share-based payments expensed during the year	2
Balance at 30 June 2026	322

Note 14. Contingent liabilities

The consolidated entity has given performance guarantees as at 30 June 2026 of $67,772,008 (31 December 2025: $52,340,791) to satisfy the Queensland Department of Environment, Tourism, Science and Innovation (DETSI) financial requirement for the consolidated entity's Environmental Authorities EPML00753513, EPML00887913 and EPML00982013.

Note 15. Events after the reporting period

Termination of Anthill Project Agreement

On 27 July 2026, the consolidated entity executed documentation with Glencore and Secover to terminate its obligations under the Anthill Project Agreement ("APA"). The transaction settled for total consideration of approximately $51.98 million, comprising a cash payment of approximately $37.60 million, subject to agreed adjustments and offsets, and the issue of 159,830,504 fully paid ordinary shares at an issue price of $0.09 per share, valued at approximately $14.38 million.

Upon completion of the settlement, the APA participants provided a full and final release of the consolidated entity from current and future claims and released their related security interests. The termination provides the consolidated entity with full economic exposure to the remaining Anthill production and increased operational flexibility across its Western Operations.

Note 15. Events after the reporting period (continued)

Proposed acquisition of Hammer Metals Limited

On 3 August 2026, the consolidated entity submitted a binding proposal to acquire 100% of Hammer Metals Limited ("Hammer") by way of a scheme of arrangement. The proposal valued Hammer at approximately $80.7 million, based on consideration of 1.2903 Austral shares for each Hammer share, together with the proposed demerger of Hammer's Western Australian gold assets.

On 11 August 2026, Austral and Hammer subsequently entered into a binding Scheme Implementation Deed. Implementation of the scheme remains subject to customary conditions, including Hammer shareholder approval, Court approval and other conditions precedent.

In connection with the Scheme Implementation Deed, the consolidated entity agreed to provide Hammer with an unsecured working capital facility of up to $6 million. The facility may be used for general working capital and transaction-related purposes, including repayment of Hammer's existing Larvotto Resources loan and payment of the applicable break fee. The facility is available for a period of six months from execution of the Scheme Implementation Deed, subject to customary drawdown conditions. The first $2 million drawdown was paid to Hammer on 13 August 2026.

Rocklands SAG mill

The consolidated entity entered into an agreement to acquire 4.75MW SAG mill for the Rocklands processing facility as part of the planned refurbishment and restart of the operation. Subsequent to reporting date, payment for the SAG mill was made and activities progressed toward transportation, delivery and installation at Rocklands as part of the revised processing circuit.

The SAG mill will replace the existing three-stage cone crushing circuit as part of a simplified SAG mill and pebble crusher configuration designed to support the planned 3 million tonne per annum processing capacity at Rocklands. The acquisition and subsequent mobilisation of the SAG mill represents a significant milestone in the Rocklands restart program.

QIC Queensland Critical Minerals Fund financing

On 7 August 2026, the consolidated entity secured a $15 million investment from the QIC Queensland Critical Minerals Fund ("QCMF") through a non-dilutive royalty financing arrangement to support the next phase of development planning at the Rocklands processing facility.

The funding will initially support a Stage 2 expansion scoping study assessing an increase in processing capacity from the existing 3.0Mtpa to approximately 4.5Mtpa–6.0Mtpa, together with associated infrastructure and alternative power studies.

Under the Royalty Deed, QCMF will receive a royalty on gross revenue from production through the Rocklands facility of 0.80% for the first 200,000 tonnes of contained copper produced, followed by 0.30% for the subsequent 200,000 tonnes, after which the royalty ceases. The arrangement is supported by security over the relevant project tenements and customary guarantees from the consolidated entity.

No other matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 16. Earnings per share

	Consolidated	
	30 Jun 2026 $'000	**30 Jun 2025 $'000**
Earnings per share for profit from continuing operations		
Profit / (loss) after income tax	25,255	(4,196)
Profit after income tax attributable to the owners of Austral Resources Australia Ltd	25,255	(4,196)

Note 16. Earnings per share (continued)

	$	$
Basic earnings / (loss) per share	0.01	(0.01)
Diluted earnings / (loss) per share	0.01	(0.01)

	Consolidated	
	30 Jun 2026 $'000	**30 Jun 2025 $'000**
Earnings per share for profit from discontinued operations		
Profit / (loss) after income tax	-	(19,974)
Profit after income tax attributable to the owners of Austral Resources Australia Ltd	-	(19,974)

	$	$
Basic loss per share	-	(0.04)
Diluted loss per share	-	(0.04)

	Consolidated	
	30 Jun 2026 $'000	**30 Jun 2025 $'000**
Earnings per share for profit		
Profit / (loss) after income tax	25,255	(24,170)
Profit after income tax attributable to the owners of Austral Resources Australia Ltd	25,255	(24,170)

	$	$
Basic earnings / (loss) per share	0.01	(0.05)
Diluted earnings / (loss) per share	0.01	(0.05)

	Number	Number
Weighted average number of ordinary shares		
Weighted average number of ordinary shares used in calculating basic earnings per share	2,177,538,714	527,184,847
Adjustments for calculation of diluted earnings per share:		
Performance rights	2,418,596	21,433,032
Weighted average number of ordinary shares used in calculating diluted earnings per share	2,179,957,310	548,617,879

Note 17. Share-based payments

Bonus Issue

On 31 March 2026, the Company issued 63,000,000 Securities under the Plan since the Plan was approved by Directors to employees.

The purpose of the issue of shares to non-related Eligible Employees of the Company was to incentivise and bind those employees to the future performance and success of the Company and in turn to reward a number of those employees who maintained their employment with the Company during its suspension from ASX Official List to its reinstatement in late 2025.

Eligible Employees employed by Company at 31 December 2025 and continuing to be employed at the time of Shareholder approval were issued Shares as remuneration as determined by the Board. There were no additional conditions or terms associated with the proposed issue of Shares.

Of the total shares issued, 32,000,000 shares were issued to Directors (or nominee/s), being David Newling (20,000,000 shares), Michael Hansel (8,000,000 shares) and Daniel Jauncey (4,000,000 shares).

The bonus offer was provided to eligible employees on 16 March 2026 and approved by shareholders at the EGM on 27 March 2026. The shares on exercise of performance rights were issued on 2 April 2026 at the price on that date $0.0825.

Directors and key management personnel

On 17 October 2022, 4,302,326 performance rights were issued to key management personnel under the Performance Share Plan. Where an employee leaves during the vesting period and the KPI's are not met within three months of the employees termination date the performance rights will be forfeited. In the scenario where the KPI's were met then the employee is eligible to elect to exercise the rights through to the expiry date. These performance rights were re-issued following the cancellation of the existing HSSEQ performance rights after the Directors identified the HSSEQ KPI should be better defined.

On 20 May 2026, shareholders approved the grant of 10,000,000 Performance Rights to Non-Executive Chairman David Newling under the Company's employee incentive plan. The Performance Rights vest upon the Company's ordinary shares trading above $0.20 per share for five consecutive trading days on which the shares have traded. The Performance Rights have a vesting and expiry date of 31 December 2030 and are exercisable for nil consideration.

Total expense arising from share-base payments transactions is $5,232,000 (2025 revenue of: $1,003,000) for the half-year ended 30 June 2026.

The movements in the current year of the number of Performance Rights issued to Key Management Personnel (KMP) are as follows:

KPI		Balance at 1 January 2026	Granted as part of remuneration	Number of Rights Exercised	Number of Rights Lapsed / Cancelled	Balance at 30 June 2026
HSSEQ2	HSSEQ and Indigenous Affairs – FY 2024	195,230	-	(195,230)	-	-
Share Price	Shares trading above $0.20 per share for five consecutive trading days	-	10,000,000	-	-	10,000,000
	Total	195,230	10,000,000	(195,230)	-	10,000,000

Note 17. Share-based payments (continued)

The table below provides an overview of the Key Performance Indicators:

No.	KPI	Overview
KPI	Share price target of $0.20	This KPI will be considered satisfied where the volume weighted price average of the Company's Shares trades at or above $0.20 for 5 consecutive Trading Days (as that term is defined in the Listing Rules).

The fair value of performance rights granted is estimated at the date of grant.

The following table lists the inputs to the models used for the valuation of the performance rights issued to key management personnel:

	Performance rights under KPI
Expected volatility (%)	91.33%
Risk-free interest rate (%)	4.741%
Model used	Black-Scholes
Grant date	20 May 2026

Note 18. Dividends

There were no dividends declared for the half-year ended 30 June 2026 (2025: Nil)

Note 19. Discontinued Operations

Description

On 20 June 2024, Austral entered into a Framework Agreement with Glencore, Secover and Thiess, subject to conditions precedent, to facilitate the discharge of all secured debt. Subsequently, on 2 September 2025, the Anthill Project Agreement was executed with Glencore and Secover, which formalised the repayment of secured debt from proceeds generated by the Anthill Project.

Under the terms of the Anthill Project Agreement, all proceeds from the Anthill Project are contractually committed to the repayment of secured debt, and operational control of the project was transferred to the secured debt holders. As a result, the Anthill Project is no longer considered part of the consolidated entity's ongoing business activities.

From the date of execution of the Anthill Project Agreement, the consolidated entity ceased to have substantive decision-making authority and the ability to direct the relevant activities of the Anthill Project. Accordingly, the Anthill Project met the criteria to be classified as a discontinued operation in accordance with AASB 5 Non-current Assets Held for Sale and Discontinued Operations.

The results of the discontinued operation are recorded up to 2 September 2025. For the period 3 September 2025 to 31 December 2025 and in the current reporting period the Anthill operations are not recorded in the consolidated entity's financial results.

Note 19. Discontinued Operations (continued)

Financial performance information

	Consolidated	
	30 Jun 2026 $'000	**30 Jun 2025 $'000**
Sale of goods from discontinued operations	-	44,922
Cost of goods sold from discontinued operations		
Changes in inventories of finished goods and work in progress	-	13,848
Employee benefits expense	-	(4,916)
Contractor's, materials and consumables	-	(43,718)
Depreciation and amortisation of mining and stripping assets	-	(23,493)
Sales expense	-	(2,073)
Interest on interest bearing loans	-	(6,566)
Net foreign exchange loss or gain	-	1,271
Other income	-	751
Total expenses	-	(64,896)
Loss before income tax expense from discontinued operations	-	(19,974)
Income tax expense	-	-
Loss after income tax expense from discontinued operations	-	(19,974)

Cash flow information

	Consolidated	
	30 Jun 2026 $'000	**30 Jun 2025 $'000**
Net cash from operating activities	-	9,113
Net cash used in investing activities	-	(8,456)
Net cash used in financing	-	(791)
Net increase in cash and cash equivalents from discontinued operations	-	(134)

Note 20. Acquisition of Noranda Pacific Pty Ltd

On 30 April 2026, the consolidated entity completed the acquisition of Noranda Pacific Pty Ltd for total consideration of USD $1.

The acquisition included cash at bank, mining tenements and associated environmental bonds together with the liabilities associated with rehabilitation requirements.

The consideration and allocation of the acquisition cost were as follows:

	$'000
Consideration transferred	
Cash consideration	(0)
Total acquisition cost	(0)
Assets acquired and liabilities assumed	
Cash and cash equivalents	41,007
Financial assets	15,103
Provisions	(15,103)
Net assets acquired	41,007

Net assets acquired have been recognised as a gain on acquisition on the Statement of Profit and Loss.

Following initial recognition, the acquired assets and liabilities are accounted for in accordance with the applicable Australian Accounting Standards and the consolidated entity’s accounting policies.

Austral Resources Australia Ltd
Directors' declaration
30 June 2026

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 consolidated entity's financial position as at 30 June 2026 and of its performance for the financial half-year ended on that date; and

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

On behalf of the directors

David Newling
Non-Executive Chairman

28 August 2026
Brisbane

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INDEPENDENT AUDITOR'S REVIEW REPORT

To The Member of Austral Resources Australia Ltd

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Austral Resources Australia Ltd ('the Company') and its controlled entities (together 'the Consolidated entity') which comprises the statement of financial position as at 30 June 2026, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the half-year ended on that date, notes comprising a summary of material 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 half-year financial report of the Consolidated entity is not in accordance with the *Corporations Act 2001* including:

a) giving a true and fair view of the Consolidated entity's financial position as at 30 June 2026 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* ('ASRE 2410'). 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 Consolidated entity 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.

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

Directors' Responsibility for the Half-Year Financial Report

The directors of Austral Resources Australia Ltd 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 is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Half-Year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Consolidated entity's financial position as at 30 June 2026 and of 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.

RSM

RSM AUSTRALIA PARTNERS

R J MORILLO MALDONADO
Partner

Dated: 28 August 2026
Melbourne, Victoria