SUNSHINE METALS LIMITED

A.B.N. 12 063 388 821

ANNUAL FINANCIAL REPORT

30 JUNE 2026

CORPORATE DIRECTORY

BOARD OF DIRECTORS

Alec Pismiris (Chairman)
Damien Keys (Managing Director)
Joanne Bergamin (Non-Executive Director)
Fred White (Non-Executive Director)

COMPANY SECRETARY

Shaun Menezes

REGISTERED OFFICE AND PRINCIPAL BUSINESS OFFICE

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SECURITIES EXCHANGE LISTING

ASX Limited (Australian Securities Exchange)
ASX Code: SHN

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DIRECTORS' REPORT

The directors present their report together with the financial statements of the Group consisting of Sunshine Metals Limited ("**Sunshine Metals**" or "**the Company**") and its controlled entities for the financial year ended 30 June 2026 ("**Balance Date**"), the notes to the financial statements and the auditor's report thereon.

DIRECTORS

The names and details of the Company's directors in office during the financial year and until the date of this report are as follows. Directors were in office for the entire period unless otherwise stated.

Alec Pismiris
Damien Keys
Joanne Bergamin
Fred White (appointed 5 August 2025)
Paul Chapman (resigned 31 October 2025)
Leslie Davis (resigned 31 August 2025)
Antonio Torresan (resigned 31 August 2025)

PARTICULARS OF DIRECTORS

Alec Pismiris B.Comm, MAICD
Chairman

Mr Pismiris has over 30 years of experience in the securities, finance and mining industries. Since 1990, Mr Pismiris has served as a director and/or company secretary for various ASX listed companies as well as a number of unlisted public and private companies. Mr Pismiris has participated numerous times in the processes by which boards have assessed the acquisition and financing of a diverse range of assets and has participated in and become familiar with the range of evaluation criteria used and the due diligence processes commonly adopted in the commercial assessment of corporate opportunities.

Other current directorships: Bubalus Resources Ltd (since 1 November 2021).

Former directorships (last 3 years): Agrimin Ltd (3 October 2013 to 29 November 2024), Gumtree Australia Markets Ltd (7 April 2016 to 17 October 2024).

Damien Keys PhD (Struct. Geo), MAIG
Managing Director

Dr Keys is a geologist with over 25 years of experience in mining and exploration. Dr Keys has led teams to exploration success with Gold Fields Australia, Silver Lake Resources, Black Cat Syndicate and Spectrum Metals. Dr Keys has completed a PhD in Structural Geology, a Bachelor of Science (Hons) and is a member of the AUSIMM and the Australian Institute of Geoscientists.

Other current directorships: None

Former directorships (last 3 years): None

DIRECTORS' REPORT (CONTINUED)

PARTICULARS OF DIRECTORS (CONTINUED)

Joanne Bergamin BA, BComm, MBA
Non-Executive Director

Ms Bergamin is a seasoned communications and sustainability professional with expertise across the resources and energy sectors in Queensland - most notably with miner QEM (ASX:QEM), Arrow Energy (ASX:AOE) and the national Women in Sustainable Energy & Resources (WISER) network which she founded and chairs. Ms Bergamin has strong governance experience developed through serving on the board of Sports Gold Coast and in previous corporate services roles at the Vatican City State and John Cabot University. Ms Bergamin's experience is important for engaging relevant stakeholders to progress the commercialisation of the Ravenswood Consolidated Project, including the advanced Liontown deposit.

Other current directorships: None

Former directorships (last 3 years): None

Fred White Ass Dip Met, Grad Cert M'ment (appointed 5 August 2025)
Non-Executive Director

Mr White is a North Queensland based Operator and Miner of Gold and Base Metals by background and later studied metallurgy. He worked his way from the ground up to hold senior production roles at Mt Isa with a lead/zinc focus from Operating roles through to General Management of all Pb/Zn Processing on site at Mount Isa. In this capacity he lead the Pb/Zn concentrator upgrade from 6.5-8.0Mtpa. He was also appointed to the Xstrata Zinc Board following the takeover of MIM. Mr White then went on to run Australia's largest private shipping Company – Sea Swift, taking it to 5x valuation for shareholders. Most recently, Mr White founded a company that runs the Mount Barker Silver mine, which direct ships a high-grade silver-lead-zinc product out of Townsville to China. Mr White brings strong operational, logistics, production, and start-up experience to the Board.

Other current directorships: None

Former directorships (last 3 years): None

Paul Chapman B.Comm, Grad. Dip. Tax, CA, MAICD, MAusIMM (resigned 31 October 2025)
Non-Executive Director

Mr Chapman is a company director with over 30 years in the resource sector. Mr Chapman has held senior management roles across a range of commodity businesses and public companies in Australia and the USA. Mr Chapman was a founding director and shareholder of Reliance Mining, Encounter Resources, Rex Minerals, Silver Lake Resources, Black Cat Syndicate and Dreadnought Resources.

DIRECTORS' REPORT (CONTINUED)

PARTICULARS OF DIRECTORS (CONTINUED)

Leslie Davis B.Sc. MAusIMM (resigned 31 August 2025)
Non-Executive Director

Mr Davis has over 40 years mining industry experience and was the founding Managing Director of Silver Lake Resources and a current director of Black Cat Syndicate. Mr Davis has completed a Masters of Science in mineral economics.

Antonio Torresan
Non-Executive Director (resigned 31 August 2025)

Mr Torresan is a businessman with significant experience in capital markets. Mr Torresan has been actively involved in arranging capital raisings, funding and supporting ASX listed companies as well as unlisted public companies, providing investor relation services and assisting boards with development of strategic plans. Mr Torresan has also played a significant role in negotiating mergers and acquisitions, especially in the mining exploration sector where he has been pivotable in the recapitalisation and growth of ASX listed companies. Mr Torresan has held numerous executive positions where his responsibilities have included strategy, operational management and business development.

COMPANY SECRETARY

Shaun Menezes, B.Comm, LLB, CA, AGIA

Mr Menezes is an accounting and finance professional with over 20 years' experience. Mr Menezes has worked in the capacity of Company Secretary and Chief Financial Officer of a number of ASX and SGX listed companies, held a senior management role within an ASX 200 listed company and was an executive director at a leading international accounting firm.

DIRECTORS' MEETINGS

The following table sets out the number of meetings of the Company's directors, held during the year ended 30 June 2026 by each director:

	Number Eligible to Attend	Number Attended
Alec Pismiris	10	10
Damien Keys	10	10
Joanne Bergamin	10	10
Fred White[1.]	9	9
Paul Chapman[2.]	3	3
Leslie Davis[3.]	1	1
Antonio Torresan[3.]	1	1

1. Appointed 5 August 2025
2. Resigned 31 October 2025
3. Resigned 31 August 2025

The Board also approved 19 circular resolutions during the year ended 30 June 2026.

DIRECTORS' REPORT (CONTINUED)

PRINCIPAL ACTIVITIES

The principal activities of the Group during the course of the financial year comprised of exploration on the Ravenswood Consolidated Project and completion of the acquisition of the Mt Moss Project.

OPERATING AND FINANCIAL REVIEW

The Group made a loss after tax of $1,221,483 for the year ended 30 June 2026 (2025: $2,271,180).

Mt Moss acquisition

In April 2026, Sunshine announced plans to acquire 100% of the Mt Moss Operation, a processing facility adjacent to the Sybil gold (25km) and Liontown gold/base metals (220km) deposits. The Mt Moss Operation contains a 300Ktpa processing facility (magnetite Grinding Circuit) which Sunshine will transform into a gold processing facility with the addition of leaching, elution and refining components ("Gold Circuit"). Mt Moss is in excellent condition and is comprised of:

- Highly prospective Mining Leases (7km^2) and Exploration Permits (753km^2);
- Grinding circuit, including two ball mills with ~300Ktpa capacity);
- Tailings storage facility with capacity and ability to expand;
- Ample room at the back end of the grinding circuit for installation of a Gold Circuit;
- Substantial infrastructure including: 32-room camp, mess hall, mobile fleet workshop, office complex, core shed, large laydown yard and critical spares (conveyors, screens, pumps, generators);
- Proximal to the Sybil epithermal gold (25km) and Liontown gold/base metals deposits (220km);
- Overlooked copper-zinc potential; previous intersections include:
    - Copper: 19.9m @ 4.41% Cu from 367.8m (MMRC0344)
      13.0m @ 3.78% Cu from 282.0m (MMRC0326).
    - Zinc: 30.0m @ 12.04% Zn from 26.0m (3675A)
      12.0m @ 19.09% Zn from 78.0m (RC017).

Extensive due diligence and planning was conducted by Wulguru Technical Services to assess the environmental obligations, and Detech Engineering and Sunshine compiled a detailed preliminary analysis of the Mt Moss infrastructure and developed a costed work program to refurbish and construct the Gold Circuit which totalled $28.5 million.

Consideration for the acquisition was as follows:

1. $200,000 cash payable for exclusive dealing period (paid);
2. $150,000 payable on signing of binding agreement (paid);
3. $7,650,000 cash payable at Completion (paid); and
4. $10,000,000 cash payable on or by 11 April 2027 (to be secured against Mt Moss until discharged).

Sunshine will also grant to the vendor a $7/t royalty on magnetite produced from Mt Moss. From Completion, Sunshine is liable for any existing environmental rehabilitation obligations.

DIRECTORS' REPORT (CONTINUED)

OPERATING AND FINANCIAL REVIEW

Mt Moss Refurbishment

Following completion of the acquisition, Sunshine commenced refurbishment and engineering activities at Mt Moss. In September 2026, Sunshine reported that refurbishment was progressing to plan and that the facility remained on track for commissioning and first gold in mid-2027.

Works completed included decommissioning of magnetite-associated processing equipment, mill equipment upgrades, assessment and reconditioning of pumps and other infrastructure, recommissioning of the site office complex, rehabilitation of site roads and earthworks and re-establishment of the accommodation camp.

Engineering and environmental works were also progressing, including final reviews of detailed engineering design and procurement of long lead-time items including the elution circuit and gold room. Construction is expected to commence in October–November 2026 once design and remaining contracts are finalised.

Ravenswood Project

Updated Mineral Resource

After drilling 29 reverse circulation (RC) holes (1,834m) in May 2025 which targeted shallow Au mineralisation and tightened drill spacing to ~25m x 25m, Sunshine delivered an updated Mineral Resource Estimate for the Liontown prospect which increased the shallow, high-grade gold Resource.

Based on the drilling and refined interpretation, the Liontown Resource (including Liontown East) increased to **6.1Mt @ 3.6g/t AuEq for 714Koz AuEq recoverable (or 10.0% ZnEq)**. Refer Mineral Resources and Reserves Statement in the section below for details.

The updated Resource was incorporated into the Liontown Mining Study, which considered the gold-rich portion of the larger gold-silver-copper-zinc Liontown Resource.

An update for the Liontown Resource was reported on 15 July 2026.

Liontown Mining Study

A Mining Study over the shallow gold at Liontown was delivered in February 2026. It extracts ~8% of the total Liontown Resource and will provide valuable long-term infrastructure for the potential extraction of the remaining copper, zinc, lead base metal Resource. The study demonstrates a robust economic case, mining an initial ~75.2Koz Au & 654Koz Ag, generating estimated Net Operating Cashflow of ~$163M (@ $6,500oz Au & $100oz Ag). All amounts are in A$ unless otherwise stated. The Mining Study incorporated the November 2025 Resource.

Highlights included:

- An initial production target of **~75Koz @ 2.96 g/t Au, and 654Koz Ag @ 25.73g/t Ag** (73% Indicated, 27% Inferred), based on a multi-staged open pit and underground operation.
- Robust financials at prices of $6,500oz Au, $100oz Ag include:
    - Gross revenue of ~**$458M**.
    - Net operating cashflow (after all capital) of **~$162.7M**.
    - **75,227oz** mined gold and **653,967oz** mined silver.
    - Maximum cash draw down of **~$4.6M**.
    - All-in sustaining cost ("AISC") of **$2,741/oz Au**.

DIRECTORS' REPORT (CONTINUED)

OPERATING AND FINANCIAL REVIEW

- Mining and environmental approvals are well advanced, with early contractor engagement underway to support a potential commencement in late 2026.

An updated Liontown Gold Mining Study was reported on 21 September 2026.

Liontown Open Pit Grade Control Drilling

Sunshine's RC grade control drill program on the Shallow Au Resource at Liontown was extended to 121 holes (5,223m) following early high-grade gold and silver results. Drilling achieved spacing of ~12.5m x 12.5m in areas amenable to open-pit mining. This spacing further improved mine planning and supported potential toll treatment discussions. Results included:

- **30m @ 6.68g/t Au & 528g/t Ag from 17m** (25LTRC070), including **3m @ 52.12g/t Au & 4,252g/t Ag from 17m**
- **8m @ 7.31g/t Au & 1,321g/t Ag from 10m** (25LTRC052) including **3m @ 6.78g/t Au & 2,410g/t Ag from 13m**
- **24m @ 7.08g/t Au & 305g/t Ag from 14m** (25LTRC071), including **3m @ 44.18g/t Au & 1,946g/t Ag from 14m**
- **20m @ 5.62g/t Au & 310g/t Ag from 8m** (25LTRC069), including **5m @ 14.79g/t Au & 1,164g/t Ag**
- **5m @ 6.91g/t Au & 168g/t Ag from 21m** (25LTRC062), and **14m @ 3.45g/t Au & 592g/t Ag from 33m**
- **7m @ 5.87g/t Au from surface** (26LTRC002), including **1m @ 30.10g/t Au from 6m**
- **3m @ 25.01g/t Au from 14m** (26LTRC017) including **1m @ 68.80g/t Au from 15m**
- **7m @ 4.15g/t Au & 19g/t Ag from 61m** (26LTRC019) including **2m @ 11.90g/t Au & 48g/t Ag from 61m**
- **19m @ 2.34g/t Au & 184g/t Ag from 49m** (26LTRC045) including **1m @ 12.75g/t Au & 298g/t Ag from 60m**
- **16m @ 3.06g/t Au & 49g/t Ag from 49m** (26LTRC051) including **3m @ 8.27g/t Au & 22g/t Ag from 62m.**

Assay results confirmed the significant silver potential of the Liontown system, which forms part of a broader suite of volcanogenic massive sulphide ("VMS") targets located within the Ravenswood Consolidated Project.

Liontown Gold Panel Resource Upgrade/Extension Program

In March 2026, Sunshine completed further Resource drilling (30 RC holes, 2,032m) at the Liontown Gold Panel – a high-grade, gold-dominant lode that will form part of the proposed underground mine. The drilling was located between 150m and 350m east of the previous grade control drilling targeting the proposed open-pit and was drilled at 25m x 25m spacing.

Drilling aimed to upgrade the Resource in the uppermost two levels of underground development and extend the Resource above and to the west of the Gold Panel and beyond proposed development. Results from the grade control drilling included:

DIRECTORS' REPORT (CONTINUED)

OPERATING AND FINANCIAL REVIEW

- **22m @ 20.25g/t Au from 69m (26LTRC077), including 8m @ 39.58g/t Au from 68m, and 4m @ 29.45g/t Au from 81m**
- **12m @ 7.87g/t Au from 85m (26LTRC070), including 6m @ 14.91g/t Au from 86m**
- **10m @ 8.28g/t Au from 46m (26LTRC071)**
- **13m @ 3.76g/t Au from 30m (26LTRC079)**
- **14m @ 12.38g/t Au from 79m (26LTRC069), including 6m @ 24.44g/t Au from 80m**
  8m @ 5.14g/t Au from 72m (26LTRC062), including **3m @ 11.25g/t Au from 73m**.

Government funded exploration

A Queensland Government Collaborative Exploration Initiative (CEI)-funded VTEM Max geophysical survey was completed across the Coronation Highway area to identify discrete conductive anomalies and map regional magnetic responses associated with stratigraphy and structural architecture. Interpretation of the data defined seven high-priority VMS conductors, which will be advanced through follow-up exploration programs and grade control.

Small reconnaissance drill programs (1,681.8m, 12 holes) were also completed at Liontown North (CEI Funded), Salla and Plateau. Best results from Plateau included:

- 8m @ 3.17g/t Au & 31g/t Ag from 61m (25PLRC006)
- 2m @ 1.40g/t Au & 16g/t Ag from 70m (25PLRC002).

In March 2026, Sunshine received a $202,235 grant through Round 10 of the CEI to fully fund a single diamond drill hole at the Trooper Creek Au-Ag-Cu-Zn target near Charters Towers. The funding will support a single 650m diamond drill hole designed to test the centre of a coincident geophysical and geochemical anomaly.

Drilling is expected to commence in November 2026.

Sybil Project

Sunshine Metals acquired the Sybil epithermal gold project in North Queensland in June 2025.

Field activities included mapping, rock chip sampling and diamond drilling. A 14-hole (1,177.4m) diamond drill program was undertaken at Sybil's Francis Creek prospect between August to October 2025, with 12 of 14 holes returning significant mineralisation, including:

- **4.4m @ 57.51g/t Au from 23.6m** (25FCDD003), including **1.1m @ 148.0g/t Au from 23.6m**
- **4.5m @ 17.23g/t Au from 82.5m** (25FCDD0012)
- **5.2m @ 9.01g/t Au from 52.0m** (25FCDD007)
- **3.8m @ 6.12g/t Au from 22.6m** (25FCDD002)
- **2.8m @ 15.15g/t Au from 37.0m** (25FCDD010)
- **7.0m @ 3.93g/t Au from 65.0m** (25FCDD008A)**.**

Further targets in the immediate vicinity include the north-south oriented C and D Veins containing rock chips to 7.3g/t Au. There is also a south-east striking splay off the Main Vein ~400m to the east of the A Vein mineralisation.

DIRECTORS' REPORT (CONTINUED)

OPERATING AND FINANCIAL REVIEW

In June 2026, Sunshine commenced a detailed 2,079 line-km helicopter-borne magnetic and radiometric survey at Sybil. The survey formed part of Sunshine's broader exploration and development activities across the Ravenswood Consolidated Project, alongside ongoing Liontown development studies and the Mt Moss processing facility. The survey will assist in delineating the project's stratigraphic and structural architecture, a critical requirement for understanding the potential controls of the mineralised system within the Sybil epithermal system.

This was the first detailed airborne magnetic and radiometric survey undertaken across the Sybil Project.

Post Year-End RC Drilling

In August 2026, Sunshine commenced a 72-hole, 4,528m RC drilling program across the Francis Creek, Francis Creek East and Blue Range targets at Sybil.

Drilling commenced at Francis Creek East, a previously undrilled outcropping epithermal vein system where rock chip sampling had returned results of up to **28.1g/t Au**. The program was designed to test extensions of known mineralisation at Francis Creek, undertake first-pass drilling at Francis Creek East and test the Blue Range target, where rock chip sampling had previously returned results of up to 20.4g/t Au.

Geological mapping was also completed at the Cisco and Pancho targets and cultural heritage surveys were planned at the Burdekin Veins target to support future drill testing.

Hodgkinson Project divestment

In May 2026, Sunshine agreed to divest its Hodgkinson Project in Queensland to EQ Resources Limited for $250,000 in cash, subject to completion. The divestment allows Sunshine to focus funds and efforts on refurbishment, construction and final permitting of the Mt Moss Gold Plant in Queensland, progressing toward gold production from Liontown in mid-2027, as well as exploration of the highly prospective Sybil epithermal field.

Corporate

As at 30 June 2026:

- Sunshine held cash reserves at of ~$20.6M.
- The Company had 3,400 shareholders and 3,595,329,012 ordinary fully paid shares on issue with the top 20 shareholders holding 35.26% of the total issued capital.

During the period, the Company received $634,302 (GST inclusive) from Pluton Resources Limited (Receiver and Manager Appointed) (In Liquidation) ("Pluton") as a first and final dividend to unsecured creditors relating to outstanding royalty payments on shipments of iron ore from the Cockatoo Island Project completed during the 2015 financial year and interest on unpaid royalties.

The Company also received $228,804 under the CEI Grant (Round 9) for the VTEM-Max Survey conducted across the Coronation-Highway area during the December 2025 quarter and $162,157 under the CEI Grant (Round 9) for the Liontown North Drilling. These amounts have been offset against capitalised exploration and evaluation expenditure.

DIRECTORS' REPORT (CONTINUED)

OPERATING AND FINANCIAL REVIEW

Capital Raisings

On 1 September 2025, Sunshine announced that it had firm commitments received for $5.0 million (before costs) at an issue price of $0.012 per share (Placement) to new and existing institutional and sophisticated investors by the issue of 416,666,667 shares.

In April 2026, The Company announced a $22 million capital raising, comprising a $19 million two-tranche placement and a share purchase plan (SPP) to raise up to $3 million at A$0.027 per share.

The Placement was completed in two tranches:

- 625,925,925 shares were issued on 8 May 2026 under the Placement (368,162,503 under ASX Listing Rule 7.1 and 257,763,422 under ASX Listing Rule 7.1A) to raise A$16.9 million (before costs) ("Tranche One"); and
- 77,777,779 shares were issued after shareholder approval at the General Meeting of the Company on 22 June 2026, including Director participation of $100,000 (3,703,704 shares) to raise a total of $2.1 million (before costs) ("Tranche Two").

Sunshine's Share Purchase Plan (SPP) closed in May, with total applications to the value of $7,695,000 received. Although the SPP was oversubscribed, Sunshine has elected to not scale back this participation. All eligible Shareholders received the opportunity to increase their investment in SHN as it moves into its next phase of development. All eligible Non-Executive Directors have taken up their $30,000 maximum allotment allowable under the SPP, showing significant shareholder alignment. The Company issued a total of 284,999,876 new listed shares.

OPERATING AND FINANCIAL RISKS

The Group's activities have inherent risk and the Board is unable to provide certainty of the expected results of activities, or that any or all of the likely activities will be achieved. The material business risks faced by the Group that could influence the Group's future prospects, and how the Group manages these risks, are detailed below:

<u>Operational risks</u>

The Group may be affected by various operational factors. In the event that any of these potential risks eventuate, the Group's operational and financial performance may be adversely affected. No assurances can be given that the Group will achieve commercial viability through the successful exploration and/or mining of its tenement interests. Until the Group is able to realise value from its projects, it is likely to incur ongoing operating losses.

The Group's tenements are at various stages of exploration, and potential investors should understand that mineral exploration and development are speculative and high-risk undertakings that may be impeded by circumstances and factors beyond the control of the Group.

There can be no assurance that exploration of the tenements, or any other exploration properties that may be acquired in the future, will result in the discovery of an economic Resource. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

DIRECTORS' REPORT (CONTINUED)

OPERATING AND FINANCIAL RISKS

There is no assurance that exploration or project studies by the Group will result in the definition of an economically viable mineral deposit. In the event the Group successfully delineates economic deposits on any tenement, it will need to apply for a mining lease to undertake development and mining on the relevant tenement. There is no guarantee that the Group will be granted a mining lease if one is applied for and if a mining lease is granted, it will also be subject to conditions which must be met.

The development of mineral deposits involves significant risks that even a combination of careful evaluation, experience and knowledge may not eliminate. Major expenses may be required to locate and establish mineral reserves, to establish rights to mine the ground, to receive all necessary operating permits, to develop metallurgical processes and to construct mining and processing facilities at a particular site.

Further capital requirements

The Group's projects may require additional funding in order to progress activities. There can be no assurance that additional capital or other types of financing will be available if needed to further exploration or possible development activities and operations or that, if available, the terms of such financing will be favourable to the Group.

The Group's activities are subject to Government regulations and approvals

The Group is subject to certain Government regulations and approvals. Any material adverse change in government policies or legislation in Queensland and/or Australia that affect mining, processing, development and mineral exploration activities, export activities, income tax laws, royalty regulations, government subsidiaries and environmental issues may affect the viability and profitability of any planned exploration or possible development of the Group's portfolio of projects.

Global conditions

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Group's exploration activities, as well as on its ability to fund those activities. General economic conditions, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, currency exchange controls and rates, national and international political circumstances (including outbreaks in international hostilities, wars, terrorist acts, sabotage, subversive activities, security operations, labour unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics, may have an adverse effect on the Group's operations and financial performance, including the Group's exploration, as well as on its ability to fund those activities.

General economic conditions may also affect the value of the Group and its market valuation regardless of its actual performance.

DIRECTORS' REPORT (CONTINUED)

MINERAL RESOURCES AND ORE RESERVES STATEMENT

Sunshine Metals Resource inventory comprises the Total VMS (Zn-Cu-Au-Pb-Ag) and Plateau (Au) Resources. The Resource Inventory was updated on 26 November 2025 (see ASX: SHN, "Significant Upgrade in Liontown Shallow Gold Resource").

There were no Ore Reserves at 30 June 2026.

Prospect	Lease Status	Resource Class	Tonnage (kt)	Gold (g/t)	Copper (%)	Zinc (%)	Silver (g/t)	Lead (%)	Zinc Eq. (%)	Gold Eq (g/t)	Gold Eq (oz)	Contained Gold (oz)	Contained Copper (t)	Contained Zinc (t)	Contained Silver (oz)	Contained Lead (t)
Liontown Oxide	ML/MLA	Indicated	97	2.0	0.6	0.8	30	2.6	*6.0*	2.2	6,861	6,237	582	805	93,559	2,474
		Inferred	77	1.5	0.7	0.8	18	1.0	*4.6*	1.7	4,209	3,713	547	639	44,561	762
Liontown Transitional	ML/MLA	Indicated	207	2.2	0.8	2.2	40	2.6	*7.5*	2.7	17,969	14,641	1,739	4,575	266,208	5,444
		Inferred	23	1.8	0.6	1.5	10	0.8	5.1	1.8	1,331	1,331	140	343	7,395	179
	ML/MLA	**Total**	**404**	**2.0**	**0.7**	**1.6**	**32**	**2.2**	***6.5***	**2.3**	**30,370**	**25,923**	**687**	**982**	**411,722**	**942**
Liontown Fresh	ML/MLA	Indicated	2,128	1.4	0.6	4.8	37	1.7	10.3	3.7	253,142	95,784	12,981	102,357	2,531,421	37,027
	ML/MLA	Inferred	2,319	1.9	1.1	2.3	16	0.7	9.4	3.4	253,496	141,659	25,045	52,641	1,192,921	16,001
		Total	**4,447**	**1.7**	**0.9**	**3.5**	**26**	**1.2**	**9.8**	**3.5**	**506,638**	**237,443**	**38,026**	**154,998**	**3,724,342**	**53,028**
Liontown East	ML/MLA	Inferred	1,462	0.7	0.5	7.4	29	2.5	11.1	4.0	188,266	34,162	7,136	108,936	1,375,350	37,081
		Total	**1,462**	**0.7**	**0.5**	**7.4**	**29**	**2.5**	**11.1**	**4.0**	**188,266**	**34,162**	**7,136**	**108,936**	**1,375,350**	**37,081**
Waterloo	ML/MLA	Indicated	406	1.4	2.6	13.2	67	2.1	23.2	8.4	109,379	17,883	10,612	53,633	876,881	8,503
	ML/MLA	Inferred	284	0.4	0.7	6.6	33	0.7	9.0	3.3	29,747	3,642	2,095	18,651	301,215	2,109
		Total	**690**	**1.0**	**1.8**	**10.5**	**53**	**1.5**	**17.4**	**6.3**	**139,127**	**21,525**	**12,707**	**72,284**	**1,178,095**	**10,613**
Orient	EPM	Indicated	331	0.2	1.1	10.9	55	2.5	15.2	5.5	58,191	2,152	3,537	36,030	584,686	8,271
	EPM	Inferred	33	0.2	0.9	14.2	50	2.2	17.5	6.3	6,582	234	298	4,642	52,779	717
		Total	**363**	**0.2**	**1.1**	**11.2**	**55**	**2.5**	**15.4**	**5.5**	**64,773**	**2,386**	**3,836**	**40,672**	**637,464**	**8,988**
Total VMS Resource			**7,367**	**1.4**	**0.9**	**5.2**	**31**	**1.6**	**10.9**	**3.9**	**929,173**	**321,439**	**62,391**	**377,872**	**7,326,975**	**110,651**
Plateau#	EPM	Inferred	961	1.7	-	-	10.7	-				**49,960**	-	-	**329,435**	-
Global Resource			**8,328**							**3.7**		**371,399**	**62,391**	**377,872**	**7,656,410**	**110,651**

Notes on Resource:

1. The preceding statement of Resources conforms to the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) 2012 Edition'.
2. All tonnages are reported as dry metric tonnes.
3. Discrepancies in totals may occur due to rounding.
4. "Total VMS Resource" is a collective term for the Liontown, Waterloo and Orient mineral resource estimates.
5. Total VMS Resource parameters and corresponding Table 1 are discussed in ASX announcement, 26 November 2025 "Significant Upgrade in Liontown Shallow Gold Resource".
6. The gold and zinc equivalent grades for Greater Liontown (g/t AuEq, % ZnEq) are based on the following prices: US$3,300t Zn, US$13,000t Cu, US$1,800t Pb, US$3,500oz Au, US$60oz Ag.
7. For Liontown, metallurgical metal recoveries are broken into two domains: oxide/transitional and fresh. Each domain and associated recoveries are supported by metallurgical test work and are: Oxide/Transitional (Liontown) 0% Zn, 0% Cu, 0% Pb, 85% Au, 65% Ag & Fresh 88.8% Zn, 80% Cu, 70% Pb, 80% Au, 65% Ag.
8. For Waterloo fresh material, Orient and Plateau, the following recoveries were assumed 88.8% Zn, 80% Cu, 70% Pb, 50% Au, 65% Ag. For Waterloo transition material, recoveries of 76% Zn, 58% Cu and 0% Pb have been substituted into the ZnEq formula It is the opinion of Sunshine and the Competent Person that the metals included in the ZnEq formula have reasonable potential to be recovered and sold.
9. Plateau Resource parameters and corresponding Table 1 are discussed in ASX announcement SHN, 20 January 2023 "Consolidation of High-Grade Advanced Au Prospects RW".
10. SHN earning 75% equity in Plateau (ASX: SHN, 20th January 2023 & 22nd March 2023).

DIRECTORS' REPORT (CONTINUED)

MINERAL RESOURCES AND ORE RESERVES STATEMENT

Quality Control
Sunshine Metals ensures that the Resource estimate quoted is subject to internal controls activated at a site and corporate level. All aspects of the Resource process follow a high level of industry standard practices. Contract RC and diamond drilling was overseen by experienced Sunshine Metals employees, with completed holes subject to downhole gyroscopic survey and collar coordinates surveyed with RTK GPS. Geological logging and sampling were completed by Sunshine Metals geologists. Sunshine Metals employs field quality control (QC) procedures, including addition of standards, blanks and duplicates ahead of assaying which was undertaken using industry standard fire assay at Intertek and ALS laboratories in Townsville. All drilling information is continually validated and managed by a database consultant. Geological models and wireframes were built using careful geological documentation and interpretations, all of which were validated by peer review. Estimation techniques are industry standard and include block modelling using Ordinary Kriging. Resource estimation (Greater Liontown) was undertaken by consultant, Measured Group. Estimation techniques are industry standard and include block modelling using Ordinary Kriging and ID2. Resource estimation (Plateau) was undertaken by Sunshine Metals using industry standard estimation techniques and include block modelling using ID2.

Application of other parameters including cut off grades, top cuts and classification are all dependent on the style and nature of mineralisation being assessed. All Resources are reported under JORC 2012. No Ore Reserve estimation has been completed or announced to date at Triumph.

Material Changes
Mineral Resource Estimate above was updated post-year end on 15 July 2026.

Competent Person Statement
The information in this report that relates to Exploration Results is based on, and fairly represents, information compiled by Mr Matt Price, a Competent Person who is a Member of the Australian Institute of Geoscientists (AIG) and the Australian Institute of Mining and Metallurgy (AusIMM). Mr Price has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr Price consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources at Liontown is based on information compiled and reviewed by Mr Lyon Barrett who is a Member of the Australian Institute of Mining and Metallurgy (AusIMM) and is a Principal Geologist employed by Measured Group Pty Ltd. Mr Barrett has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Mineral Resources. Mr Barrett consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources at Plateau is based on information compiled and reviewed by Dr Damien Keys, who is a Member of the Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists (AIG). Dr Keys has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Mineral Resources. Dr Keys consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources at Waterloo and Orient is based on information compiled and reviewed by Mr Stuart Hutchin, who is a Member of the Australian Institute of Geoscientists (AIG) and is a Principal Geologist employed by Mining One Pty Ltd. Mr Stuart Hutchin has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Mineral Resources. Mr Stuart Hutchin consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

DIRECTORS' REPORT (CONTINUED)

SCHEDULE OF TENEMENT INTERESTS AS AT 30 JUNE 2026

Project	Tenement	Status	Beneficial Interest
Hodgkinson[#]	EPM 18171	Granted	100%
Hodgkinson[#]	EPM 19809	Granted	100%
Hodgkinson[#]	EPM 25139	Granted	100%
Hodgkinson[#]	EPM 27539	Granted	100%
Hodgkinson[#]	EPM 27574	Granted	100%
Hodgkinson[#]	EPM 27575	Granted	100%
Investigator	EPM 27343	Granted	100%
Investigator	EPM 27344	Granted	100%
Investigator	EPM 28369	Granted	100%
Lighthouse[##]	EPM 25617	Granted	40%
Lighthouse[##]	EPM 26705	Granted	40%
Ravenswood	EPM 10582	Granted	100%
Ravenswood	EPM 12766	Granted	100%
Ravenswood	EPM 14161	Granted	100%
Ravenswood	EPM 16929	Granted	100%
Ravenswood	EPM 18470	Granted	100%
Ravenswood	EPM 18471	Granted	100%
Ravenswood	EPM 18713	Granted	100%
Ravenswood	EPM 25815	Granted	100%
Ravenswood	EPM 25895	Granted	100%
Ravenswood	EPM 26041	Granted	100%
Ravenswood	EPM 26152	Granted	100%
Ravenswood	EPM 26303	Granted	100%
Ravenswood	EPM 26304	Granted	100%
Ravenswood	EPM 26718	Granted	100%
Ravenswood	EPM 27357	Granted	100%
Ravenswood	EPM 27520	Granted	100%
Ravenswood	EPM 27824	Granted	100%
Ravenswood	EPM 27825	Granted	100%
Ravenswood	EPM 28237	Granted	100%
Ravenswood	EPM 28240	Granted	100%
Ravenswood	EPM 29048	Granted	100%
Ravenswood	EPM 29049	Granted	100%
Ravenswood	EPM 29087	Granted	100%

Project	Tenement	Status	Beneficial Interest
Ravenswood	EPM 29215	Application	100%
Ravenswood	EPM 29426	Application	100%
Ravenswood	EPM 29427	Application	100%
Ravenswood	EPM 29428	Application	100%
Ravenswood	EPM 29431	Application	100%
Ravenswood	EPM 29432	Application	100%
Ravenswood	ML 10277	Granted	100%
Ravenswood	ML 100221	Application	100%
Ravenswood	ML 100290	Application	100%
Ravenswood	ML 100302	Application	100%
Sybil	EPM 26931	Granted	100%
Sybil	EPM 29251	Granted	100%
Sybil*	EPM 29218	Application	100%
Sybil	EPM 29247	Application	100%
Sybil	EPM 29248	Application	100%
Sybil	EPM 29433	Application	100%
Mt Moss**	EPM 27593	Granted	100%
Mt Moss**	EPM 27631	Granted	100%
Mt Moss**	EPM 27858	Granted	100%
Mt Moss**	ML 4487	Granted	100%
Mt Moss**	ML 4488	Granted	100%
Mt Moss**	ML 4489	Granted	100%
Mt Moss**	ML 4496	Granted	100%
Mt Moss**	ML 4497	Granted	100%
Mt Moss**	ML 4498	Granted	100%
Mt Moss**	ML 4499	Granted	100%
Mt Moss**	ML 4506	Granted	100%
Mt Moss**	ML 4507	Granted	100%
Mt Moss**	ML 10171	Granted	100%
Mt Moss**	ML 10359	Granted	100%

Subject to divestment to EQ Resources. Refer ASX: 9 June 2026.

Farm-In tenements. SHN has the capacity to earn 75% beneficial interest over 3 years. Refer ASX: 20 January 2023.

* Subject to transfer to SHN upon grant. Refer ASX: 27 May 2025.

** Pending transfer to SHN. Refer ASX: 30 April 2026 and 2 July 2026.

DIRECTORS' REPORT (CONTINUED)

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Other than what has been disclosed in the review of operations section, there has been no change in the state of affairs during the financial year.

DIVIDENDS

No dividends were paid or recommended for the year ended 30 June 2026.

EVENTS SUBSEQUENT TO REPORTING DATE

No matters or circumstances have arisen subsequent to the balance date which would significantly affect the operations of the Company, its operating results or its state of affair in the subsequent financial years.

COMPANY SECURITIES

The Company has the following securities on issue as at the date of the Directors' Report.

Security Description	Number of Securities
Fully paid shares	3,598,094,435

Unissued shares
As at the date of this report, there were the following unissued shares on issue:

Security Description	Number of Securities
Ordinary shares under options	263,020,621

Unlisted options on issue

Options exercisable at $0.021 expiring 27 November 2026	15,000,000
Options exercisable at $0.0225 expiring 7 July 2027	20,000,000
Options exercisable at $0.0225 expiring 30 June 2027	21,733,334
Options exercisable at $0.015 expiring 21 May 2027	94,587,287
Options exercisable at $0.0165 expiring 4 December 2027	9,500,000
Options exercisable at $0.018 expiring 13 June 2028	32,200,000
Options exercisable at $0.018 expiring 4 November 2028	35,000,000
Options exercisable at $0.0405 expiring 26 June 2029	35,000,000

Option holders do not have any right, by virtue of the options, to participate in any share issue of the Company or any related body corporate.

DIRECTORS' REPORT (CONTINUED)

Shares issued as a result of the exercise of options

During the financial year there were 102,313,957 ordinary shares issued as a result of the exercise of options (2025: Nil).

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Given that the nature of the Group's activities is exploration focused, no further information can be provided as to likely developments as such developments will depend on exploration success at the Group's various projects.

ENVIRONMENTAL REGULATION

The Group has assessed whether there are any particular or significant environmental regulations which apply. It has determined that the risk of non-compliance is low and has not identified any compliance breaches during the year.

DIRECTORS' INTERESTS IN SHARES AND OPTIONS OF THE COMPANY

At the date of this report, the directors' (and their associates) interests in shares and options of Sunshine Metals are:

	Number of Ordinary Shares	Number of Options
Alec Pismiris	24,173,611	12,000,000
Damien Keys	56,868,182	23,166,667
Joanne Bergamin	1,211,111	13,500,000
Fred White	6,925,926	9,500,000

CORPORATE GOVERNANCE

In recognising the need for high standards of corporate behavior and accountability, the directors support and have substantially adhered to the recommendations set by the ASX Corporate Governance Council. The Company's corporate governance statement can be viewed on the Company's website at www.shnmetals.com.au/investor-centre/corporate-governance/.

DIRECTORS' REPORT (CONTINUED)

INDEMNIFICATION AND INSURANCE OF DIRECTORS

The Company has, during or since the financial year, in respect of any person who is or has been an officer of the Company or a related body corporate, indemnified or made a relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings.

In addition, during or since the financial year, the Company has paid insurance premiums in respect of directors and officers liability and corporate reimbursement, for directors and officers of the Company. The insurance premiums relate to:
- any loss for which the directors and officers may not be legally indemnified by the Company arising out of any claim, by reason of any wrongful act committed by them in their capacity as a director or officer, first made against them jointly or severally during the period of insurance; and
- indemnifying the Company against any payment which it has made and was legally permitted to make arising out of any claim, by reason of any wrongful act, committed by any director or officer in their capacity as a director or officer, first made against the director or officer during the period of insurance.

The insurance policy outlined above does not allocate the premium paid to each individual officer of the Company and does not allow for disclosure of the premium.

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 on page 64.

NON-AUDIT SERVICES

The were no fees paid or payable to HLB Mann Judd during the year ended 30 June 2026 (2025: $Nil) for non-audit services.

DIRECTORS' REPORT (CONTINUED)

REMUNERATION REPORT (AUDITED)

This report outlines the remuneration arrangements in place for directors and executives of the Group, being the Key Management Personnel of the Group.

Remuneration policy

The remuneration policy has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and potentially offering specific long-term incentives based on key performance areas affecting the Group's ability to attract and retain the best executives and directors to run and manage the Group.

The Board's policy for determining the nature and amount of remuneration for directors and senior executives of the Group is set out below.

The remuneration policy setting out the terms and conditions for the executive directors and senior executives was developed by the Board.

Executive remuneration and other terms of employment are reviewed annually by the Board having regard to performance against goals set at the start of the year and relevant comparative information.

As well as a base salary, remuneration packages may include superannuation, retirement and termination entitlements, performance-related bonuses and fringe benefits.

Remuneration packages are set at levels that are intended to attract and retain executives capable of managing the Group's diverse activities.

Remuneration and other terms of employment for the directors have been formalised in service agreements as follows:

A. The Group has entered into an executive service agreement with managing director, Dr Damien Keys. The terms of the service agreement are set out as follows:
   - Commencement date: 24 November 2020
   - Term: two years (extended by a further 4 years on initial expiry)
   - Fixed remuneration: $315,000 per annum (exclusive of superannuation)
   - Termination for cause: no notice period
   - Termination without cause: three month notice period

REMUNERATION REPORT (AUDITED) (CONTINUED)

Remuneration policy (continued)

B. The Group has entered into agreements with non-executive directors. The terms of the agreements are set out as follows:
   - Term: no fixed term
   - Fixed remuneration: $45,000 per annum (exclusive of superannuation)
   - Termination for cause: no notice period
   - Termination without cause: no notice period

Remuneration of non-executive directors is determined by the Board within the maximum amount approved by the shareholders from time to time and which currently stands at $500,000 per annum.

The Board undertakes an annual review of its performance against goals set at the start of the year. The Board may exercise discretion in relation to approving incentives, bonuses and options. The policy is designed to attract high calibre of executives and to remunerate them for performance that results in long-term growth in shareholder wealth.

All remuneration paid to directors and executives is valued at the cost to the Group and expensed.

Performance-based remuneration

The Group currently has a performance-based remuneration component built into director and executive remuneration packages.

The Group has established an Employee Securities Incentive Plan ("Plan") that provides greater flexibility by allowing for the issuance of performance securities upon a determination by the Board that an eligible employee may participate in the Plan. Performance securities can include an option or performance share.

The Group received 98.7% "yes" votes on its remuneration report for the 30 June 2025 financial year.

The table below summarises the earnings of the Group and other factors. Shareholder wealth for the Group is largely driven by exploration success, Resource growth and share price increase. Factors that are considered to affect shareholder wealth for the 5 years to 30 June 2026 are shown below.

	2026	**2025**	**2024**	**2023**	**2022**
Loss after income tax attributable to shareholders ($)	(1,221,483)	(2,271,180)	(6,928,601)	(3,489,942)	(1,667,266)
Share price at year end ($)	0.028	0.011	0.013	0.014	0.028
Basic loss per share (cents)	(0.03)	(0.13)	(0.55)	(0.45)	(0.30)

The Company's Resource Statement is set out in the Directors' Report.

DIRECTORS' REPORT (CONTINUED)

REMUNERATION REPORT (AUDITED) (CONTINUED)

Key management personnel compensation

Details of the nature and amount of emoluments paid for each director are set out below:

	Primary Benefits	**Post Employment**	**Other**	**Share Based Payments**	**TOTAL**	**Performance Based**
	Salary & Fees	Super-annuation	Consulting	Options		
	$	$	$	$	$	%
Directors						
A Pismiris - Non-Executive Chairman						
2026	**50,400**	**-**	**-**	**138,846**	**189,246**	**73**
2025	50,175	-	-	-	50,175	-
D Keys – Managing Director						
2026	**315,000**	**37,800**	**-**	**260,334**	**613,134**	**42**
2025	300,000	34,500	-	-	334,500	-
J Bergamin – Non-Executive Director						
2026	**47,250**	**3,150**	**-**	**69,422**	**119,822**	**58**
2025	25,336	2,914	-	58,124	86,374(2)	67
F White – Non-Executive Director						
2026	**40,829**	**4,899**	**34,800**	**54,511**	**135,039(1)**	**40**
P Chapman – Non-Executive Director						
2026	**15,000**	**1,800**	**-**	**69,422**	**86,222(4)**	**81**
2025	45,000	5,175	-	-	50,175	-
L Davis – Non-Executive Director						
2026	**7,500**	**900**	**-**	**-**	**8,400(3)**	**-**
2025	45,000	5,175	-	-	50,175	-
A Torresan – Non-Executive Director						
2026	**7,500**	**900**	**-**	**138,845**	**147,245(3)**	**94**
2025	45,000	5,175	-	-	50,175	-
Total Remuneration:						
2026	**475,829**	**57,099**	**34,800**	**731,380**	**1,299,108**	**56**
2025	515,686	47,764	-	58,124	621,574	9

Notes:

(1) Appointed 5 August 2025.
(2) Appointed 9 November 2024.
(3) Resigned 31 August 2025.
(4) Resigned 31 October 2025.

There were no other related party transactions with key management personnel during the year ended 30 June 2026. As at 30 June 2026, $4,620 (30 June 2025: $4,599) was owed to Mr Pismiris; $4,620 was owed to Ms Bergamin; $38,280 was owed to Mr White and $Nil (30 June 2025: $4,599) was owed to Mr Torresan; for accrued directors' and consulting fees.

DIRECTORS' REPORT (CONTINUED)

REMUNERATION REPORT (AUDITED) (CONTINUED)

Remuneration Options

During the year ended 30 June 2026, the following remuneration options were issued to directors:

Director	No. of Options	Exercise Price	Expiry
A Pismiris	8,000,000	$0.018	4/11/2028
D Keys	15,000,000	$0.018	4/11/2028
J Bergamin	4,000,000	$0.018	4/11/2028
F White	9,500,000	$0.018	13/6/2028
P Chapman	4,000,000*	$0.018	4/11/2028
A Torresan	8,000,000*	$0.018	4/11/2028

* These options were issued after P Chapman and A Torresan resigned however relate to past services rendered while they were directors.

Refer to Note 25 for the value of these options, including assumptions used in determining the value.

Shareholdings by Directors (and Associates)

2026	Balance 01/07/25 (No. of Shares)	Received Remuneration (No. of Shares)	Acquired (No. of Shares)	Options Exercised (No. of Shares)	Net Other Change (No. of Shares)	Balance 30/06/26 (No. of Shares)
A Pismiris	21,062,500	-	3,111,111	-	-	24,173,611
D Keys	55,618,182	-	1,250,000	-	-	56,868,182
J Bergamin	100,000	-	1,111,111	-	-	1,211,111
F White	-	-	4,814,815	-	2,111,111**	6,925,926
P Chapman	64,758,031	-	-	-	(64,758,031)*	-
L Davis	44,991,515	-	-	-	(44,991,515)*	-
A Torresan	85,666,667	-	-	-	(85,666,667)*	-
Total	272,196,895	-	10,287,037	-	(193,305,102)	89,178,830

* Balance held on resignation.

** Balance held on appointment.

Options Holdings by Directors (and Associates)

2026	Balance 01/07/25 (No. Options)	Granted as Remuneration (No. Options)	No. of Options Acquired	No. of Options Exercised	Net Change Other (No. Options)	Balance 30/06/26 (No. Options)
A Pismiris	12,000,000	8,000,000	-	-	(8,000,000)**	12,000,000
D Keys	17,772,727	15,000,000	-	-	(9,606,060)**	23,166,667
J Bergamin	9,500,000	4,000,000	-	-	-	13,500,000
F White	-	9,500,000	-	-	-	9,500,000
P Chapman	14,034,343	-	-	-	(14,034,343)*	-
L Davis	13,606,060	-	-	-	(13,606,060)*	-
A Torresan	12,000,000	-	-	-	(12,000,000)*	-
Total	79,468,685	36,500,000	-	-	(57,246,463)	58,166,667

* Balance held on resignation.

** Expired.

End of remuneration report (audited).

SUNSHINE METALS LIMITED AND CONTROLLED ENTITIES

Signed in accordance with a resolution of the board of directors.

Dated at Perth this 24th day of September, 2026

Alec Pismiris
Director

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2026

	Note	Consolidated 2026 $	2025 $
Other income	2	1,076,067	36,695
Corporate expenses	3	(1,654,397)	(1,187,843)
Change in fair value of investments through profit or loss	9	99,511	(750,000)
Share based payments	25	(731,380)	(209,050)
Exploration expensed		-	(38,077)
Impairment of exploration	7	(11,284)	(122,905)
Loss before income tax		(1,221,483)	(2,271,180)
Income tax benefit	4	-	-
Loss for the year		(1,221,483)	(2, 271,180)
Other comprehensive income/(loss) for the year		-	-
Total comprehensive loss for the year		(1,221,483)	(2, 271,180)
Basic loss per share (cents per share)	20	(0.03)	(0.13)
Diluted loss per share (cents per share)	20	(0.03)	(0.13)

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

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026

	Note	Consolidated 2026 $	Consolidated 2025 $
Current Assets			
Cash and cash equivalents	5	20,572,497	1,921,716
Trade and other receivables	6	1,152,676	125,603
Prepayments		360,833	37,065
Inventory		200,000	-
Total Current Assets		22,286,006	2,084,384
Non-Current Assets			
Exploration and evaluation expenditure	7	24,865,102	15,232,461
Property, plant and equipment	8	19,381,174	146,870
Other financial assets	9	11,330	261,330
Security deposits		312,855	315,275
Total Non-Current Assets		44,570,461	15,955,936
Total Assets		66,856,467	18,040,320
Current Liabilities			
Trade and other payables	10	12,143,857	783,103
Lease liability	11	47,826	74,353
Employee leave liabilities	12	138,479	102,628
Total Current Liabilities		12,330,162	960,084
Non-Current Liabilities			
Lease liability	11	-	47,826
Provisions	13	7,555,000	1,555,000
Total Non-Current Liabilities		7,555,000	1,602,826
Total Liabilities		19,885,162	2,562,910
Net Assets		46,971,305	15,477,410
Equity			
Issued capital	14	69,604,177	38,359,736
Reserves	15	6,478,866	5,007,929
Accumulated losses		(29,111,738)	(27,890,255)
Total Equity		46,971,305	15,477,410

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

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2026

	Issued Capital	Share-Based Payments Reserve	Accumulated Losses	Total Equity
Consolidated	**$**	**$**	**$**	**$**
Balance at 01/07/2024	35,565,294	4,764,264	(25,619,075)	14,710,483
Total comprehensive income for the year				
Loss for the year	-	-	(2,271,180)	(2,271,180)
Total comprehensive loss for the year	-	-	(2,271,180)	(2,271,180)
Transactions with owners recorded directly into equity				
Share based payments	-	243,665	-	243,665
Issue of fully paid ordinary shares	3,000,000	-	-	3,000,000
Capital raising costs	(205,558)	-	-	(205,558)
Balance at 30/06/2025	38,359,736	5,007,929	(27,890,255)	15,477,410
Balance at 01/07/2025	38,359,736	5,007,929	(27,890,255)	15,477,410
Total comprehensive income for the year				
Loss for the year	-	-	(1,221,483)	(1,221,483)
Total comprehensive loss for the year	-	-	(1,221,483)	(1,221,483)
Transactions with owners recorded directly into equity				
Share based payments	-	1,470,937	-	1,470,937
Issue of fully paid ordinary shares	33,256,709	-	-	33,256,709
Capital raising costs	(2,012,268)	-	-	(2,012,268)
Balance at 30/06/2026	69,604,177	6,478,866	(29,111,738)	46,971,305

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

SUNSHINE METALS LIMITED AND CONTROLLED ENTITIES

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2026

	Note	Consolidated 2026 $	2025 $
Cash Flows from Operating Activities			
Payments to suppliers and employees		(1,945,012)	(874,386)
Interest received		205,316	36,725
Other income		634,302	-
Net Cash Used in Operating Activities	16(b)	(1,105,394)	(837,661)
Cash Flows from Investing Activities			
Payments for exploration expenditure		(5,385,754)	(4,505,768)
Proceeds from security deposit		(309,664)	27,500
Proceeds from disposal of financial assets		459,511	-
Payments for acquisition of project	28	(7,121,653)	-
Proceeds from sale of project	7	100,000	1,000,000
Net Cash Used in Investing Activities		(12,257,560)	(3,478,268)
Cash Flows from Financing Activities			
Gross proceeds from share issues		33,256,709	3,000,000
Costs of share issues		(1,242,974)	(156,195)
Net Cash Provided by Financing Activities		32,013,735	2,843,805
Net increase/(decrease) in cash and cash equivalents held		18,650,781	(1,472,124)
Cash and cash equivalents at the beginning of the financial year		1,921,716	3,393,840
Cash and cash equivalents at the end of the financial year	16(a)	20,572,497	1,921,716

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

NOTE 1: SUMMARY OF MATERIAL ACCOUNTING POLICIES

Sunshine Metals Limited is a listed public Company domiciled in Australia. The consolidated financial statements of the Company as at and for the year ended 30 June 2026 comprise the Company and its subsidiaries (referred to as the Group).

The material accounting policies, which have been adopted in the preparation of this financial report, have been applied consistently unless otherwise stated and are as follows:

(a) Basis of Preparation

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001.

The financial report was authorised for issue by the Board on 24 September 2026.

The financial report has been prepared on an accruals basis and is based on historical costs except for certain assets which are carried at fair value. Cost is based on the fair values of the consideration given in exchange for assets.

For the purpose of preparing the consolidated financial statements, the Company is a for-profit entity.

Going concern
The consolidated financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business. The going concern basis of preparation is dependent upon the Group maintaining sufficient funds for its operations and commitments.

The cash balance as at 30 June 2026 was $20,572,497 (30 June 2025: $1,921,716).

The Group made a loss after tax of $1,221,483 for the year ended 30 June 2026 (30 June 2025: loss of $2,271,180) and the net cash used in operating and investing activities for the year was $13,362,954 (30 June 2025: $4,315,929). In June 2026, the Group acquired the Mt Moss Project ("Mt Moss") for $20 million of which $10 million has been paid with the remaining $10 million cash payable on or by 11 April 2027. The Group is progressing refurbishment and engineering activities at Mt Moss with the plan for commissioning in mid-2027. Refurbishment and construction costs are estimated at approximately $30 million and the Group is in advanced discussions with debt providers to fund this construction.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

NOTE 1: SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(a) Basis of Preparation (continued)

The directors believe that the Group 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 financial report has been prepared on the assumption that the Group is a going concern for the following reasons:

- the ability of the Group to scale back parts of its operations and reduce costs if required; and
- the Board is of the opinion that the Group has, or shall have access to, sufficient funds to meet its planned activities for the continued exploration and eventual development of its projects and its planned corporate activities and working capital requirements. This will involve the raising of further funds required either through capital raisings or other funding sources, which the Board is confident of achieving.

In the event that the Group is unable to achieve the actions noted above, there is a material uncertainty that may cast significant doubt on the ability of the Group to continue as a going concern and as a result, it may be required to realise its assets at amounts different to those currently recognised, settle liabilities other than in the ordinary course of business and make provisions for other costs which may arise as a result of cessation or curtailment of normal business operations.

(b) Statement of Compliance

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial statements and notes comply with International Financial Reporting Standards (IFRS).

(c) New and Revised Accounting Standards and Interpretations adopted by the Group

The accounting policies have been consistently applied by the Group and are consistent with those in the June 2025 annual financial report except for the impact (if any) of new and revised standards and interpretations outlined below.

Standards and Interpretations applicable to 30 June 2026

The Directors have reviewed all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to the Group's operations and effective for the year ended 30 June 2026. As a result of this review, the Directors have determined that there is no material impact of these Standards and Interpretations and, therefore, no material change is necessary to Group accounting policies.

Standards and Interpretations on issue not yet effective

The Directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2026. As a result of this review, the Directors have determined that there is no material impact on the Group and, therefore, no change is necessary to current accounting policies.

NOTE 1: SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(d) Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent, Sunshine Metals Limited and all of the subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 19.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as “non-controlling interests”. The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of profit or loss and other comprehensive income.

Acquisitions of subsidiaries
Business combinations
In each transaction that results in the acquisition of a subsidiary, the Company determines if AASB 3 ‘Business Combinations’ shall apply to the transaction by assessing if the Company has acquired “business”. A business is an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing goods or services to customers, generating investment income (such as dividends or interest) or generating other income from ordinary activities. If the Company determines that the acquisition results in the acquisition of a business, then the Company applies the requirements of AASB 3 to the acquisition.

Asset acquisitions
If the Company determines that the acquired subsidiary does not constitute a business, then the transaction is accounted for as an acquisition of an asset (or group of assets) that does not constitute a business combination within the scope of AASB 3. In the acquisition of a group of assets, the cost of the acquisition is allocated between the individual assets and liabilities in the group based on their relative fair values at the date of acquisition.

NOTE 1: SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(e) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

(f) Plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

- Buildings - life of mine
- Right of use assets - lease term
- Plant and equipment - 5 to 7 years

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial period end.

Derecognition and disposal
An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

NOTE 1: SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(g) Share Based Payments

The fair value at grant date is independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the vesting and performance criteria, the impact of dilution, the non-tradable nature of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and risk free interest rate for the term of the option.

The fair value of the options granted excluded the impact of any non-market vesting condition (for example, exploration related targets). Non-market vesting conditions are included in assumption about the number of options that are expected to become exercisable. The employee benefit expense recognised each period takes into account the most recent estimate.

Upon the exercise of options, the balance of the share-based payments reserve relating to these options is transferred to share capital.

The market value of shares issued to employees for no cash consideration under the employee share scheme is recognised as an employee benefits expense with a corresponding increase in equity when the employees become entitled to the shares.

(h) Investments and other financial assets

Financial assets are recognised when the Group becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

Classification and initial measurement of financial assets
Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable). For the purpose of subsequent measurement, financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost;
- fair value through profit or loss (FVTPL);
- equity instruments at fair value through other comprehensive income (FVOCI); and
- debt instruments at fair value through other comprehensive income (FVOCI).

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

The classification is determined by both:

- the entity’s business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

NOTE 1: SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Investments and other financial assets (continued)

Subsequent measurement of financial assets

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit or loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply.

The category also contains an equity investment. The Group accounts for the investment at FVTPL and did not make the irrevocable election to account for the investment in unlisted equity securities at fair value through other comprehensive income (FVOCI). The fair value was determined in line with the requirements of AASB 9, which does not allow for measurement at cost.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Impairment of financial assets

AASB 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. Instruments within the scope of these requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under AASB 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The Group considers a broad range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

12-month expected credit losses are recognised for financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk while 'lifetime expected credit losses' are recognised for financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

The Group makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cashflows considering the potential default at any point during the life of the financial instrument. In calculating, the Group uses its historic experience, external indicators and forward-looking information to calculate expected credit losses.

NOTE 1: SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(i) Fair Value of Assets and Liabilities

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

Valuation Techniques
In the absence of an active market for an identical asset or liability, the Group selects and uses one or more valuation techniques to measure the fair value of the asset or liability. The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Group are consistent with one or more of the following valuation approaches:

- Market approach: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities;
- Income approach: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value; and
- Cost approach: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

NOTE 1: SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(i) Fair Value of Assets and Liabilities (continued)

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Group gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

Fair Value Hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 2
Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3
Measurements based on unobservable inputs for the asset or liability.

If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

The Group would change the categorisation within the fair value hierarchy only in the following circumstances:

(i) if a market that was previously considered active (Level 1) became inactive (Level 2 or Level 3) or vice versa; or
(ii) if significant inputs that were previously unobservable (Level 3) became observable (Level 2) or vice versa.

When a change in the categorisation occurs, the Group recognises transfers between levels of the fair value hierarchy (i.e. transfers into and out of each level of the fair value hierarchy) on the date the event or change in circumstances occurred.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

NOTE 1: SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Leases

At inception of a contract, the Company assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Company where the Company is a lessee. However, all contracts that are classified as short-term leases (i.e. a lease with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Company uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

i. fixed lease payments less any lease incentives;
ii. variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
iii. the amount expected to be payable by the lessee under residual value guarantees;
iv. the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
v. payments of penalties for terminating the lease if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date, as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Company anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

(k) Provision for rehabilitation

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

NOTE 1: SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(l) Critical Accounting Estimates and Judgments

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-based payment transactions
The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity. Refer to note 25 for further information.

Incremental borrowing rate
Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Group estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment. Refer to notes 8 and 11 for ROU assets and lease liabilities recognised for the Group's leasing arrangement.

Rehabilitation provision
A provision has been made for the present value of anticipated costs for future rehabilitation of land explored or mined. The Group's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. The Group recognises management's best estimate for assets retirement obligations and site rehabilitations in the period in which they are incurred. Actual costs incurred in the future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life of mine estimates and discount rates could affect the carrying amount of this provision.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

NOTE 1: SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(l) Critical Accounting Estimates and Judgments (continued)

Exploration and evaluation costs

Exploration and evaluation costs have been capitalised on the basis that the Group will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

NOTE 2: OTHER INCOME

	Consolidated	
	2026	2025
	$	$
Interest earned	215,974	36,695
Pluton dividend[(i)]	576,638	-
Gain on sale of Hodgkinson Project (note 7)	250,000	-
Other	33,455	-
Total	826,067	36,695

[(i)] As announced to ASX on 16 January 2026, on 9 January 2026, the Company was advised by the liquidator of Pluton Resources Limited (Receivers and Managers Appointed)(In Liquidation) that a first and final dividend had been declared to the unsecured creditors on shipments of iron ore from the Cockatoo Island Project at the rate of 55 cents in the dollar. The Company has been seeking payment of outstanding royalty payments completed during the 2015 financial year and interest on unpaid royalties. An amount of $634,302 (GST inclusive) was received.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

NOTE 3: EXPENSES AND GAINS/(LOSSES)

Significant Items	**Consolidated**	
Loss before income tax includes the following expenses whose disclosure is relevant in explaining the financial performance of the Group:	**2026** **$**	**2025** **$**
Included in corporate expenses		
Accounting and administration fees	122,440	112,350
Consulting and directors fees	431,553	310,095
Share register maintenance and listing fees	103,213	82,868
Legal fees	194,600	24,383
Business development	178,678	-

NOTE 4: INCOME TAX

The prima facie tax on loss before income tax is reconciled to the income tax as follows:		
Loss before income tax	(1,221,483)	(2,271,180)
Income tax calculated at 30% (2025: 30%)	(366,445)	(681,354)
Add back:		
Provisions	1,814,355	2,774
Capital raising costs	(179,991)	(122,154)
Fair value loss on investment	(29,853)	225,000
Share-based payments	219,414	62,715
Capitalised exploration immediately deductible	(1,389,792)	(584,410)
Capitalised exploration written off	(75,000)	36,872
Losses converted into JMEI tax credits	3,000,000	-
Future income tax benefits not brought to account	(2,992,688)	1,060,557
Income tax expense/(benefit)	-	-
Deferred tax assets:		
Capital raising costs	1,512,159	867,111
Provisions	2,317,644	503,288
Carried forward tax losses (including foreign tax losses)	6,720,085	7,912,773
	10,549,889	9,283,172
Deferred tax liabilities:		
Capitalised exploration costs	4,794,725	3,404,933
	4,794,725	3,404,933

The deductible temporary differences and tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits thereof.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

	Consolidated 2026 $	2025 $
NOTE 5: CASH AND CASH EQUIVALENTS		
Cash at bank	20,572,497	1,921,716
	20,572,497	1,921,716

	2026 $	2025 $
NOTE 6: TRADE AND OTHER RECEIVABLES		
Current		
Goods and services tax	1,002,676	125,603
Other (note 7)	150,000	-
	1,152,676	125,603

	2026 $	2025 $
NOTE 7: EXPLORATION AND EVALUATION EXPENDITURE		
Balance at the beginning of the period	15,232,461	13,284,429
Expenditure incurred during the period (net of grants received)	4,643,925	3,945,937
Acquisition of Mt Moss Project (note 28)	5,000,000	-
Acquisition of Sybil Project (ii)	-	125,000
Impairment of exploration assets	(11,284)	(122,905)
Disposal of Triumph Project (note 27)	-	(2,000,000)
Disposal of Hodgkinson Project(i)	-	-
Balance at the end of the period	24,865,102	15,232,461

(i) On 8 June 2026, the Company entered into an agreement to sell the Hodgkinson Project for a total consideration of $250,000 payable as $100,000 on execution and $150,000 on completion. The completion amount has been recorded as a receivable (note 6). The Project had a nil carrying value at 30 June 2026.

(ii) On 23 June 2025, the Company completed the acquisition of the Sybil Project. Under the terms of the acquisition the Company is liable for the following payments:

- $300,000 in Sunshine fully paid ordinary shares payable on announcement of a maiden JORC Resource of 100,000 oz Au (or equivalent) from Sybil;
- A further $300,000 in Sunshine fully paid ordinary shares payable on announcement of a maiden JORC Resource of 200,000 oz Au (or equivalent) from Sybil;
- $500,000 in Sunshine fully paid ordinary shares payable within 14 days of commencement of mining; and
- 1% Net Smelter Royalty on gold production after the first 300,000oz Au are produced. Sunshine retains a pre-emptive right to acquire the royalty.

The above amounts represent costs of areas of interest carried forward as an asset in accordance with the accounting policy set out in Note 1(e). The ultimate recoupment of deferred exploration and evaluation expenditure in respect of an area of interest is dependent upon the discovery of commercially viable reserves and the successful development and exploitation of the respective areas or alternatively sale of the underlying areas of interest for at least their carrying value.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

NOTE 8: PROPERTY, PLANT AND EQUIPMENT

	Consolidated 2026 $	Consolidated 2025 $
At cost	19,894,856	562,308
Accumulated depreciation	(513,682)	(415,438)
	19,381,174	146,870
Buildings		
Balance at the beginning of the period	-	-
Acquisition of Mt Moss Project (note 28)	1,130,000	-
Balance at the end of the period	1,130,000	-
Plant and equipment		
Balance at the beginning of the period	25,201	47,648
Additions	176,533	-
Acquisition of Mt Moss Project (note 28)	17,679,813	-
Depreciation expense	(26,628)	(22,447)
Balance at the end of the period	17,854,919	25,201
Right of use asset		
Balance at the beginning of the period	121,669	82,119
Additions	-	97,406
Depreciation – capitalised to exploration	(53,221)	-
Depreciation - expensed	(25,753)	(57,856)
Balance at the end of the period	42,695	121,669
Capital work-in-progress		
Balance at the beginning of the period	-	-
Additions	353,560	-
Balance at the end of the period	353,560	-
Total	19,381,174	146,870

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

	Consolidated	
	2026	2025
	$	$

NOTE 9: OTHER FINANCIAL ASSETS

Non-Current

	2026 $	2025 $
Listed investments at fair value (note 22)		
Investments in listed entities at fair value through profit or loss (FVTPL)		
Opening balance	261,330	11,330
Acquisition of investment[(i)]	-	1,000,000
Disposal of investment[(ii)]	(349,511)	-
Fair value adjustment	99,511	(750,000)
	11,330	261,330

(i) Refer to Note 27 for details of acquisition of investment in Dart Mining NL in the 2025 year.
(ii) The investment in Dart Mining NL was disposed of in the current year.
As at 30 June 2026, the Group held 755,321 shares in Pearl Gull Limited with a carrying value of $11,330.

NOTE 10: TRADE AND OTHER PAYABLES

	2026 $	2025 $
Trade payables and accrued expenses	2,143,857	783,103
Deferred payment on acquisition of Mt Moss Project (note 28)	10,000,000	-
	12,143,857	783,103

NOTE 11: LEASE LIABILITY

	2026 $	2025 $
Office operating lease		
Current	47,826	74,353
Non-Current	-	47,826
	47,826	122,179

The office lease began in March 2025 and is for a period of two years.

NOTE 12: EMPLOYEE LEAVE LIABILITIES

	2026 $	2025 $
Annual leave entitlements	138,479	102,628
	138,479	102,628

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

	Consolidated	
	2026	**2025**
	$	**$**
NOTE 13: PROVISIONS		
Provision for rehabilitation	7,555,000	1,555,000
	7,555,000	1,555,000
Balance at the beginning of the period(i)	1,555,000	1,555,000
Acquisition of Mt Moss Project (note 28)(ii)	6,000,000	-
Balance at the end of the period	7,555,555	1,555,000

(i) Xanadu Gold Project
The provision for the estimated costs to rehabilitate historical mining areas has been on a closure cost estimate methodology prepared by external mine closure consultants. The responsibility for and the amount of the obligation are subject to ongoing review and do not take into account commercial factors that could significantly reduce the actual work required and the cost of doing so. These factors are discussed in detail below.

In 2002, the Company acquired the mineral assets of Nugold Hill Mines Limited ("Nugold") pursuant to an acquisition agreement. The acquisition included the Xanadu Gold Project which comprised three mining leases and an exploration license ("Xanadu"). The Xanadu tenements were relinquished by the Company in 2009 and were subsequently acquired and explored by third parties thereafter. As a consequence of mining operations undertaken by Nugold prior to the Company's acquisition of Xanadu, there exists an obligation to rehabilitate the site of the historical mining activities. The Company has a security bond of $114,000 in place with the Department of Mines, Industry, Regulation and Safety ("DMIRS"). Mine closure consultants have provided a report to the Company which includes a costed plan to rehabilitate Xanadu as required by DMIRS. The costed plan forms the basis of the provision for rehabilitation.

The Company reserves its rights in relation to the rehabilitation obligation, if any. It should be noted that:
- the Company is undertaking a legal review to determine whether rehabilitation obligations were part of the Nugold acquisition;
- the Company is undertaking a review to determine what rehabilitation obligations arose from third party activities in the period from relinquishment in 2009 to 30 June 2026;
- the Company has not accepted the scope of the DMIRS rehabilitation obligations;
- Xanadu is subject to active exploration by third parties which may reduce the need for rehabilitation due to potential future mining activities;
- the rehabilitation obligation as estimated by using the DMIRS Rehabilitation Liability Estimate Calculator in the 2022 financial year was $357,000; and
- the costed plan does not consider the above factors and is subject to change.

Notwithstanding the above, the directors have taken a conservative approach and made provision for the closure cost estimate prepared by the mine closure consultants.

(ii) Mt Moss Project
The provision for the estimated costs to rehabilitate historical mining areas has been on a closure cost estimate methodology prepared by external mine closure consultants. The estimated costs include a 10 year inflationary element of 2.3%pa discounted to present values using a bond rate of 4.62%, with the result being rounded to $6,000,000.

	Consolidated	
	2026	2025
	$	$
NOTE 14: ISSUED CAPITAL		
(a) Issued Capital		
3,595,329,012 Ordinary shares fully paid (2025: 2,087,644,808)	69,604,177	38,359,736

(b) Movements in ordinary share capital of the Group:

Date	Details	No. of Shares	$
01/07/2024	Opening balance	1,587,644,808	35,565,294
03/04/2025	Placement – Tranche 1	396,666,667	2,380,000
21/05/2025	Placement – Tranche 2	103,333,333	620,000
	Less: capital raising costs	-	(205,558)
30/06/2025	Closing balance	2,087,644,808	38,359,736
01/07/2025	Opening balance	2,087,644,808	38,359,736
5/09/2025	Placement – Tranche 1	405,083,333	4,861,000
4/11/2025	Placement – Tranche 2	11,583,334	139,000
8/05/2026	Placement – Tranche 1	625,925,925	16,900,000
28/05/2026	Share Purchase Plan	284,999,876	7,694,997
26/06/2026	Placement – Tranche 2	77,777,779	2,100,000
	Options exercised	102,313,957	1,561,709
	Less: capital raising costs		(2,012,265)
30/06/2026	Closing balance	3,595,329,012	69,604,177

(c) Capital Risk Management

When managing capital, management's objective is to ensure the Group continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the Group.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, enter into joint ventures or sell assets.

The Group does not have a defined share buy-back plan.

No dividends were paid in 2026 (2025: Nil).

The Group is not subject to any externally imposed capital requirements.

NOTE 15: RESERVES

		Consolidated 2026 $	Consolidated 2025 $
(a)	**Composition**		
	Share-based payments reserve	6,478,866	5,007,929

(b) Movements in options on issue during the last two years were as follows:

Date	Details	No. of Unlisted Options	Exercise Price	Expiry Date
01/07/2024	Opening balance	351,673,945		
04/12/2024	Director options	9,500,000	$0.0165	04/12/2027
21/05/2025	Placement options	166,666,667	$0.015	21/05/2027
21/05/2025	Broker options	10,000,000	$0.009	21/05/2027
13/06/2025	Employee options	22,700,000	$0.018	13/06/2028
	Expired	(1,700,000)	$0.07	31/07/2024
30/06/2025	Closing balance	558,840,612		
01/07/2025	Opening balance	558,840,612		
5/08/2025	Director options	9,500,000	$0.018	13/06/2028
8/09/2025	Lead Manager options	15,000,000	$0.018	8/09/2028
4/11/2025	Director options	39,000,000	$0.018	4/11/2028
26/06/2026	Lead Manager options	35,000,000	$0.0405	26/06/2029
	Exercised	(102,313,957)	various	various
	Expired	(288,240,611)	$0.030	30/09/2025
	Expired	(1,000,000)	$0.030	2/11/2025
30/06/2026	Closing balance	265,786,044		

Refer to Note 25 for details of options issued during the year ended 30 June 2026.

(c) Nature and Purpose of Reserves

Share-Based Payments Reserve

The share-based payments reserve is the value of equity benefits provided to directors, employees and consultants by the Group as part of their remuneration. In addition, where the fair value of goods or services cannot be readily determined, the fair value of equity instruments issued in consideration for the good or service acquired may be recognised within the share-based payments reserve.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

NOTE 16: NOTES TO THE STATEMENT OF CASH FLOWS

	Consolidated	
	2026	**2025**
	$	**$**
a) Cash and cash equivalents at the end of the financial year as shown in the Statement of Cash Flows is reconciled to items in the Statement of Financial Position as follows:		
Cash and cash equivalents (Note 5)	20,572,497	1,921,716
b) Reconciliation of net cash and cash equivalents used in operating activities to loss for the year:		
Loss for the year	(1,221,483)	(2,271,180)
Gain on sale of exploration project	(250,000)	-
Exploration expensed	-	38,077
Depreciation expense	52,380	80,303
Change in fair value of investments	(99,511)	750,000
Impairment of exploration	11,284	122,905
Share based payment expense	731,380	209,050
Movements in assets and liabilities:		
(Increase)/Decrease in trade and other receivables	(1,027,753)	(680)
(Increase)/Decrease in other assets	(323,770)	(555)
Increase/(Decrease) in lease liabilities	(74,353)	35,721
Increase/(Decrease) in trade and other payables	1,096,432	198,698
Net cash used in operating activities	(1,105,394)	(837,661)

c) Non-cash investing and financing activities

The Company granted options to directors and the lead manager as part of their remuneration during the year ended 30 June 2026. Refer note 25.

In 2025, a portion of the proceeds received by the Company from the sale of the Triumph Project comprised $1 million in Dart Mining NL fully paid shares valued at $0.012 each. Refer note 27.

NOTE 17: KEY MANAGEMENT PERSONNEL

This note is to be read in conjunction with the Remuneration Report which is included in the Directors' Report.

(a) Compensation of Key Management Personnel

	Consolidated	
	2026	**2025**
	$	**$**
Compensation by category:		
Short-term	518,279	515,686
Post-employment	49,449	47,764
Share based payments	731,380	58,124
	1,299,108	621,574

(b) Transactions with Key Management Personnel

There were no transactions with key management personnel during the year ended 30 June 2026. As at 30 June 2026, $4,620 (30 June 2025: $4,599) was owed to Mr Pismiris; $4,620 (30 Jun 2025: $Nil) was owed to Ms Bergamin; $38,280 was owed to Mr White and $Nil (30 June 2025: $4,599) was owed to Mr Torresan for accrued directors' and consulting fees.

NOTE 18: REMUNERATION OF AUDITORS

Audit and review services – HLB Mann Judd	39,000	35,759
	39,000	35,759

NOTE 19: INTEREST IN SUBSIDIARIES

(a) Information about Principal Subsidiaries

The consolidated financial statements include the financial statements of Sunshine Metals Limited and the subsidiaries listed in the following table:

		Equity Interest	
	Country of Incorporation	**2026 %**	**2025 %**
Sunshine (Triumph) Pty Ltd	Australia	100	100
Sunshine (Ravenswood) Pty Ltd	Australia	100	100
Sunrise Exploration Pty Ltd	Australia	100	100
Sunshine Minerals Pty Ltd	Australia	100	100

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

NOTE 20: LOSS PER SHARE

The following reflects the income and data used in the calculations of basic and diluted loss per share:

	Consolidated	
	2026	**2025**
	$	**$**
Loss used in calculating basic and diluted loss per share	(1,221,483)	(2,271,180)
	Number of Shares	**Number of Shares**
Weighted average number of ordinary shares used in calculating:		
Basic loss per share	2,609,630,676	1,695,973,575
Diluted loss per share	2,609,630,676	1,695,973,575

NOTE 21: SEGMENT INFORMATION

Business Segments

The directors have considered the requirements of AASB 8 – Operating Segments and the internal reports that are reviewed by the chief operating decision maker (the Board) in allocating resources and have concluded that at this time there are no separate identifiable business segments.

The operations and assets of Sunshine Metals Limited and its controlled entities are employed in exploration activities relating to minerals in Australia.

NOTE 22: RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise cash and short-term deposits, short-term loans and investments in unlisted entities.

The main purpose of these financial instruments is to finance the Group's operations. The Group has various other financial assets and liabilities such as other receivables and trade payables, which arise directly from its operations. It is, and has been throughout the entire period under review, the Group's policy that trading in financial instruments may be undertaken.

The main risks arising from the Group's financial instruments is cash flow interest rate risk, foreign exchange risk and market price risk. Other minor risks are either summarised below or disclosed at Note 14(c) in the case of capital risk management. The Board reviews and agrees policies for managing each of these risks.

NOTE 22: RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Cash Flow Interest Rate Risk

The Group's exposure to the risks of changes in market interest rates relates primarily to the Group's short-term deposits with a floating interest rate. These financial assets with variable rates expose the Group to cash flow interest rate risk. All other financial assets and liabilities in the form of receivables and payables are non-interest bearing. The Group does not engage in any hedging or derivative transactions to manage interest rate risk.

The Group has not entered into any hedging activities to cover interest rate risk. In regard to its interest rate risk, the Group does not have a formal policy in place to mitigate such risks.

The following tables set out the carrying amount by maturity of the Group's exposure to interest rate risk and the effective weighted average interest rate for each class of these financial instruments. There were no fixed interest rate financial assets held by the Group (2025: nil).

2026	**Non-Interest Bearing $**	**Floating Interest Rate $**	**Fixed Interest Rate $**	**Total $**	**Weighted Average Effective Interest Rate %**
Financial Assets					
- Cash and cash equivalents	-	20,572,497	-	20,572,497	2.5
- Deposits held	198,855	-	114,000	312,855	5.4
- Unlisted investments	11,330	-	-	11,330	-
Total Financial Assets	210,185	20,572,497	114,000	20,896,682	
Financial Liabilities					
- Trade and other payables	12,143,857	-	-	12,143,857	-
- Lease liability	-	-	47,826	47,826	6
Total Financial Liabilities	12,143,857	-	47,826	12,191,683	
Net Financial Assets / (Liabilities)	(11,933,672)	20,572,497	66,174	8,704,999	

NOTE 22: RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Cash Flow Interest Rate Risk

2025	Non-Interest Bearing $	Floating Interest Rate $	Fixed Interest Rate $	Total $	Weighted Average Effective Interest Rate %
Financial Assets					
- Cash and cash equivalents	1,911,716	-	10,000	1,921,716	-
- Deposits held	-	315,275	-	315,275	1.4
- Unlisted investments	261,330	-	-	261,330	-
Total Financial Assets	2,173,046	315,275	10,000	2,498,321	
Financial Liabilities					
- Trade and other payables	783,103	-	-	783,103	-
- Lease liability	-	-	122,179	122,179	6
Total Financial Liabilities	783,103	-	122,179	905,282	
Net Financial Assets / (Liabilities)	1,389,943	315,275	(112,179)	1,593,039	

Interest Rate Sensitivity

At 30 June 2026, the effect on the Group's loss and equity as a result of changes in the interest rates, with all other variables remaining constant, would be as follows:

	2026 Interest rate risk		2025 Interest rate risk	
	+ 1.0%	-1.0%	+ 1.0%	-1.0%
Financial assets				
Cash at bank	**205,725**	**(205,725)**	19,217	(19,217)
Security deposits	**3,128**	**(3,128)**	3,153	(3,153)
	208,853	**(208,853)**	22,370	(22,370)

NOTE 22: RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity Risk

The Group manages liquidity risk by maintaining sufficient cash reserves and marketable securities and through the continuous monitoring of budgeted and actual cash flows.

	Consolidated	
	2026 $	2025 $
Contracted maturities of undiscounted liabilities at 30 June		
Payables		
- less than 30 days	2,143,857	783,103
- between 30 days to 12 months	10,000,000	-
Lease liability		
- less than 12 months	47,826	74,353
- between 1 to 2 years	-	47,826
- between 2 to 5 years	-	-
	12,191,683	905,282

Market Price Risk

The Group is exposed to equity price risk which arises from equity securities at fair value through profit or loss (FVTPL).

The Group is exposed to market price risk arising from investments in other companies carried at fair value. At 30 June 2026, if the fair value of investments in other companies had changed by 10% during the entire year with all other variables held constant, profit/(loss) for the year and equity would have been $1,130 (2025: $100,000) lower/higher. The Group holds shares in Pearl Gull Limited which are listed and held at fair value.

Net Fair Values

For assets and other liabilities the net fair value approximates their carrying value.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to and forming part of the financial statements.

NOTE 22: RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Financial Instruments

The following table presents the Group's assets and liabilities measured and recognised at fair value:

30 June 2026	**Level 1**	**Level 2**	**Level 3**	**Total**
	$	**$**	**$**	**$**
Equity investments at FVTPL	11,330	-	-	11,330

30 June 2025	**Level 1**	**Level 2**	**Level 3**	**Total**
Asset	**$**	**$**	**$**	**$**
Equity investments at FVTPL	261,330	-	-	261,330

Valuation techniques
The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting period. The valuation of equity investments is classified as Level 1 in the Fair Value Hierarchy. Fair value is based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

NOTE 23: EVENTS SUBSEQUENT TO REPORTING PERIOD

No matters or circumstances have arisen subsequent to the balance date which would significantly affect the operations of the Company, its operating results or its state of affair in the subsequent financial years.

NOTE 24: CONTINGENT LIABILITIES

The Group has no known material contingent liabilities at the end of the financial year.

NOTE 25: SHARE BASED PAYMENTS

The following share-based payment transactions occurred or were recognised during the year:

- 9,500,000 options exercisable at $0.018 expiring 13 June 2028 were issued to a director. These options were valued at $54,511 and were fully expensed.
- 15,000,000 options exercisable at $0.018 expiring 8 September 2028 were issued to the Lead Manager in relation to the September 2025 placement. These options were valued at $183,493 and recognised as a cost of capital raising.
- 39,000,000 options exercisable at $0.018 expiring 4 November 2028 were issued to directors. These options were valued at $676,869 and were fully expensed.
- 35,000,000 options exercisable at $0.0405 expiring 26 June 2029 were issued to the Lead Manager in relation to the April 2026 placement. These options were valued at $556,064 and recognised as a cost of capital raising.

All share options issued during the year vested immediately. An amount of $731,380 (2025: $209,050) relating to options issued to directors was recognised as a share-based payment expense. An amount of $739,557 (2025: $31,615) relating to options issued to lead managers was recognised as a capital raising cost.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

NOTE 25: SHARE BASED PAYMENTS (CONTINUED)

Fair values of share options issued are determined using the Black-Scholes model based on information available as at the measurement date, considering the exercise price, term of option, the share price at grant date, expected price volatility of the underling share, expected yield and the risk-free interest rate for the term of the option. Valuation assumptions for all share options issued during the period were:

Measurement date	5/8/2025	8/9/2025	31/10/2025	26/6/2026
Issue date	5/8/2025	8/9/2025	4/11/2025	26/6/2026
Expiry date	13/6/2028	8/9/2028	4/11/2028	26/6/2029
Dividend yield	Nil	Nil	Nil	Nil
Expected volatility	100%	100%	100%	100%
Risk-free interest rate	3.47%	3.47%	3.47%	4.45%
Expected life of options (years)	2.9 years	3 years	3 years	3 years
Underlying share price	$0.011	$0.019	$0.025	$0.028
Option exercise price	$0.018	$0.018	$0.018	$0.0405
Value of option	$0.00574	$0.01223	$0.01736	$0.01589
Number of options issued	9,500,000	15,000,000	39,000,000	35,000,000
Value of options	$54,511	$183,493	$676,869	$556,064
Amount expensed during the year	$54,511	-	$676,869	-
Amount recognised in equity during the year	-	$183,493	-	$556,064

NOTE 26: PARENT ENTITY DISCLOSURES

The accounting policies of the Parent Entity are consistent with those of the Group as disclosed in Note 1, except for Investment in Subsidiaries, which are accounted for at cost less impairment.

(a) Financial Position

	2026 $	2025 $
Current Assets	655,061	1,973,668
Total Assets	55,629,563	17,294,169
Current Liabilities	678,422	213,933
Total Liabilities	2,233,422	1,816,759
Equity		
Issued capital	69,604,177	38,359,736
Reserves	6,479,866	5,007,929
Accumulated losses	(29,111,738)	(27,890,255)
Total Equity	46,971,305	15,477,410

(b) Financial Performance

Loss for the year	(1,221,483)	(2,397,680)
Other comprehensive income	-	-
Total Comprehensive Loss	(1,221,483)	(2,397,680)

NOTE 26: PARENT ENTITY DISCLOSURES (CONTINUED)

(c) Guarantees

The parent entity has not entered into any guarantees, in relation to the debts of subsidiaries.

(d) Contingent liabilities

The parent entity has no known material contingent liabilities at the end of the financial year.

(e) Commitments for expenditure

The parent entity has not entered into any commitments for expenditure as at the end of the financial year.

(f) Recoverability of non-current assets

The recoverability of non-current assets is dependent upon the discovery of commercially viable reserves and successful development and exploitation of the respective areas or alternatively sale of the underlying areas of interest (exploration and evaluation).

NOTE 27: SALE OF TRIUMPH PROJECT

In the previous financial year (26 August 2024), the Company entered into a binding sale and purchase agreement with Dart Mining NL (“Dart”), to divest the Triumph Gold Project (“Triumph”) for a total consideration of $2 million, comprised of $1 million in cash and $1 million in Dart fully paid ordinary shares. A $50,000 deposit was received on execution of the agreement. Completion occurred on 6 December 2024 and the Company received $950,000 cash and 83,333,333 Dart fully paid ordinary shares valued at $0.012 each representing the price at which the capital raising undertaken by Dart associated with the transaction was completed.

NOTE 28: ACQUISITION OF MT MOSS PROJECT

On 28 April 2026, the Company entered into an agreement to acquire the Mt Moss Project (“Mt Moss”) for a cash consideration of $18 million (including a deferred payment of $10 million), a $7/tonne royalty on magnetite produced from Mt Moss and assumption of existing environmental rehabilitation obligations. Completion occurred on 15 June 2026 and the deferred payment of $10 million is due on or by 11 April 2027.

Accounting standard applied
The acquisition of Mt Moss has been accounted for as an asset acquisition. The acquisition does not meet the definition of a business combination in accordance with AASB 3 Business Combinations (as Mt Moss is considered for accounting purposes not to be a business).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

NOTE 28: ACQUISITION OF MOUNT MOSS PROJECT (CONTINUED)

The cash consideration paid or payable is set out as follows:

	$
Exclusivity fee	200,000
Deposit on execution of binding agreement	150,000
Completion payment paid	6,771,653
Completion payment payable	888,160
Deferred payment (due on or by 11 April 2027)(note 10)	10,000,000
	18,009,813

The fair value of the consideration paid and allocation to net identifiable assets is as follows:

	$
Fair value of net identifiable assets acquired:	
Inventory	200,000
Exploration and evaluation expenditure	5,000,000
Buildings	1,130,000
Plant and equipment	17,679,813
Rehabilitation liability	(6,000,000)
Magnetite royalty(i)	-
	18,009,813

(i) No value has been attributed to the magnetite royalty due to exploration activities of the Company not yet being at a stage to determine if the royalty will be paid.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

Name of entity	Type of entity	Trustee, partnership or participant in joint venture	% of share capital held	Country of incorporation	Australian resident or foreign resident (for tax purposes)	Foreign tax jurisdiction(s) of foreign residents
Sunshine Metals Limited	Body corporate	n/a	n/a	Australia	Australia	Australia
Sunshine (Triumph) Pty Ltd	Body corporate	n/a	100	Australia	Australia	Australia
Sunshine (Ravenswood) Pty Ltd	Body corporate	n/a	100	Australia	Australia	Australia
Sunrise Exploration Pty Ltd	Body corporate	n/a	100	Australia	Australia	Australia
Sunshine Minerals Pty Ltd	Body corporate	n/a	100	Australia	Australia	Australia

Basis of Preparation

This Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the Corporations Act 2001, reflecting the amendments to section 295(3A)(vi) and (vii) which clarify the definition of a foreign resident as being an entity that is treated as a resident of a foreign country under the tax laws of that foreign country. These amendments apply for financial years beginning on or after 1 July 2024. The CEDS includes certain information for each entity that was part of the consolidated entity at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

Determination of Tax Residency

Section 295(3B)(a) of the Corporation Acts 2001 defines Australian resident as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency. Section 295 (3A)(a)(vii) requires the determination of tax residency in a foreign jurisdiction to be based on the law of the foreign jurisdiction relating to foreign income tax.

In determining tax residency, the consolidated entity has applied the following interpretations:

- Australian tax residency - The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

SUNSHINE METALS LIMITED AND CONTROLLED ENTITIES

DIRECTORS' DECLARATION

1. In the opinion of the Directors:

   a. the accompanying financial statements, notes and additional disclosures are in accordance with the Corporations Act 2001 including:

      i. giving a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the year then ended; and

      ii. complying with Accounting Standards and Corporations Regulations 2001;

   b. the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board;

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

   d. the consolidated entity disclosure statement is true and correct.

2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2026.

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

Alec Pismiris
Director
Dated this 24th day of September 2026

HLB MANN JUDD
ADVISORY AND ACCOUNTING

INDEPENDENT AUDITOR'S REPORT

To the Members of Sunshine Metals Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Sunshine Metals Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2026, 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 year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 30 June 2026 and of its financial performance for the year then ended; and

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1(a) in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matter
Capitalised exploration and evaluation expenditure Refer to note 7	
In accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources,* the Group's accounting policy is to capitalise all costs associated with the acquisition and exploration of its mineral resources. As at 30 June 2026, the Group capitalised exploration and evaluation expenditure balance was $24,865,102. We considered this to be a key audit matter as it is material, required subjective judgement from management and is important to users' understanding of the financial statements as a whole.	Our procedures included, but were not limited to: – Obtaining an understanding of the processes associated with management's review of the carrying values of each area of interest; – Considering management's assessment of potential impairment indicators in addition to making our own assessment; – Obtaining evidence that the Group has current rights to tenure over its areas of interest; – Considering the nature and extent of planned ongoing activities; – Performing substantive procedures over a sample of additions during the period; and – Considering the adequacy of disclosures made in the financial report.
Accounting for the Mt Moss project acquisition Refer to note 28	
During the year to 30 June 2026, the Group completed the acquisition of the Mt Moss project from Mt Moss Mining Pty Ltd. The total cash consideration for the acquisition was $18,009,813 and the Group also assumed the rehabilitation liability for the site which management valued at $6,000,000. The Group has accounted for the transaction as an asset acquisition and allocated the fair value of the consideration paid across the assets acquired. We considered this to be a key audit matter as management judgement was required in determining the appropriate accounting treatment and allocating the purchase price across the assets acquired. Additionally, this area required the most auditor effort and communication with management.	Our procedures included, but were not limited to: – Obtaining an understanding of the processes associated with management's review of the accounting for the acquisition; – Reviewing the acquisition agreement and performing our own accounting assessment to ensure the requirements of the standards were appropriately applied; – Reviewing the method of purchase price allocation to ensure the initial measurement and recognition requirements of AASB 116 Property, Plant and Equipment were appropriately applied; and – Considering the adequacy of disclosures in the financial report.

Mt Moss rehabilitation provision Refer to note 13	
As part of the Mt Moss project acquisition, the Group assumed the rehabilitation liability for the site which management valued at $6,000,000. The provision is material and required significant estimation by management of future costs. The determination of the provision required management's judgement in relation to estimating the costs of performing the work required, including volume and unit rates, the timing of cash flows and the appropriate inflation and discount rates.	Our procedures included, but were not limited to: – Assessing the competence and objectivity of the expert used by management in the preparation of the cost model; – Evaluating management's cost model and critically assessed the reasonableness of key assumptions and their impact, including inflation and discount rates; – Recalculating the value of the rehabilitation provision; and – Assessing the appropriateness of the disclosures made in the financial report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2026, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

(a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and

(b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

(a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

(b) the consolidated entity disclosure statement that is true and correct and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

HLB MANN JUDD
ADVISORY AND ACCOUNTING

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report included within the Directors' Report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of Sunshine Metals Limited for the year ended 30 June 2026 complies with Section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with Section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

L Di Giallonardo
Partner

Perth, Western Australia
24 September 2026

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Sunshine Metals Limited for the year ended 30 June 2026, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b) any applicable code of professional conduct in relation to the audit.

Perth, Western Australia
24 September 2026

L Di Giallonardo
Partner

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ASX ADDITIONAL INFORMATION

QUOTED SECURITIES

(a) ORDINARY FULLY PAID SHARES

(i) DISTRIBUTION OF SHAREHOLDERS AS AT 21 SEPTEMBER 2026:

SPREAD OF HOLDINGS	NO. OF HOLDERS	NO. OF SHARES	PERCENTAGE OF ISSUED CAPITAL %
1 – 1,000	78	22,425	0.00%
1,001 - 5,000	39	113,656	0.00%
5,001 - 10,000	57	481,410	0.01%
10,001 - 100,000	1,551	77,735,035	2.16%
100,001+	1,930	3,519,741,909	97.82%
	3,655	3,598,094,435	100.00%

The number of shareholdings held in less than marketable parcels is 216 (based on the last sale price of $0.039 on 21 September 2026).

(ii) TOP 20 HOLDERS OF ORDINARY FULLY PAID SHARES:

The names of the twenty largest shareholders of ordinary fully paid shares are listed below:

	NAME	NO. OF ORDINARY SHARES HELD	PERCENTAGE OF ISSUED SHARES %
1	LION SELECTION GROUP LIMITED	341,089,466	9.48%
2	FARJOY PTY LTD	111,111,111	3.09%
3	SNOWBALL 3 PTY LTD <ANTONIO TORRESAN SUPER A/C>	109,555,555	3.04%
4	CITICORP NOMINEES PTY LIMITED	99,596,036	2.77%
5	STONE PONEYS NOMINEES PTY LTD <CHAPMAN SUPER FUND A/C>	57,536,364	1.60%
6	MR DAMIEN LESLIE KEYS & MRS AMY DAWN KEYS <THE ADK FAMILY A/C>	48,800,000	1.36%
7	MR LESLIE BRIAN DAVIS & MRS ANNETTE FAY DAVIS <LB & AF DAVIS SUPER FUND A/C>	43,491,515	1.21%
8	MAINVIEW HOLDINGS PTY LTD <NO 2 A/C>	41,518,520	1.15%
9	P D CRUTCHFIELD PTY LTD <CRUTCHFIELD SUPER FUND A/C>	39,537,038	1.10%
10	MR TIMOTHY FRANK ROBERTSON	37,037,038	1.03%
10	LIZENG PTY LTD	37,037,038	1.03%
11	MR GREGORY SEGAL	36,000,000	1.00%
12	CLEVELAND BAY HOLDINGS PTY LTD	34,775,633	0.97%
13	FORGAN INVESTMENTS PTY LTD	34,628,574	0.96%
14	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	33,767,626	0.94%
15	MONSLIT PTY LTD <ANTHONY TORRESAN A/C>	31,666,667	0.88%
16	CAMPBELL KITCHENER HUME & ASSOCIATES PTY LTD <C K H SUPERFUND A/C>	31,000,000	0.86%
17	P D CRUTCHFIELD PTY LTD <CRUTCHFIELD SUPER FUND A/C>	30,188,236	0.84%
18	MR ERIC ANTHONY FREDERICK BENNIK	28,349,224	0.79%
19	RUDIE PTY LTD <MATTANI SUPER FUND A/C>	26,478,229	0.74%
20	CORD INVESTMENTS PTY LTD <ANDREW C FERGUSON S/F A/C>	25,465,000	0.71%
	Total	**1,278,628,870**	**35.54%**

(iii) VOTING RIGHTS

Article 12.13 of the Constitution specifies that on a show of hands every member present in person, by attorney or by proxy shall have:

(a) for every fully paid share held by him one vote; and

(b) for every share which is not fully paid a fraction of the vote equal to the amount paid up on the share over the nominal value of the shares.

(iv) SUBSTANTIAL SHAREHOLDERS

Name	Ordinary Shares	
	No.	%
Lion Selection Group Limited	341,089,466	9.48
Torresan Group	191,240,742	5.32

(b) UNQUOTED SECURITIES

(i) UNLISTED OPTIONS ON ISSUE

Options exercisable at $0.021 expiring 27 November 2026	15,000,000
Options exercisable at $0.0225 expiring 7 July 2027	20,000,000
Options exercisable at $0.0225 expiring 30 June 2027	21,733,334
Options exercisable at $0.015 expiring 21 May 2027	94,587,287
Options exercisable at $0.0165 expiring 4 December 2027	9,500,000
Options exercisable at $0.018 expiring 13 June 2028	32,200,000
Options exercisable at $0.018 expiring 4 November 2028	35,000,000
Options exercisable at $0.0405 expiring 26 June 2029	35,000,000

CORPORATE GOVERNANCE STATEMENT

Sunshine Metals Limited and the Board are committed to achieving and demonstrating high standards of corporate governance. Sunshine Metals Limited has modelled its corporate governance policies against the Corporate Governance Principles and Recommendations (4^{th} edition) published by the ASX Corporate Governance Council.

The 2026 corporate governance statement was approved by the board on 24 September 2026 and is current as at 24 September 2026. A description of the Group's current corporate governance practices is set out in the Group's Corporate Governance Statement which can be viewed at www.shnmetals.com.au/investor-centre/corporate-governance/.