ABX Group Limited

ABN 14 139 494 885

Half Year Financial Report - 30 June 2026

ABX Group Limited
Contents
30 June 2026

Directors	Joycelyn Morton (Non-Executive Chair) Dr Mark Cooksey (Managing Director & CEO) Ian Levy (Non-Executive Director)
Company Secretary	Mathew Watkins
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Stock exchange listing	ABx Group Limited shares and options are listed on the Australian Securities Exchange (ASX code: ABX & ABXO).

Review of Operations

ABx Group is developing heavy rare earths, hydrogen fluoride and bauxite projects in Australia.

Heavy Rare Earths: Supplying light and heavy rare earths from Tasmania into Western supply chains

Customer Engagement

ABx continued its customer engagement activities, with 10 gram samples of the maiden MREC distributed to six potential customers in Australia and North America for evaluation. Most samples have been evaluated and all feedback to date has been highly positive.[1]

The first formal feedback on the ABx MREC was received from Rare Earth Technologies, Inc (RETi)[2], a US-based company that concentrates, separates, and purifies rare earth elements. RETi has developed a breakthrough, commercially scalable, proprietary refinement and separation system to produce separated rare earth oxides — a technology that stands to transform how critical minerals are processed in Western supply chains. RETi testing confirmed that the ABx MREC was of exceptional purity and was an ideal feedstock for the RETi process.

ABx currently holds approximately 90 grams of its second MREC sample, which was produced using column leaching and contained even higher proportions of the most valuable heavy rare earths, such as dysprosium (Dy) and terbium (Tb), and significantly lower amounts of the key impurities; aluminium and iron.[3] ABx intends to distribute sub-samples of this material to a broader group of prospective customers as part of an expanded customer qualification program.

Managing Director Dr Mark Cooksey was part of an Australian Critical Minerals delegation to Canada and the US in March. Dr Cooksey attended the PDAC[4] Convention in Toronto, one of the world's major resources events, where he presented on the Deep Leads project. Following PDAC, the delegation participated in a Business Matchmaking Session in New York for Australian critical minerals projects, where discussions were held with potential investors.

Mixed Rare Earth Carbonate (MREC)

The Australian Nuclear Science and Technology Organisation (ANSTO) confirmed that the second mixed rare earth carbonate (MREC) produced from the Deep Leads rare earths deposit in northern Tasmania is exempt from radiological control.[1] This was also the case for the maiden MREC.[5] Furthermore, the total contained activity, a measure of radioactivity, in the second MREC was even lower than in the maiden MREC.

The exemption from radiological control is crucial for minimising regulatory compliance requirements for shipping and handling by customers. In addition, some customers highly value very low radioactivity levels, because it provides options to blend MRECs from multiple sources.

The very low radioactivity of the ABx MRECs means that ABx is very well placed to meet the most stringent customer requirements, so ABx has more potential customers. ABx is unlikely to require an impurity removal step to reduce the levels of radioactive elements to meet customer specifications. In contrast, many other potential rare earth miners will need a process step to reduce the levels of radioactive elements, which will add cost and complexity to their process.

Both MRECs were produced using the standard three-step process for ionic rare earths: leaching, impurity removal and precipitation, an existing commercial process that has been used for many decades.

Metallurgical Testing

ABx made extensive use of its in-house facilities to conduct leaching tests on numerous samples. A major project milestone was that several new areas of ionic adsorption clay rare earths with high extraction were identified.[6] These results strongly suggest that there is a substantial extent of ionic rare earths in the Deep Leads deposit, which will enhance our ability to supply significant volumes of high-quality MREC into western supply chains.

Project Development

ABx continued its engagement with engineering partners on project design options, focusing on faster, cheaper, lower risk alternatives.

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[1] ASX Announcement, 17 June 2026
[2] ASX Announcement, 20 March 2026
[3] ASX Announcement, 16 March 2026
[4] Prospectors & Developers Association of Canada
[5] ASX Announcement, 2 March 2026
[6] ASX Announcement, 10 March 2026

Exploration

The exploration program at the T8 prospect yielded strong results, intersecting 3,500 ppm TREO at 2m depth, with high levels of dysprosium and terbium.[7]

Mineral Resources Tasmania granted Exploration Licence EL14/2025 in northern Tasmania.[8] The new licence covers an area of 165 km^2 and is located around 30 km north of ABx's Deep Leads rare earths resource. EL14/2025 further expands ABx's portfolio of tenements prospective for ionic adsorption clay rare earth element (REE) mineralisation in northern Tasmania to over 800 km^2.

Using its geological model and exploration technology, ABx has identified additional prospective areas to further expand its exploration footprint across northern Tasmania. The Company's application for EL1/2026, located immediately west of EL27/2022 and EL28/2022 along the prospective Nile Road dolerite foothills trend, remains in progress.

Minerals Resources Tasmania awarded ABx a grant of 50% of direct drilling costs on the Deep Leads – Rubble Mound Extension, up to a maximum of $100,000, as part of Round 12 of the Exploration Drilling Grant Initiative (EDGI).[8] The grant can be applied to expenditure between 5 June 2026 and 12 November 2027.

Following the end of the period, ABx commenced a new rare earth exploration drilling program across its northern Tasmanian tenements.[9] A key feature of the new program will be the implementation of a proprietary testing technique developed by ABx to rapidly assess the amount of ionic rare earths within exploration samples.

The Company is also utilising artificial intelligence (AI) tools to support exploration analysis and planning. Current applications include integrating ABx's exploration and metallurgical datasets with publicly available geological information to assist with target generation and prioritisation.

Government Research Partnerships

The Critical Metals for Critical Industries (CMCI) Cooperative Research Centre (CRC) was created to drive the development and commercialisation of new critical minerals refining technologies. ABx is a partner in the CRC, and is playing a leading role in developing the rare earths development program. This will enhance the value of the Deep Leads project.

ABx is a partner with TeraGlo, who have been awarded a $2.4 million Critical Technologies Challenge Program (CTCP) grant to develop a world-first quantum-enabled, in-field geometallurgy sensor specifically designed for clay-hosted rare earths. ABx has provided a comprehensive set of samples to TeraGlo for testing and evaluation.

Rare Earths Strategy

Rare earths have many applications in a wide variety of industries. Permanent magnets are the most valuable application, representing over 90% of the total value of rare earths demand. Permanent magnets are used in electric vehicles, wind turbines, robots, smartphones and military applications. The four most important rare earths for permanent magnets are neodymium (Nd), praseodymium (Pr), dysprosium (Dy) and terbium (Tb). Other rare earths particularly important for military applications are samarium (Sm), gadolinium (Gd), ytterbium (Yb) and yttrium (Y). The supply risk is higher for the heavy rare earths, which includes all the above except Nd and Pr. For example, China produces 99% of the world's dysprosium oxide and terbium oxide.[10]

Most rare earths are sourced from hard-rock mineral deposits, typically requiring costly mining and processing plants with significant lead times to reach production.

An alternative source of rare earths is clay-hosted deposits. These typically contain a mixture of ionically adsorbed (ionic) rare earths and non-ionic rare earths. The relative proportion of each varies enormously in different deposits. The ionic rare earths can be leached using a low-cost three-step process that has been used commercially for many years.

The other typical major advantages of ionic rare earths are:

- Higher proportion of heavy rare earths compared to mineral deposits. Most of the world's heavy rare earths is sourced from ionic deposits
- Low concentrations of radioactive elements such as uranium and thorium
- Exist at shallow depth

[7] ASX Announcement, 20 January 2026
[8] ASX Announcement, 9 June 2026
[9] ASX Announcement, 1 September 2026
[10] Benchmark Minerals, "Ex-China rare earths premium to grow, especially for heavies", 24 March 2026

Existing and prospective rare earth refineries are seeking high quality MRECs produced at low cost. MRECs with high proportions of heavy rare earths such as Dy and Tb are particularly in demand because these elements have the most acute supply risk.

Ionic rare earth deposits have historically been mined predominantly in southern China, and more recently also in Myanmar.

ABx has reported a JORC-compliant mineral resource of 89 million tonnes[11] at its Deep Leads - Rubble Mound and Wind Break deposits.[12] The resource contains 36 ppm Dy+Tb[13] and Dy+Tb is 4.3% of TREO, the highest proportion of any clay-hosted rare earth deposit in Australia and among the highest globally. Furthermore, the level of radioactive elements is very low (2 ppm U2O3 and 6 ppm ThO2). This is complemented by a portfolio of deposits and exploration tenements in northern Tasmania (Figure 1).

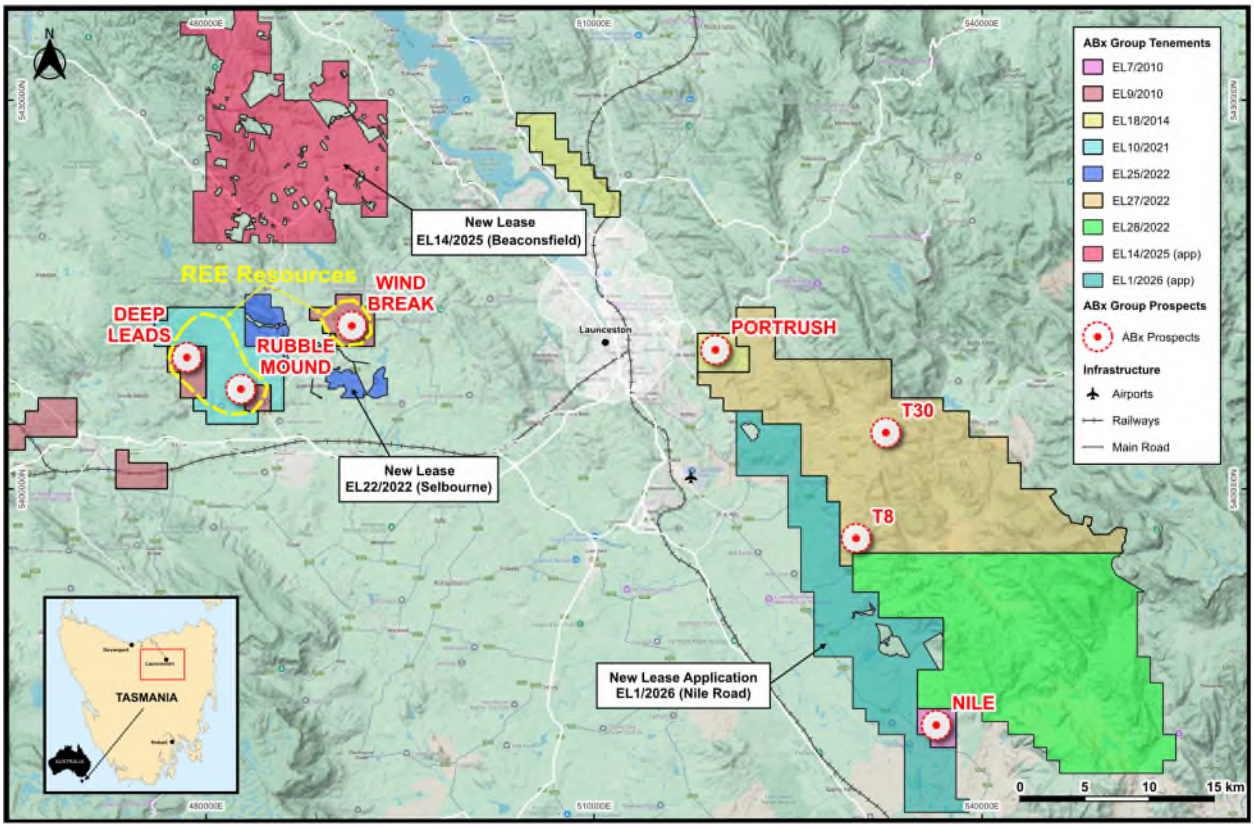

Figure 1: ABx exploration tenements in northern Tasmania.

Leaching tests conducted by Australian Nuclear Science and Technology Organisation (ANSTO) found the highest ionic extractions reported from any clay-hosted resource in Australia.[14,15]

ABx has produced its first two MREC products from the Deep Leads resource, one via a tank leach[16] and one via a column leach (Figure 2).[17] Both MRECs contain more than 4.6% DyTb[18] as a percentage of TREO (Table 1), more than twice that of any other peer MREC. ANSTO has confirmed that both MRECs had low radioactive content and would be exempt from radiological control.[19]

[11] 41 Mt inferred, 42 Mt indicated and 6 Mt measured
[12] ASX Announcement, 2 May 2024
[13] Dy+Tb = $Dy_2O_3 + Tb_4O_7$
[14] ASX Announcement, 31 May 2022
[15] ASX Announcement, 2 February 2023
[16] ASX Announcement, 2 December 2025
[17] ASX Announcement, 16 March 2026
[18] DyTb = $Tb_4O_7 + Dy_2O_3$
[19] ASX Announcement, 17 June 2026

ABx intends to sell a high value, pure MREC, rich in heavy rare earths. ABx has excellent prospects of meeting customer requirements because:

ABx achieved high extractions at ambient temperatures and pressures with minimal acid in a short time, which is likely to lead to lower cost and lower impurities and radioactive elements in the MREC product. For most clay-hosted rare earth deposits globally, minimal rare earth extraction is achieved using these process conditions;

The ABx MREC has a significantly higher proportion of Dy and Tb compared to peers. Magnet rare earth prices remain high, with Benchmark[20] reporting DDP China prices of almost US$200/kg for Dy oxide and over US$900/kg for Tb oxide. Furthermore, CIF Europe prices for Dy and Tb are over five times higher than Chinese domestic prices, illustrating the potential premium for non-China sources of rare earths.

The ABx rare earth deposits are in accessible forest plantations near major towns, highways, ports and grid hydropower.

ABx has executed a Memorandum of Understanding with Ucore Rare Metals Inc. (TSXV: UCU) (OTCQX: UURAF),[21] which plans to develop heavy and light rare-earth processing facilities in the US and Canada. ABx is also in discussions with other potential offtake partners.

ABx is focusing on the following three areas that are the key to commencing commercial production of an MREC as soon as possible:

- Resource Growth: Continue exploration throughout its expanding tenement holdings in northern Tasmania to expand the resource size and identify optimum projects
- Project Design: Complete economic studies to optimise project design, supported by metallurgical studies conducted in-house and with partners such as ANSTO and engineering partners
- Customer Engagement: Grow the relationships and partnerships with several Australian and international customers, such as Ucore Rare Metals

Table 1: Proportions of REO in ABx MRECs.[22]

Rare earth oxide (REO)	Maiden MREC	Second MREC
La_2O_3	17.5%	16.7%
CeO_2	5.6%	1.1%
$Pr_6O_{11} + Nd_2O_3$	28.3%	28.3%
$Sm_2O_3 + Eu_2O_3 + Gd_2O_3$	10.9%	12.0%
$Tb_4O_7 + Dy_2O_3$	4.6%	5.4%
Other HREO	5.2%	6.5%
Y_2O_3	27.8%	30.0%
Total	100.0%	100.0%

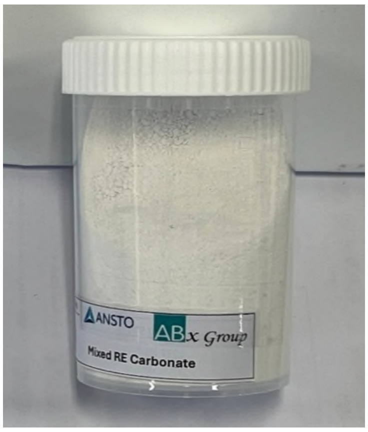

Figure 2: Second MREC sample produced from Deep Leads

[20] Benchmark Mineral Intelligence, 11 June 2026
[21] ASX Announcement, 4 September 2024
[22] ASX Announcement, 16 March 2026

Clean Fluorine Chemical Production: Producing hydrogen fluoride from an aluminium smelter by-product (ALCORE)

The design and construction of the continuous pilot plant are proceeding at the ALCORE Technology Centre (ATC) in Bell Bay, Tasmania.

Economic Assessment

The ALCORE engineering team has calculated indicative operating costs for a nominal acidspar plant and a nominal ALCORE plant.[23] These are based on published literature on the acidspar process and from information obtained from ongoing engagement with leading global engineering companies with extensive experience in the fluorspar industry.

Even assuming a relatively high cost of aluminium smelter bath, the indicative operating cost of producing anhydrous hydrogen fluoride (AHF)[24] using the ALCORE process is still US$400/t lower than using the acidspar process, based on a current acidspar price of US$520/t. The economics of the ALCORE process are even more favourable if the aluminium smelter bath can be secured at lower cost, as indicated by ALCORE's discussions with numerous aluminium smelters.

The estimates of US$1,000-1,600/t would place ALCORE in the lowest quartile globally for AHF production cost.[25] Furthermore, if the acidspar price continues to rise, as forecasts suggest,[26] then the economics of the acidspar process will become even less favourable.

Because the ALCORE process has been designed to use aluminium smelter bath, and bath is much lower cost than acidspar, the use of bath can lead to a significantly lower operating cost for the ALCORE process, and hence a significantly higher operating margin.

ALCORE Technology Centre Site Preparation

Following approval of the building permit application, civil works have commenced for the continuous pilot plant at the ATC.[27] Civil works involving foundations, bunded covered process areas, and supporting infrastructure is needed for process equipment, platforms, utilities, chemical storage, control room and workshop functions.

TasNetworks is coordinating with ALCORE's construction works, progressing the site power supply upgrade, including upgraded high-voltage supply infrastructure, a new substation and associated earthing and connection works. ALCORE is also advancing the new main switchboard and downstream electrical infrastructure required to support the site and pilot plant operation.

Pilot Plant Installation

Equipment for the pilot plant is being regularly delivered to the ATC. Equipment already received includes a process water treatment plant, a demineralised water generator, air compressors, chemical storage containers, laboratory equipment and a forklift.

Pilot plant development continues across the major process modules and supporting infrastructure and auxiliary systems. Formal HAZOP[28] studies for the major process modules have been completed, with ALCORE now implementing the resulting actions to support design finalisation and equipment installation.

Major process modules are being manufactured, with ALCORE continuing detailed engineering and supplier review of equipment interfaces, platforms, pressure equipment, electrical systems, valves and instruments, together with operating and maintenance requirements. This work supports Australian Standards compliance, regulatory requirements, site readiness and commissioning preparation.

A detailed 3D model of the site and pilot plant has been developed with Kempe Engineering and supported by BFluor Chemicals' specialist fluorochemical expertise. The model is being used to integrate utilities, module ventilation, process piping, electrical cable routing, access, maintenance and installation requirements.

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[23] ASX Announcement, 2 July 2026
[24] 100% hydrogen fluoride is known as anhydrous hydrogen fluoride (AHF). Water is added to AHF to produce hydrofluoric acid
[25] Project Blue, Fluorspar supply & demand outlook, Fluorine Forum 2025, Baveno, Italy, 22-24 October 2025
[26] Tivan, Speewah Fluorite Project Feasibility Study, 20 March 2026
[27] ASX Announcement, 13 July 2026
[28] Hazard and Operability

Environmental Approvals

As previously reported, the Environmental Effects Report (EER) was submitted to EPA Tasmania in March.[29] ALCORE has recently responded to requests for further information received during the review process and continues to work closely with regulators to facilitate timely completion of the environmental assessment.

Strengthened ALCORE Team

ALCORE continues to strengthen the team that will commission and operate the continuous pilot plant. Following the appointment of the Site Operations Manager in December, two Senior Process Engineers commenced in late April.

This expansion of the technical and operational team is an important part of ALCORE's execution plan. It ensures additional capability is in place as the project advances through approvals, site preparation, construction and commissioning.

Business Development

ALCORE is engaging with the Australian and global fluorine industry to identify additional commercial opportunities for the technology, particularly for the production of other critical minerals.

Clean Fluorine Chemicals Strategy

ALCORE is aiming to establish the production of hydrogen fluoride and fluorine chemicals in Australia, using an aluminium smelter by-product as a feed material.

High value fluorine chemicals are widely used in many applications in modern economies. Notable examples include:

- Lithium-ion battery (LiB) chemicals, such as lithium hexafluorophosphate (LiPF6). Most LiBs use LiPF6 in the electrolyte
- A range of chemicals for semiconductor manufacture
- Uranium hexafluoride, used in fuel rods in nuclear reactors
- Fluorocarbons, such as refrigerants and polymers
- Rare earth fluorides, essential for converting rare earth oxides to rare earth metals
- Aluminium fluoride, an essential chemical for aluminium smelting.

Fluorspar (calcium fluoride, CaF_2) is the major source of fluorine worldwide. It is mined and upgraded using crushing, grinding and flotation to products such as:

- Acidspar (>97% CaF_2): used to produce fluorine chemicals
- Metspar (60-96% CaF_2): used in steel and cement production

Global production of acidspar is highly concentrated in China (79% of global production) and Mexico (11%).[30] The global market is currently approximately balanced, but a significant supply deficit is forecast by 2035. Acidspar exports from China have reduced by 80% since 2010. The price of acidspar has increased at 6% per year in nominal terms for the past 35 years.[31]

Given the importance of fluorine chemicals, their dependence on acidspar, and acidspar supply concerns, fluorspar has been designated a critical mineral by the US, Europe, Japan, Canada and Australia.[32]

Although fluorspar is a critical mineral, it cannot be used directly to produce fluorine chemicals. The intermediate is anhydrous hydrogen fluoride (AHF), which is produced by the reaction of acidspar and sulfuric acid, known as the acidspar process. The AHF is reacted with other minerals and chemicals to produce fluorine chemicals. This is illustrated in Figure 3.

[29] ASX Announcement, 27 March 2026
[30] Project Blue, Fluorspar supply & demand outlook, Fluorine Forum 2025, Baveno, Italy, 22-24 October 2025
[31] Tivan, Speewah Fluorite Project Feasibility Study, 20 March 2026
[32] Australia has designated fluorine, rather than fluorspar, as a critical mineral

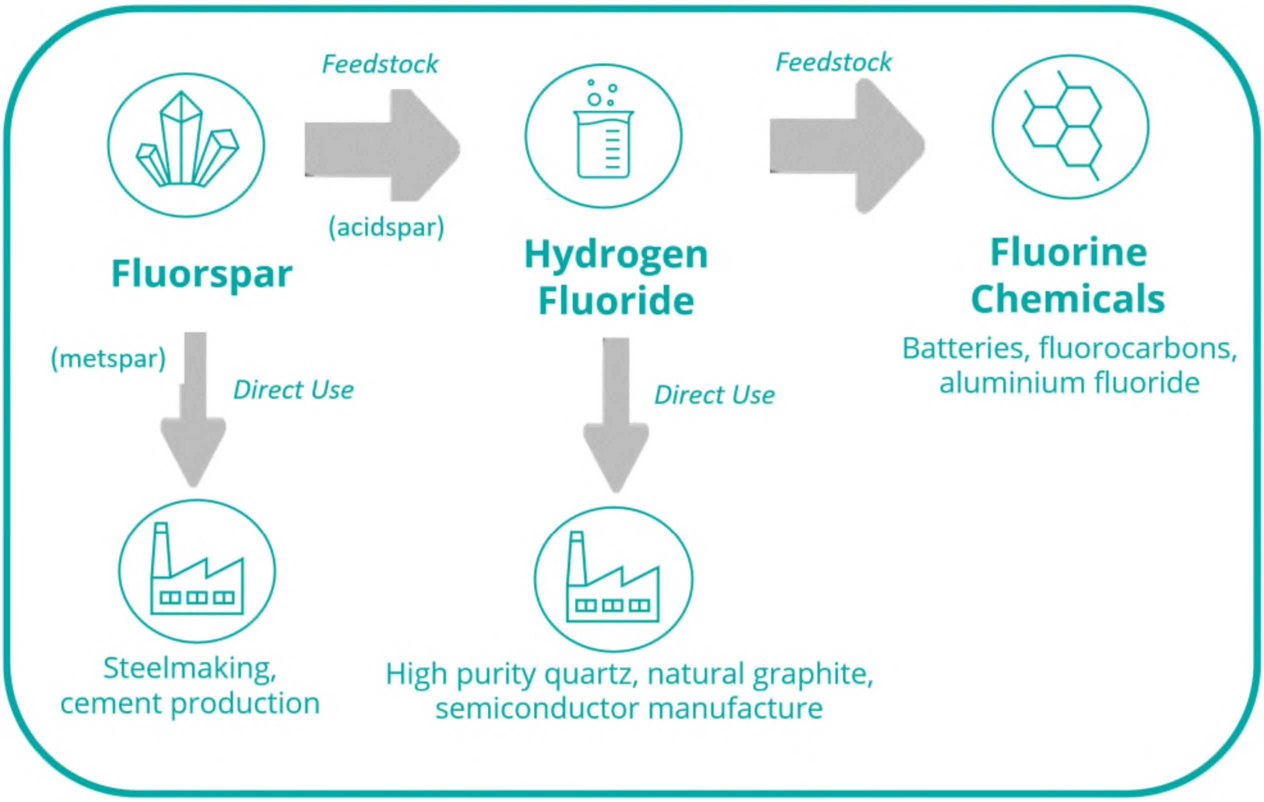


Figure 3: Simplified fluorine value chain. Hydrogen fluoride is the bridge between fluorspar and fluorine chemicals

AHF and hydrofluoric acid are also used directly in many applications, including:

- Production of high purity quartz, required for the production of polysilicon for solar panels
- Purification of natural graphite, used in lithium-ion batteries
- Etching and cleaning processes in semiconductor manufacture

Most modern aluminium smelters produce excess 'bath' as a by-product, solid granules that contains about 50% fluorine. Throughout the 100+ year history of the aluminium smelting industry, excess bath from an operating smelter was sold to new smelters, which required bath to commence operations. This was the only meaningful market for excess bath.

Over the past decade, two factors have led to an increasing global surplus of bath:

- Raw material changes and technology changes in aluminium smelting, which have led to increased bath production per tonne of aluminium produced
- Reduced rate of new smelter construction, because the growing demand for aluminium is being increasingly met using recycling.

Aluminium industry forecasts suggest that the global bath market surplus will increase, with bath production anticipated to far outstrip demand.[33] Aluminium smelter bath has become a by-product with almost no market. All the major global aluminium producers are eager for alternative applications for excess bath, to avoid the unpalatable options of on-site storage or landfill.

ALCORE has developed a world-first proprietary process to produce industrial chemicals from aluminium smelter bath. The major products are hydrogen fluoride and metal sulfates. The hydrogen fluoride is combined with aluminium hydroxide to produce aluminium fluoride via an existing commercial process. The combined approach is illustrated in Figure 3.

ALCORE intends to construct commercial hydrogen fluoride and aluminium fluoride plants in Bell Bay, Tasmania.

[33] BathCo, Excess bath material – sustainable solutions to an environmental liability, 39th ICSOBA conference, 22-24 November 2021.

The ALCORE process has been operated at pilot scale in a batch reactor. A continuous pilot plant is being constructed,[34] the outcomes of which will be:

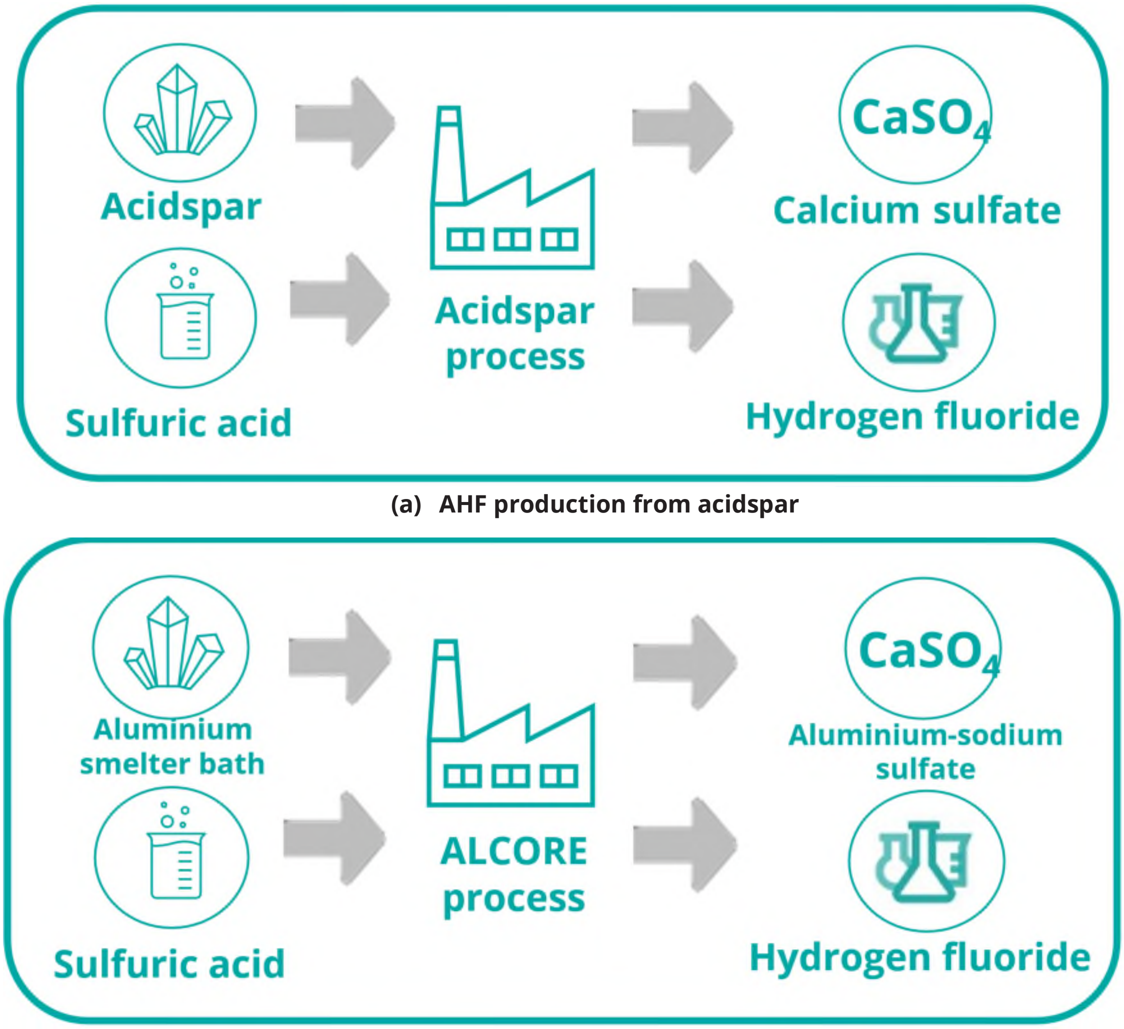
1. Selection of reactor designs and process conditions for the commercial plant
2. Production of saleable hydrogen fluoride for evaluation by customers

ALCORE has secured the support of Rio Tinto[35] and the Tasmanian Government[36] to locate the pilot plant in an existing industrial facility adjacent to the Bell Bay aluminium smelter in northern Tasmania.

Clean Fluorine Chemicals Project Development

ABx is focusing on the following three areas that are the key to commencing commercial production of hydrogen fluoride and aluminium fluoride as soon as possible:

- Pilot Plant: Construct and operate the continuous pilot plant to validate commercial design parameters
- Project Design: Complete economic studies to optimise project design, supported by international engineering partners
- Customer Engagement: Grow the relationships and partnerships with Australian and international customers



(a) AHF production from acidspar

(b) AHF production from aluminium smelter bath using the ALCORE process

Figure 3: Simplified process flowsheets for AHF production from acidspar and aluminium smelter bath

[34] ASX Announcement, 13 July 2026
[35] ASX Announcement, 15 January 2025
[36] ASX Announcement, 19 December 2024

Near-term Bauxite Production: Mining bauxite resources for the aluminium, cement and fertiliser industries

Sunrise Bauxite Project: Binjour, Queensland

The initial $2.7 million investment by Good Importing International (GII) into ABx3 Pty Ltd (ABx3), previously a wholly-owned subsidiary of ABx, is being applied to finalise mine planning, environmental and port approvals for the initial direct shipping ore (DSO) program for the Sunrise Bauxite Project. Pleasingly, the overall approvals pathway remaining on schedule for completion in 2027. Achieving this milestone is a critical step towards production.[37]

Post the end of the period, ABx3 appointed Onterris Australia Pty Ltd[38] (Onterris) as environmental approvals consultant to progress key approvals for the Binjour mine, including preparation and delivery of the Site-Specific Environmental Authority (SSEA) and Progressive Rehabilitation and Closure Plan (PRCP).[39]

Taralga and Penrose Bauxite Projects: New South Wales

ABx and GII engaged external experts to conduct a due diligence study on the Taralga project. This focused on environmental approvals, transport and port logistics. The external experts did not identify any critical issues, so encouragingly this leads to a credible project pathway. This study was funded using a portion of a non-refundable $300,000 fee that GII paid to ABx in December 2025 to extend the exclusive option period to 11 June 2026.[40]

Post the end of the period, GII did not exercise their exclusive option to invest A$4.8 million to acquire a 75% interest in ABx2, which holds the Taralga and Penrose bauxite assets in NSW.39 Therefore ABx retains 100% ownership of both assets. However, GII continues to regard the Taralga and Penrose bauxite assets as attractive opportunities.

DL130 Bauxite Project: Tasmania

As previously advised, ABx has completed all environmental approvals and Meander Valley Council (MVC) approved the planning permit, subject to some conditions. ABx appealed some aspects of the MVC decision to the Tasmanian Civil & Administrative Tribunal (TASCAT). A representor also appealed the decision. All parties are participating in mediation, which continues.

As ABx has already been granted Mining Lease 2142P/M for the project by Mineral Resources Tasmania, commencement of bauxite quarrying is only subject to resolution of the planning permit appeal.

Bauxite Strategy

Metallurgical and Refractory Grade

Global metallurgical bauxite prices spiked substantially in late 2024 and early 2025 due to a combination of factors, notably actions by the Guinean government to restrict exports by some companies. These higher prices materially increase the value of ABx's bauxite assets. The ABx strategy is to bring these into production as soon as possible, with a focus on profitability.

The ABx metallurgical and refractory grade bauxite assets are listed in Table 2.

In 2025, ABx executed a transformational series of agreements with Good Importing International (GII). GII will invest up to $5.4m in two stages to acquire up to a 75% interest in ABx3 Pty Ltd (ABx3), which holds the Sunrise Bauxite Project assets in Queensland.

GII has made the Stage 1 $2.7 million payment to earn 70% ownership of ABx3.[41] The Stage 1 program is expected to be complete in 2027. The timing is mainly dependent on securing environmental approvals. Stage 2 funding of a further $2.7 million will follow upon completion of Stage 1 milestones.

The Sunrise Bauxite Project in Queensland consists of a JORC-compliant resource of 37 million tonnes of gibbsite-type metallurgical bauxite at Binjour and port operations at Bundaberg port (Figure 4).

The Taralga deposit consists of a JORC-compliant resource of 38 million tonnes of gibbsite-type metallurgical bauxite, located 200 km inland from Port Kembla (Figure 5). The Penrose discovery is a layer of refractory-grade bauxite in Penrose state pine forest, adjacent to the Hume Highway, 90 kilometres from Port Kembla.

[37] ASX Announcement, 15 June 2026
[38] Formerly Epic Environmental Pty Ltd
[39] ASX Announcement, 17 August 2026
[40] ASX Announcement, 9 December 2025
[41] ASX Announcement, 9 October 2025

Table 2: ABx metallurgical and refractory grade bauxite assets. ABx2 is 100% owned by ABx, and ABx3 is 30% owned by ABx.

Location	State	Owner	Resource (Mt)		
			Inferred	Indicated	Total
Taralga[42]	NSW	ABx2	17.5	20.4	37.9
Penrose[43]	NSW	ABx2	-	-	-
Binjour[44]	QLD	ABx3	14.2	22.8	37.0

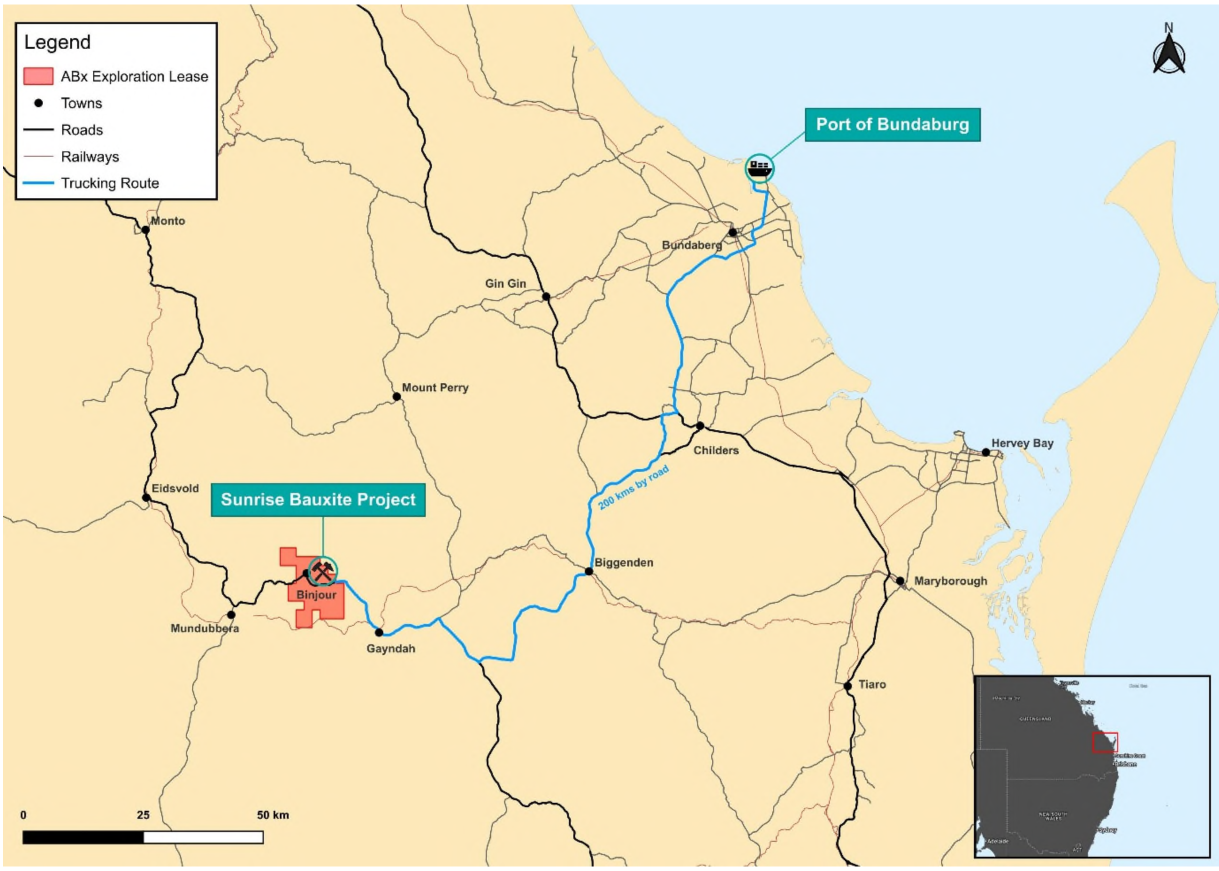


Figure 4: Sunrise Bauxite project (mine at Binjour and port at Bundaberg)

42 ASX Announcement, 31 May 2012
43 ASX Announcement, 27 February 2017
44 ASX Announcement, 18 June 2018

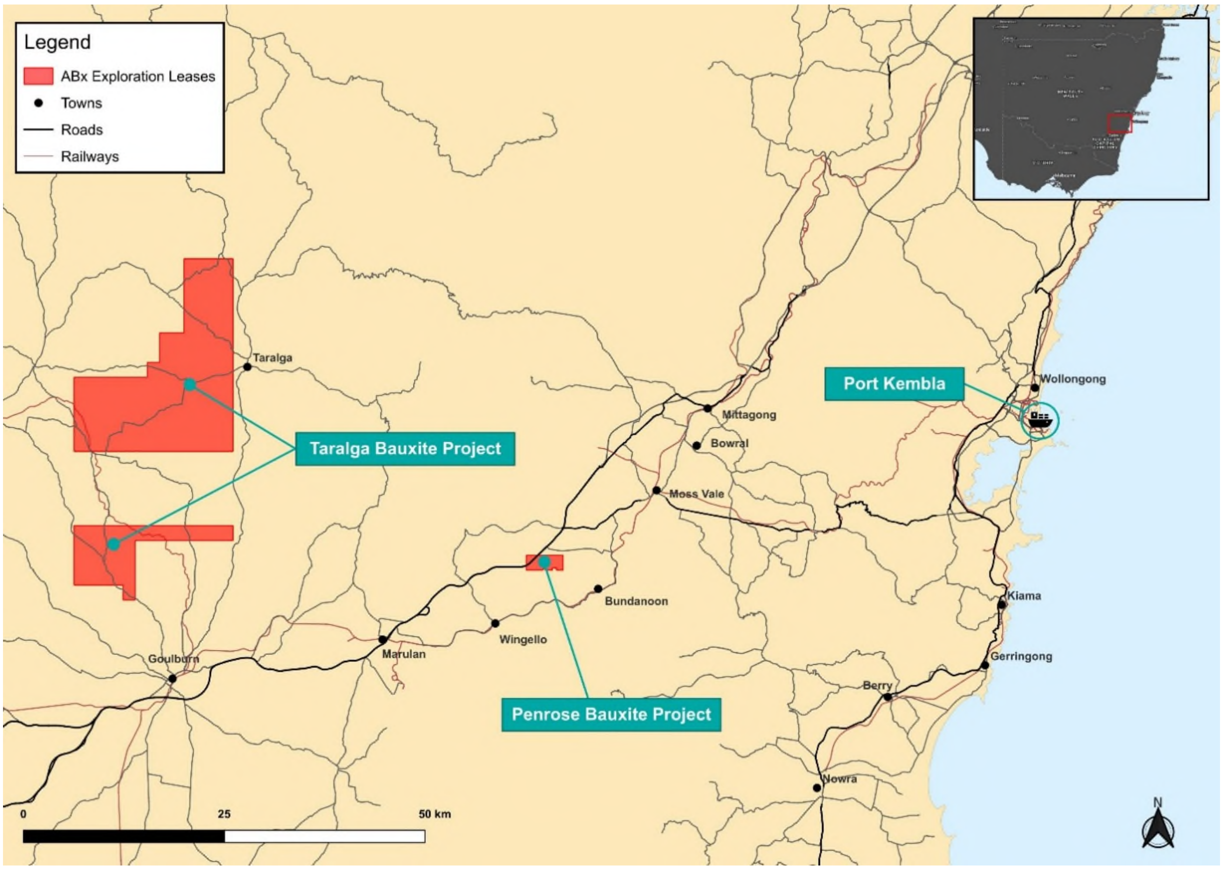


Figure 5: Taralga and Penrose Bauxite projects, and port at Port Kembla

Cement and Fertiliser Grade

The ABx strategy is to selectively produce cement grade and fertiliser grade bauxite, with a focus on profitability. ABx bauxite can substantially improve the properties of cement and superphosphate fertiliser produced by particular plants.

In Tasmania, ABx has three bauxite deposits of cement and fertiliser grade. ABx has previously mined at Bald Hill near Campbell Town from 2014 to 2020 and sold the product to cement and fertiliser plants.

ABx plans to recommence bauxite mining at the DL130 Bauxite Project, located about 50 km west of Launceston.

In September 2023, an agreement was executed with Adelaide Brighton Cement Limited (ABCL), a subsidiary of Adbri Limited (ASX:ABC), for the supply of cement-grade bauxite to ABCL's Birkenhead cement manufacturing operation in South Australia.[45] The agreement forecasts supply of 90,000-120,000 tonnes of bauxite over a five-year term.

Meander Valley Council (MVC) has approved the DL130 planning permit, subject to some conditions. ABx appealed aspects of the MVC decision to the Tasmanian Civil & Administrative Tribunal (TASCAT). A representor also appealed the decision. All parties are participating in mediation.

[45] ASX Announcement, 11 September 2023

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Consolidated Entity' or the "Group") consisting of ABX Group Limited (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 (the 'financial half-year' or the 'interim reporting period').

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

Joycelyn Morton (Non-Executive Chair)
Dr Mark Cooksey (Managing Director & CEO)
Ian Levy (Non-Executive Director)

Principal activities
The principal continuing activities of the Consolidated Entity for the financial half-year were conducting rare earth and bauxite exploration activities in Queensland, New South Wales and Tasmania and research and development programs in New South Wales and Tasmania.

Dividends
There were no dividends paid, recommended or declared during the current or previous financial half-year.

Review of operations
The loss for the Consolidated Entity after providing for income tax and non-controlling interest amounted to $2,191k (30 June 2025: $1,461k). For information on operating performance of the Consolidated Entity, refer to the Review of Operations in the preceding section.

Forward Looking Statements
This Interim Financial Report includes certain forward-looking statements that have been based on current expectations about future acts, events and circumstances. These forward-looking statements are, however, subject to risks, uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in such forward-looking statements.

These factors include, among other things, commercial and other risks associated with the meeting of objectives and other investment considerations, prevailing commodity prices, as well as other matters not yet known to the Group or not currently considered material by the Group.

Significant changes in the state of affairs
On 16 March 2026, the Company issued 11,415,228 shares at an issue price of $0.081 per share to non-related parties and Directors for the second tranche of placement capital raising subsequent to the shareholder approval obtained at the Extraordinary General Meeting on 2 March 2026, raising $924,633 before costs. Each participant from the first and second tranches of the placement received one free attaching option for every two shares allocated. A total of 37,345,670 placement options were issued with an exercise price of $0.10 for a fully paid ordinary share, expiring on 17 November 2027.

On 17 March 2026, upon obtaining shareholder approval at the Extraordinary General Meeting, the Company issued 15,000,000 broker options with exercise price of $0.08, expiring on 17 March 2029 to Sequoia Corporate Finance Pty Ltd and GBA Capital Pty Ltd in consideration for services provided in managing the Company's convertible note issuance announced on 20 December 2024. The Company also issued 11,039,875 unlisted options with exercise price of $0.10, expiring on 17 November 2027 to Alpine Capital Pty Limited, the lead manager for the capital raising services provided in relation to the Placement. All options vested immediately.

On 4 June 2026, following shareholder approval on the 26 May 2026, the Company issued 654,559 ordinary shares to Ms Joycelyn Morton towards her Non-Executive Director and Non-Executive Chair Fees amounting to $80,000 from 1 June 2025 up to 31 May 2026 in lieu of cash consideration.

On 4 June 2026, the Company issued 2,000,000 options to Dr Mark Cooksey, 500,000 options to Mr Ian Levy and 500,000 options to Ms Joycelyn Morton subsequent to the shareholder approval obtained during the Annual General Meeting held on 26 May 2026. These options were issued at an exercise price of $0.114, expiring on 4 June 2029. These options have vested immediately upon issue and each option entitles the holder to be issued one ordinary share in the Company upon conversion of that option.

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

Matters subsequent to the end of the financial half-year

On 17 August 2026, Good Importing International's (GII) exclusive option to acquire a 75% interest in ABx2 through an investment of $4.8 million expired without exercise. Consequently, the $300,000 option fee paid on 3 December 2025 was forfeited and is non-refundable.

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.

Officers of the Company who are former partners of PKF Melbourne Audit & Assurance Pty Ltd

There are no officers of the Company who are former partners of PKF Melbourne Audit & Assurance Pty Ltd.

Rounding of amounts

The Group 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.

Change of Auditor

With effect from 26 May 2026, the Company appointed PKF Melbourne Audit & Assurance Pty Ltd as its auditor in accordance with section 327C of the Corporations Act 2001 after the Company's 2025 Annual General Meeting.

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

Joycelyn Morton
Non-Executive Chairman

11 September 2026

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AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF ABX GROUP LIMITED

In relation to our review of the financial report of ABx Group Limited for the half-year ended 30 June 2026, I declare to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001*; and

(b) no contraventions of any applicable code of professional conduct.

This declaration is made in respect of ABx Group Limited and the entities it controlled during the period.

PKF

PKF
Melbourne, 11 September 2026

Kaitlynn Brady

Kaitlynn Brady
Partner

ABX Group Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 30 June 2026

	Note	Consolidated 30 June 2026 $'000	Consolidated 30 June 2025 $'000
Revenue			
Grant and other income	3	1,403	757
Interest income		6	45
Expenses			
Development, exploration and administrative expenses	4	(2,598)	(1,366)
Depreciation and amortisation expense		(7)	(26)
Impairment of assets	7	(764)	(800)
Finance cost		(201)	(71)
Share of loss of associate accounting using the equity method	6	(88)	-
Fair value change in the derivative liability		58	-
Loss before income tax expense		(2,191)	(1,461)
Income tax expense		-	-
Loss after income tax expense for the half-year		(2,191)	(1,461)
Other comprehensive income for the half-year, net of tax		-	-
Total comprehensive loss for the half-year		(2,191)	(1,461)
Loss for the half-year is attributable to:			
Profit attributable to Non-controlling interest in Alcore Ltd		93	42
Owners of ABX Group Limited		(2,284)	(1,503)
		(2,191)	(1,461)
Total comprehensive loss for the half-year is attributable to:			
Profit attributable to Non-controlling interest in Alcore Ltd		93	42
Owners of ABX Group Limited		(2,284)	(1,503)
		(2,191)	(1,461)
		Cents	**Cents**
Basic loss per share	13	(0.62)	(0.60)
Diluted loss per share	13	(0.62)	(0.60)

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

ABX Group Limited
Statement of financial position
As at 30 June 2026

	Note	Consolidated 30 June 2026 $'000	Consolidated 31 December 2025 $'000
Assets			
Current assets			
Cash and cash equivalents		600	3,906
Trade and other receivables		4,466	1,857
Restricted cash	5	-	2,650
Prepayments		24	66
Total current assets		5,090	8,479
Non-current assets			
Investments accounted for using the equity method	6	1,059	1,147
Property, plant and equipment		150	33
Mining tenements	7	10,971	10,997
Total non-current assets		12,180	12,177
Total assets		17,270	20,656
Liabilities			
Current liabilities			
Trade and other payables	8	362	756
Contract liabilities	9	-	2,720
Borrowings	10	1,976	1,833
Employee benefits		186	142
Other liabilities	11	342	380
Total current liabilities		2,866	5,831
Non-current liabilities			
Employee benefits		135	115
Other liabilities	11	2,072	1,988
Total non-current liabilities		2,207	2,103
Total liabilities		5,073	7,934
Net assets		12,197	12,722
Equity			
Issued capital	12	38,912	39,410
Reserves		7,876	5,712
Accumulated losses		(34,609)	(32,325)
Equity attributable to the owners of ABX Group Limited		12,179	12,797
Non-controlling interest		18	(75)
Total equity		12,197	12,722

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

Consolidated	Issued Capital $'000	Share based payment reserve $'000	Options reserve* $'000	Other reserves $'000	Accumulated losses $'000	Non-controlling interest $'000	Total equity $'000
Balance at 1 January 2025	34,582	84	-	2,504	(25,866)	(79)	11,225
(Loss)/Profit after income tax expense for the half-year	-	-	-	-	(1,503)	42	(1,461)
Other comprehensive income for the half-year, net of tax	-	-	-	-	-	-	-
Total comprehensive income for the half-year	-	-	-	-	(1,503)	42	(1,461)
Shares issued in settlement of convertible notes	65	-	-	-	-	-	65
Transaction cost	(63)	-	-	-	-	-	(63)
Share based expense	-	28	-	-	-	-	28
Transactions with owners in their capacity as owners:							
Transfers upon lapse of options	-	(12)	-	-	12	-	-
Issue of free attached options for convertible notes (note 10)	-	-	300	-	-	-	300
Balance at 30 June 2025	34,584	100	300	2,504	(27,357)	(37)	10,094

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

ABX Group Limited
Statement of changes in equity
For the half-year ended 30 June 2026

Consolidated	Issued Capital $'000	Share based payment reserve $'000	Option reserve* $'000	Other reserves $'000	Accumulated losses $'000	Non-controlling interest $'000	Total equity $'000
Balance at 1 January 2026	39,410	506	2,702	2,504	(32,325)	(75)	12,722
(Loss)/Profit after income tax expense for the half-year	-	-	-	-	(2,284)	93	(2,191)
Other comprehensive income for the half-year, net of tax	-	-	-	-	-	-	-
Total comprehensive income for the half-year	-	-	-	-	(2,284)	93	(2,191)
Share placement (note 12)	925	-	-	-	-	-	925
Shares issued in-lieu of payment for director's fees	45	-	-	-	-	-	45
Transaction cost	(364)	-	-	-	-	-	(364)
Share based expense (note 14)	-	84	-	-	-	-	84
Options issued to broker (note 14)	-	705	-	-	-	-	705
Options issued to lead manager (note 14)	-	271	-	-	-	-	271
Value of free attaching options issued with share placement (note 14)	(1,104)	-	1,104	-	-	-	-
Balance at 30 June 2026	38,912	1,566	3,806	2,504	(34,609)	18	12,197

*Option reserve represents the fair value free attaching options issued to the convertible noteholders and free attaching option issued as part of the share placements.

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

	Note	Consolidated 30 June 2026 $'000	Consolidated 30 June 2025 $'000
Cash flows from operating activities			
Payments to suppliers and employees		(1,548)	(2,264)
Grant income received		1,378	757
Research and Development tax incentives received		25	-
Interest received		6	45
Net cash (used in)/from operating activities		(139)	(1,462)
Cash flows from investing activities			
Payments for exploration and evaluation expenditure		(852)	(848)
Payments for property, plant and equipment		(3,067)	-
Payments for security deposits (net)		(13)	(14)
Release of restricted cash		-	606
Net cash used in investing activities		(3,932)	(256)
Cash flows from financing activities			
Proceeds from issue of shares	12	875	-
Proceeds from issue of convertible debt securities		-	1,475
Share issue transaction costs		(110)	(61)
Net cash from financing activities		765	1,414
Net (decrease)/increase in cash and cash equivalents		(3,306)	(304)
Cash and cash equivalents at the beginning of the financial half-year		3,906	561
Cash and cash equivalents at the end of the financial half-year		600	257

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

Note 1. General information

The financial statements cover ABX Group Limited as a Consolidated Entity consisting of ABX Group Limited ("the Company" or "Parent entity") and the entities it controlled at the end of, or during, the financial half-year ended 30 June 2026. The financial statements are presented in Australian dollars, which is ABX Group Limited's functional and presentation currency.

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

Registered office and Principal place of business

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

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 11 September 2026. The directors have the power to amend and reissue the financial statements.

Note 2. Material accounting policy information

These general purpose financial statements for the financial 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-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 Group 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, except for the policies stated below.

Going Concern

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

As at 30 June 2026, the Consolidated entity had free cash of $600k (31 December 2025: $3,906k) and net current assets of $2,224k (31 December 2025: net current assets of $2,648k). The Consolidated entity incurred a net loss after tax for the half-year ended 30 June 2026 of $2,191k (30 June 2025: $1,461k) and the operations were funded by a net cash outflow, from operating and investing activities of $4,071k (30 June 2025: net cash outflow of $1,718k).

The Consolidated entity's ability to continue as a going concern is contingent on raising additional capital and/or the successful exploration and subsequent exploitation of its areas of interest through sale or development, and successful research and development programs on the production of hydrogen fluoride from an aluminium smelter waste. Should the Consolidated entity not achieve the matters set out above, there would then be significant uncertainty over the ability of the consolidated entity to continue as a going concern, and, therefore, it may have to realise its assets and extinguish its liabilities, other than in the ordinary course of business and at amounts different from those stated in these consolidated financial statements.

Notwithstanding these results, the directors believe that the company will be able to continue as a going concern and as a result the financial statements have been prepared on a going concern basis. The accounts have been prepared on the assumption that the company is a going concern for the following reasons:

Note 2. Material accounting policy information (continued)

- The ability of the Consolidated entity to further scale back parts of its operations and ongoing management of the underlying cost base (primarily through employee costs, improved technology efficiencies and other operating cost reductions);
- Meeting its obligations by either farm-out or partial sale of the Consolidated entity's exploration interests;
- Forecast receipt of research and development tax incentive rebate (RDTI) in keeping with historical levels of cost apportionment and management assumptions. Subsequent to the period end the company received $386k towards RDTI for ABX Group Limited and further expected to receive $219k RDTI for Alcore Ltd;
- Access to R&D financing;
- Strong interest from strategic investors in the bauxite, rare earths and fluoride recycling projects;
- As the Company is an ASX-listed entity, the Company has the ability to raise additional funds if required;
- Access to loans which Directors may elect to provide on terms yet to be negotiated and agreed; and
- Other avenues that may be available to the Consolidated entity.

This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

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.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the period ended 30 June 2026.

Note 3. Grant and other income

	Consolidated	
	30 June 2026 $'000	30 June 2025 $'000
MMI grant income*	1,378	751
Research and Development tax incentives	25	-
Other grant	-	6
Grant and other income	1,403	757

*The Consolidated entity through its subsidiary, Alcore Limited, has received $5.68 million grant funding under the Federal Government's Modern Manufacturing Initiative ("MMI") to support its proposed aluminium smelter bath recycling plant in Bell Bay, Tasmania. Under the terms of the grant, the Consolidated entity can utilise the grant to fund 42.37% of the eligible expenses. MMI grant completed its term during the half year ended 30 June 2026. MMI grant income above represents the grant utilised towards the eligible expenses during the half-year ended 30 June 2026.

Note 4. Administrative and research and development expenses

	Consolidated	
	30 June 2026 $'000	30 June 2025 $'000
Directors and employee salaries and on costs	397	241
Research and development expenses	659	473
Corporate and administrative expenses	752	624
Share based payment expense	790	28
	2,598	1,366

Note 5. Restricted cash

	Consolidated	
	30 June 2026 $'000	**31 December 2025 $'000**
Current assets		
Cash held in trust- grant funding	-	2,650

The Consolidated Entity through its subsidiary, Alcore Limited, had received $5.68 million grant funding under the Federal Government's Modern Manufacturing Initiative ("MMI") in 2023. The movement of $2.65 million during the half-year mainly comprises of $1.378 million towards the MMI project and balance towards repayment to the Department of Industry, Science and Resources (DISR).

Note 6. Investments accounted for using the equity method

	Consolidated	
	30 June 2026 $'000	**31 December 2025 $'000**
Non-current assets		
Investment in ABX3 Pty Ltd	1,059	1,147

Reconciliation
Reconciliation of the carrying amounts at the beginning and end of the current and previous financial half-year are set out below:

Opening carrying amount	1,147	-
Additions	-	1,157
Share of loss of associate	(88)	(10)
Closing carrying amount	1,059	1,147

In FY25, ABX3 Pty Ltd (ABX3) issued 234 new shares to Good Importing International (GII) for a capital raising of $2.7 million. This resulted into GII a controlling interest of 70% shareholding in ABX3. Due to this, ABX Group Limited lost control over ABX3 as its subsidiary during FY25 and the Group deconsolidated ABX3 from its consolidated reporting and started accounting its 30% holding in ABX3 as investment in associates under AASB128-Investment in Associates and Joint Venture, with initial recognition at fair value of $1,157k.

Note 7. Mining Tenements

	Consolidated	
	30 June 2026 $'000	**31 December 2025 $'000**
Non-current assets		
Exploration and evaluation - at cost	10,971	10,997

Movement in exploration and evaluation asset:

	Consolidated	
	30 June 2026 $'000	**31 December 2025 $'000**
Opening balance - at cost	10,997	15,455
Capitalised exploration expenditure	738	1,689
Impairment of assets	(764)	(1,130)
Transfer out *	-	(5,017)
Carrying amount at the end of the period	10,971	10,997

The recoverability of the carrying value of evaluation and exploration assets is contingent upon the successful development and commercial exploitation of the underlying projects or, alternatively, the disposal of the relevant areas of interest. As part of the half yearly impairment assessment performed at 30 June 2026, the Consolidated Entity reviewed its portfolio of exploration licences and recognised a total impairment charge of $764k. Material provisions comprised of $400k for the Taralga (EL9798) tenement, $55k for the Penrose Quarry (EL9664) tenement, $35k each for the Temple Bar (EL27/2022) and Triangle Flat (EL28/2022) tenements, $188k for the Prossers Road (EL18/2014) tenement, and $50k for the DL130 Bauxite Project (ML2142P/M) tenement.

* Transfer out represents exploration assets of ABX3 Pty Ltd that were deconsolidated from the Group upon ABX3 Pty Ltd ceased to be a subsidiary of the ABX Group Ltd effective from 9 October 2025.

Note 8. Trade and other payables

	Consolidated	
	30 June 2026 $'000	**31 December 2025 $'000**
Current liabilities		
Trade payables	276	661
Other payables	86	95
	362	756

Note 9. Contract liabilities

	Consolidated	
	30 June 2026 $'000	**31 December 2025 $'000**
Current liabilities		
Contract liabilities	-	2,720

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

Opening balance	2,720	4,974
Transfer to revenue during the period based on performance obligations satisfied	(1,378)	(987)
Repayment of grant fund during the period	(1,335)	(1,267)
Movement to other payables	(7)	-
Closing balance	-	2,720

The Consolidated Entity through its subsidiary, Alcore Limited, has received $5.68 million grant funding under the Federal Government's Modern Manufacturing Initiative ("MMI") to support its proposed aluminium smelter bath recycling plant in Bell Bay, Tasmania. Under the terms of the grant, the Consolidated Entity can utilise the grant to fund 42.37% of the eligible expenses.

MMI grant completed its term during the half year ended 30 June 2026. The transfer to revenue above represents the grant utilised towards the eligible expenses. The Company repaid $1.34 million to the Department of Industry, Science and Resources (DISR) as per its repayment requests.

Note 10. Borrowings

	Consolidated	
	30 June 2026 $'000	**31 December 2025 $'000**
Current liabilities		
Convertible notes - host debt liability at amortised cost	1,961	1,760
Embedded derivatives	15	73
	1,976	1,833

The convertible note balance include the below:

- On 20 December 2024, the Company received binding commitments for the issue of convertible notes ("Notes") in the amount of $1.8 million to professional and sophisticated investors, including directors, with convertible notes to be issued over tranches.
- On 30 December 2024, the company issued 370,000 Tranche 1 convertible notes and raised $370,000. Of these, in FY25, 50,000 convertible notes were settled by conversion into shares.
- As part of Tranche 2, 1,475,000 Notes were issued between 21 March 2025 and 16 June 2025 upon shareholder approval received at the Extraordinary General Meeting held on 7 March 2025 and raised $1,475,000.
- As per the terms of issue and further on approval in EGM on 7 March 2025, Noteholders were issued 22.14 million free attaching unlisted options, representing 12 free attaching unlisted options ("Options") per Note held. The fair values of the Options were determined using Black-Scholes Options Pricing Model at $298,625.
- During the half-year ended 30 June 2026, an amount of $200k has been accounted as the interest on convertible notes.

Note 10. Borrowings (continued)

The key terms and conditions of the Notes are as follows:

(i) Face Value of $1.00 per Note;
(ii) Maturity date: 31 December 2026;
(iii) Coupon rate of 12% per annum payable in cash every 6 months, with the flexibility to capitalise that interest on or prior to the relevant interest payment date;
(iv) Notes are convertible into Shares at the election of Noteholders any time prior to maturity date. The conversion price will be the lower of (a) A fixed price of A$0.04 (25 Shares per Note) (b) a 15% discount to the 15-day VWAP immediately prior to conversion, subject to a floor price of $0.01

Valuation methodology applied in valuing Convertible Notes
At the end of each reporting period, the Group values the Notes using the Black Scholes option pricing model to determine the value of the embedded derivative. The Black Scholes option pricing model assumes the Note holder will exercise at expiry (i.e. the note will be converted on maturity). The model estimates the fair value of the conversion feature using specified market and instrument inputs.

- Level 1 - the instrument has quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 - a valuation technique is applied using inputs other than quoted prices within Level 1 that are observable for the financial instrument, either directly (i.e. as prices), or indirectly (i.e. derived from prices)
- Level 3 - a valuation technique is applied using inputs that are not based on observable market data (unobservable inputs).

Valuation techniques for fair value measurements categorised within level 3
Unobservable inputs used in calculating the embedded derivative classified as level 3 were expected future volatility and the risk-free rate. The expected future volatility was calculated at 78.91% and the risk-free rate used was 3.26%.

There has been no change in the Group's valuation process, valuation techniques and types of inputs used in the fair value measurement at the end of the reporting period in comparison to the methodology upon inception. There have been no transfers between levels of fair value hierarchy during the half-year ended 30 June 2026.

Note 11. Other liabilities

	Consolidated	
	30 June 2026 $'000	31 December 2025 $'000
Current liabilities		
Accrued expenses - other	42	80
Other current liabilities	300	300
	342	380
Non-current liabilities		
Payable to Directors*	2,072	1,988
	2,414	2,368

*Payable to Directors represents outstanding remuneration payable to Ian Levy (non-Executive Director) and Joycelyn Morton (Independent non-executive Director). For the half-year ended 30 June 2026, the outstanding balance payable is unsecured and interest free and not payable on demand for at least 12 months from the date of these financial statements.

Note 12. Issued capital

	Consolidated			
	30 June 2026 Shares	31 December 2025 Shares	30 June 2026 $'000	31 December 2025 $'000
Ordinary shares	374,917,940	362,848,153	38,912	39,410

Movements in ordinary share capital

Details	Date	Shares	$'000
Balance	1 January 2026	362,848,153	39,410
Share placement to non-related parties	16 March 2026	10,180,660	825
Share placement to directors	16 March 2026	1,234,568	100
Shares issued in-lieu of payment for director's fees	4 June 2026	654,559	45
Value of free attaching options issued with share placement		-	(1,104)
Transaction cost		-	(364)
Balance 30 June 2026		374,917,940	38,912

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Note 13. Earnings per share

	Consolidated	
	30 June 2026 $'000	30 June 2025 $'000
Loss after income tax	(2,191)	(1,461)
Profit attributable to Non-controlling interest in Alcore Ltd	(93)	(42)
Loss after income tax attributable to the owners of ABX Group Limited	(2,284)	(1,503)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	369,665,001	250,603,698
Weighted average number of ordinary shares used in calculating diluted earnings per share	369,665,001	250,603,698
	Cents	**Cents**
Basic loss per share	(0.62)	(0.60)
Diluted loss per share	(0.62)	(0.60)

Note 14. Share-based payments

Share based payments expense during the period was $790k (30 June 2025: $28k). The expense during the period represents the vesting charge for half-year on options granted to key management personnel, lead managers, brokers and other employees of the Company.

The Company has adopted an Employee Share Option Plan ("ESOP"). An eligible person is an employee of the Company or such other person meeting the eligibility criteria defined under the ESOP Rules.

The purpose of the ESOP is to provide an opportunity for all eligible person to participate in the growth and development of the Company through participation in the equity of the Company.

The Company believes it is important to provide incentives to eligible person in the form of options which provide the opportunity to participate in the share capital of the Company. The Company expects to apply the proceeds of exercise of the Options to working capital needs, asset or business acquisitions and general corporate purposes. All options to be issued must be consistent with any applicable Listing Rules and having regard to regulatory constraints under the Corporations Act 2001, ASIC policy or any other law applicable to the Company.

Set out below are summaries of options during the period:

	Number of options 30 June 2026	Weighted average exercise price 30 June 2026	Number of options 30 June 2025	Weighted average exercise price 30 June 2025
Outstanding at the beginning of the financial half-year	10,712,500	$0.1005	1,050,000	$0.1533
Granted	29,039,875	$0.0569	2,000,000	$0.0800
Forfeited/lapsed	-	$0.0000	(150,000)	$0.1692
Outstanding at the end of the financial half-year	39,752,375	$0.0687	2,900,000	$0.1019
Exercisable at the end of the financial half-year	39,677,375	$0.0687	2,600,000	$0.0989

30 June 2026

Grant date	Expiry date	Exercise price	Balance at the start of the half-year	Granted note 1	Exercised	Forfeited	Balance at the end of the half-year
01/06/2022	01/06/2028	$0.1692	750,000	-	-	-	750,000
29/05/2024	29/05/2030	$0.0576	150,000	-	-	-	150,000
26/05/2025	26/05/2028	$0.0800	2,000,000	-	-	-	2,000,000
17/11/2025	17/11/2027	$0.1000	7,812,500	-	-	-	7,812,500
02/03/2026	17/03/2029	$0.0800	-	15,000,000	-	-	15,000,000
17/03/2026	17/11/2027	$0.0100	-	11,039,875	-	-	11,039,875
26/05/2026	04/06/2029	$0.1140	-	3,000,000	-	-	3,000,000
			10,712,500	29,039,875	-	-	39,752,375
Weighted average exercise price			$0.1005	$0.0569	$0.0000	$0.0000	$0.0687

Note 1:
- On 2 March 2026, upon obtaining shareholder approval at the Extraordinary General Meeting, the Company granted 15,000,000 broker options to Sequoia Corporate Finance Pty Ltd and GBA Capital Pty Ltd in consideration for services provided in managing the Company's convertible note issuance announced on 20 December 2024.

- On 17 March 2026, the Company issued 11,039,875 unlisted options to Alpine Capital Pty Limited, the lead manager for the capital raising services provided in relation to the Placement.

- On 26 May 2026, upon obtaining shareholder approval at the Annual General Meeting, the Company granted 2,000,000 options to Dr Mark Cooksey, Managing Director & CEO, 500,000 options to Mr Ian Levy, Non-Executive Director and

Note 14. Share-based payments (continued)

500,000 options to Ms Joycelyn Morton, Non-Executive Chair. These options have vested immediately upon issue and each option entitles the holder to be issued one ordinary share in the Company upon conversion of that option.

For the options granted during the current financial half-year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
02/03/2026	17/03/2029	$0.0770	$0.0800	95.00%	-	4.18%	$0.047
17/03/2026	17/11/2027	$0.0670	$0.1000	93.00%	-	4.53%	$0.025
26/05/2026	04/06/2029	$0.0580	$0.1140	94.00%	-	4.55%	$0.027

In addition to the above, the Company issued the following free attaching options which were not included in the above tables:

(i) In FY25, 22,140,000 free attaching options (exercise price of $0.08 per option with various expiry dates) to the Convertible Noteholders. There were no change during the half year ended 30 June 2026.

(ii) In FY25, 46,875,000 free attaching options (exercise price of $0.10 per option and expiring on 17 November 2027) were issued to the shareholders participated in the share placement on 10 October 2025. There were no change during the half year ended 30 June 2026.

(iii) On 17 March 2026, 37,345,670 free attaching options (exercise price of $0.10 per option and expiring on 17 November 2027) were issued to the shareholders participated in the share placement announced on 25 November 2025.

30 June 2025

Grant date	Expiry date	Exercise price	Balance at the start of the half-year	Granted*	Exercised	Forfeited**	Balance at the end of the half-year
01/06/2022	01/06/2028	$0.1692	900,000	-	-	(150,000)	750,000
29/05/2024	29/05/2030	$0.0576	150,000	-	-	-	150,000
26/05/2025	26/05/2028	$0.0800	-	2,000,000	-	-	2,000,000
			1,050,000	2,000,000	-	(150,000)	2,900,000
Weighted average exercise price			$0.1533	$0.0800	$0.0000	$0.1692	$0.1019

* On 26 May 2025, the Company issued 1,000,000 options to Dr Mark Cooksey, Managing Director & CEO, 500,000 options to Ms Joycelyn Morton, Non-Executive Chair and 500,000 options to Mr Ian Levy, Non-Executive Director. These options have vested immediately upon issue and each option entitles the holder to be issued one ordinary share in the Company upon conversion of that option.

** Forfeited/lapse options relate to 150,000 options lapsed upon the conditions associated with the issue were not met.

The weighted average share price during the financial half-year was $0.072 (30 June 2025: $0.039).

The weighted average remaining contractual life of options outstanding at the end of the financial half-year was 2 years and 3 months (30 June 2025: 2 years and 11 months).

Note 15. Dividends

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

Note 16. Commitments and Contingent Liabilities

Other than as disclosed in this report, there were no significant changes to the commitments and contingencies disclosed in the most recent annual financial report.

	Consolidated	
	30 June 2026 $'000	31 December 2025 $'000
Tenement expenditure commitments:		
Minimum payment over the remaining term of the tenements:		
Minimum Tenement exploration expenditures	965	983
Tenement lease and levy payment	102	81
	1,068	1,064

Note 17. Events after the reporting period

On 17 August 2026, Good Importing International's (GII) exclusive option to acquire a 75% interest in ABx2 through an investment of $4.8 million expired without exercise. Consequently, the $300,000 option fee paid on 3 December 2025 was forfeited and is non-refundable.

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.

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 Group will be able to pay its debts as and when they become due and payable.

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

On behalf of the Directors

Joycelyn Morton
Non-Executive Chairman

11 September 2026

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ABX GROUP LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of ABx Group Limited ('the Company') and its controlled entities (collectively 'the Group'), which comprises the consolidated statement of financial position as at 30 June 2026, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes, 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 ABx Group Limited does not comply with the *Corporations Act 2001* including:

(a) giving a true and fair view of the financial position of the Group as at 30 June 2026, and of its consolidated financial performance for the half-year ended on that date; and

(b) complying with the Australian 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 Half year Financial Report section of our report.

We are independent of the Group 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Material Uncertainty in Respect of Going Concern

We draw attention to Note 1 of the financial report, which describes the basis of preparation and comments on conditions, matters and assumptions indicating that a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern and thus which may impact its ability to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Responsibilities of the Directors for the Half-Year 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 the Australian Accounting Standards and the *Corporations Regulations 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 that 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 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2026 and its performance for the half year ended on that date, and complying with Australian 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.

PKF

PKF

Melbourne, 11 September 2026

Kaitlynn Brady

Kaitlynn Brady

Partner